

BOARD CHARTER – AEON CREDIT SERVICE (M) BERHAD

1. INTRODUCTION

The Board Charter is a charter of the Board of Directors (Board) of AEON Credit Service (M) Berhad (“AEON Credit” or “the Company”).

The Board is accountable to shareholders and other stakeholders for the proper corporate governance and performance of the Company and is committed to strengthen the Company’s sustainability and organisational effectiveness.

The Board Charter sets out, among others, the principal role of the Board and the demarcation of the roles, responsibilities and powers of the Board, various Board Committees and senior management of the Company. In addition, the Board Charter also serves as a general statement of intent on how the Board discharges its duties and responsibilities and assesses its own performance and of its individual Directors.

This Board Charter has been endorsed by the Board and is subject to review by the Board from time to time, to ensure relevance and compliance.

2. ROLE AND FUNCTION OF BOARD & BOARD COMMITTEES

2.1 Board Composition

2.1.1 Number of Directors

The Articles of Association specifies that the number of Directors shall not be less than two (2) nor more than twenty (20). The Board has power under the Articles of Association to appoint a Director to fill a casual vacancy or as an additional Director.

2.1.2 Independence and Composition

- (i) The Board should have at least two (2) Independent Directors or 1/3 of the Board of Directors who are Independent Directors, whichever is higher;
- (ii) The Chairman must be a non-executive member of the Board; and
- (iii) Where the Chairman is not an Independent Director, the Board should comprise a majority of Independent Directors to ensure balance of power and authority on the Board.

2.2 Roles of the Board/Terms of Reference

The Board is the ultimate decision-making body of the Company, with the exception of matters requiring shareholders’ approval. It sets the strategic direction and vision of the Company. The Board takes full responsibility in leading, governing, guiding and monitoring the entire performance of the Company and enforces standards of accountability, all with a view to enabling Management to execute its responsibilities effectively and efficiently.

The Board has overall responsibility for putting in place a framework of good corporate governance within the Company, including the processes for financial reporting, risk management, internal control and compliance. Board members bring their independent

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judgement, diverse knowledge and experience in deliberations on issues pertaining to strategy, performance, resources and business conduct.

The Board has adopted a schedule of matters specifically reserved for its approval which include, amongst others, reviewing and approving the following:

- (i) Business strategy and annual business plan/budget;
- (ii) Enterprise-wide risk management framework (“ERMF”) and risk strategy
- (iii) Raising or restructuring of equity or debt capital and bank borrowings;
- (iv) New investments, divestments, establishment of subsidiaries or joint ventures, and any other corporate exercise which requires approval of shareholders;
- (v) Acquisition or disposal of significant assets outside the ordinary course of business;
- (vi) Acquisition of equipment or assets exceeding threshold under management approval;
- (vii) Related party transactions;
- (viii) Unaudited quarterly financial results and audited annual financial statements; and
- (ix) Appointment of new Directors, including setting the relevant terms of service and level of remuneration, subject to approval of shareholders where necessary.

The principal responsibilities of the Board are as follows:

- Develop, review and revise the Company’s long-term strategic plans;
- Provide clear objectives and policies to senior management for operations;
- Oversee the conduct and proper management of the Company’s businesses;
- Review and approve the Company’s annual budget and business plan; and
- Ensure establishment of appropriate risk management framework and risk strategy as well as adequate management information and internal control system of the Company;
- Ensure compliance by the Company with relevant laws and regulations.
- Approve transactions and activities outside the discretionary powers of senior management, subject to shareholders’ approval where necessary.

The principal responsibilities as set out above are in line with the Board responsibilities as required under the Malaysian Code on Corporate Governance (“the Code”), as follows:

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- Reviewing and adopting a strategic plan for the Company.
- Overseeing the conduct of the Company's business to determine whether the business is being properly managed.
- Identifying principal risks, setting of risk appetites, and ensuring the implementation of appropriate internal controls and mitigation measures.
- Succession planning, including ensuring all candidates appointed to senior management positions are of sufficient calibre and programmes are in place to provide for the orderly succession of senior management.
- Overseeing the development and implementation of shareholder communications policy for the Company.
- Reviewing the adequacy and the integrity of the Company's management information and internal control systems.

Certain principal responsibilities of the Board mentioned have been delegated by the Board to several Board Committees, in line with the Code and best corporate governance practices. While the Board Committees have the authority to examine particular issues, they will report to the Board with their decisions and/or recommendations and the ultimate responsibility on all matters lies with the entire Board.

2.3 Role of Independent Directors and Non-Executive Directors

The Independent Non-Executive Directors are independent of management and free from any business or other relationships that could materially interfere with the exercise of their independent judgment. They ensure that the interests of all shareholders are taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

The Non-Executive Directors do not participate in the day-to-day management of the Company and do not engage in any business transaction or other relationships with the Company so as to ensure that they exercise their independent judgment and act in the best interest of the Company.

2.4 Separation of position of Chairman and Managing Director (equivalent to CEO)

To ensure balance of authority, increased accountability and a greater capacity for independent decision-making, the roles of Chairman and Managing Director (MD) are distinct and separate with a clear division of responsibilities between the Chairman and the MD, so that no individual dominates the decision-making process.

2.5 Role of Chairman

The Board is led by a Chairman who is responsible for the leadership and management of the Board and ensuring the Board and its Committees function effectively. The Chairman assumes the formal role of a leader and chairs all Board meetings, leads discussions among Directors and provides leadership to the Board in its oversight of management.

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The Chairman facilitates the flow of information between Management and the Board, and in consultation with Management, sets the agenda for each Board meeting. Other key roles of a Chairman are to ensure, among others:

- (i) The smooth functioning of the Board, the governance structure and inculcating positive culture in the Board;
- (ii) Guidelines and procedures are in place to govern the Board's operations and conduct;
- (iii) All relevant issues are on agenda for Board Meetings and Directors actively participate in Board deliberations;
- (iv) The Board debates strategic and critical issues;
- (v) The Board receives the necessary information on a timely basis from the management;
- (vi) The training and development needs of the Board members are reviewed and addressed; and
- (vii) Leading the Board in oversight of proper conduct and management of the affairs of the Company.

2.6 Role of Company Managing Director (MD)

The MD assumes the overall responsibility for the implementation of the Company's strategy and in carrying out the Board's directions, managing the businesses of the Company and driving performance within strategic goals and commercial objectives. The MD leads the management team in carrying out the corporate strategy and vision of the Company. The MD is accountable to the Board for the day-to-day management and operations of the Company's business.

The key roles of MD include, among others:-

- (i) Developing objective, vision, strategic direction and business targets;
- (ii) Ensuring strategies and corporate policies are effectively implemented;
- (iii) Ensuring Board decisions and directions are implemented;
- (iv) Establishing appropriate organisation structure of the Company to implement short and long term business plans;
- (v) Providing strong leadership to the management team and employees of the Company;
- (vi) Keeping the Board fully informed of all important aspects of the Company's operations and ensuring sufficient information is distributed to Board members; and
- (vii) Ensuring the day-to-day business affairs of the Company are effectively and efficiently managed;

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2.7 Senior Independent Non-Executive Director

The Board has appointed a Senior Independent Director who serves as the designated point of contact between shareholders and the Independent Directors/Chairman, to whom shareholders' concerns or queries may be raised, as an alternative to the formal channel of communication with shareholders, especially on sensitive issues.

The Board has also provided an avenue for shareholders' queries to be sent directly to the Senior Independent Director, currently Datuk Ramli bin Ibrahim, at Level 29, Menara Olympia, No. 8 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

2.8 Roles of Board Committees

The Board delegates specific responsibilities to the Board Committees comprised of:-

- (i) Audit Committee (AC)
- (ii) Nomination Committee (NC)
- (iii) Remuneration Committee (RC)

The said Committees operate within clearly defined roles and responsibilities as set out in the terms of reference of each of the Committees. The Board Committees report to the Board on their deliberations, findings and recommendations.

The Chairmen of the AC, NC and RC report to the Board on matters dealt with at their respective Board Committee Meetings. Minutes of the AC, NC and RC are presented at the Board meetings for further discussion and direction. While these Committees have the authority to deliberate on matters delegated to them, all decisions and/or recommendations made by these Committees will be brought to the attention of the Board, which is collectively responsible for the decisions made.

2.8.1 Audit Committee (AC)

The key responsibilities of AC are to ensure reliability and integrity of the Company's financial accounting and reporting, disclosure, risk management and monitoring of internal control processes within the Company. The AC meets regularly to, amongst others, review the quarterly results, full year financial statements, audit reports which include observations pertaining to risk management and internal controls, as well as related party transactions.

2.8.3 Nomination Committee (NC)

The NC is responsible for establishment and review of the policies and procedures for appointment of Directors and Board Committee members of the Company. It also oversees the nomination of Directors, assessment of performance and contribution of Directors and review of the required structure, size and composition (including the skills, knowledge and experience) of the Board as well as determine the training needs and recommend training programmes for directors.

2.8.3 Remuneration Committee (RC)

The RC is responsible for establishing and reviewing the Board remuneration policies and procedures to attract and retain Directors. It also reviews and recommends to the Board the annual remuneration package of each individual Director.

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3. CODE OF ETHICS, RISK MANAGEMENT AND INVESTOR RELATIONS

3.1 Ethics and Compliance

3.1.1 Code of Ethics for the Board

The Board of Directors observe the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia.

The Code of Ethics provide guidance for proper standards of conduct and sound and prudent business practices as well as standard of ethical behaviour for Directors, based on principles of integrity, responsibility, sincerity and corporate social responsibility.

Duty of Care and Diligence

All Directors shall at all times exercise his/her powers for a proper purpose and in good faith in the best interest of the Company. He/she shall exercise reasonable care, skill and diligence with the knowledge, skill and experience which may reasonably be expected of a Director having the same responsibilities; and any additional knowledge, skill and experience which he/she in fact has.

Business Judgment

A Director who makes a business judgment is deemed to meet the requirements of the duty as aforesaid and the equivalent duties under the common law and in equity if he/she:

- (i) Makes the business judgment in good faith for a proper purpose;
- (ii) Does not have a material personal interest in the subject matter of the business judgment;
- (iii) Is informed about the subject matter of the business judgment to the extent the Director reasonably believes to be appropriate under the circumstances; and
- (iv) Reasonably believes that the business judgment is in the best interest of the Company.

Reliance on Information Provided by Others

A Director in exercising his/her duties may merely rely on information, professional or expert advice, opinions, reports or statements including financial statements and other financial data, prepared, presented or made by:

- (i) Any officer of the Company whom the Director believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (ii) Any other person retained by the Company as to matters involving skills or expertise in relation to matters that the Director believes on reasonable grounds to be within the person's professional or expert competence;
- (iii) Another Director in relation to matters within the Director's authority; or

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- (iv) Any committee to the Board of Directors of which the Director did not serve in relation to matters within the committee's authority.

A Director's reliance on information provided by others is deemed to be made on reasonable grounds if it was made in good faith; and after making an independent assessment of the information or advice, opinions, reports or statements, including financial statements and other financial data, having regard to the director's knowledge of the Company and the complexity of the structure and operation of the Company.

3.1.2 Code of Ethics for employees and Whistleblowing channel

The management and staff of the Company are guided by AEON Group's Code of Conduct (COC). New recruits are briefed on the COC upon joining and are required to acknowledge in writing their acceptance and understanding of the code. Further reinforcement on the code is also done during the Company's annual COC training. Management and employees are expected to observe high standards of integrity and fair dealing in relation to customers, business partners, staff and regulators in the regions where the Company operates.

The Company has also established a whistleblowing channel under the COC called AEON Hotline for communication or feedback from staff on unethical practices, illegal activities, breach of regulations, financial/accounting fraud etc. The AEON Hotline, an intranet communication channel, is currently available through any staff workstation at all offices and branches of the Company nationwide. The issues raised through the AEON Hotline are investigated and resolved with strict confidentiality by senior management of the Company.

3.2 Risk Management

The Board has established a system of internal control that enables business to be transacted and risk taken without exposing itself to unacceptable potential losses or reputational damage through the Enterprise-wide Risk Management Framework ("ERMF"). The ERMF is the overarching framework that sets out the Company's approach to internal governance and establishes the mechanisms and processes by which the Board directs the organisation, through setting the tone and expectations from the top, delegating its authority and monitoring compliance.

The purpose of the ERMF is to identify and set minimum requirements in respect of the main risks to achieving the company strategic objectives and to provide reasonable assurance that internal controls are effective. The key elements of the company's system of risk management and internal control are set out in the risk management control frameworks relating to each of the company's key risks and in the organisation operational risk framework. The ERMF is reviewed by the Risk Management Committee and the Board annually. The Board has delegated the responsibility of ensuring the effectiveness of risk management to the Risk Management Committee ("RMC") at senior management level.

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3.3 Succession Planning

The Company has established a Succession Planning Framework for key management positions.

Based on the framework, key and critical positions within the Company have been identified and job profiles are to be built for each position with specific competency and attributes required duly identified. Internal talents who may potentially be suitable to fill the positions are identified and analysis is done to identify competency gap between the current capabilities of the potential talent and the expected level of competency, using appropriate assessment tools. The abilities, readiness and career interests of identified talents are further assessed through channels such as performance appraisal, superior's comments and conducting career chat with potential talent.

Thereafter, individual development plans are designed to provide development opportunities through formal training, job assignments, job rotations, on-job-training, coaching, etc. Finally, continuous monitoring is done to monitor and evaluate the development progress and ascertain the readiness of potential talent to succeed the higher level position.

3.4 Investor Relations and Shareholder Communication

The Company is committed to ensure that shareholders are well-informed of the performance, prospects and activities of the Company. The main channels of Investor Relations and shareholder communication deployed are as follows:

- (i) Release of quarterly results announcement and other corporate disclosures to Bursa Malaysia Securities Berhad (Bursa Securities), which are available from Bursa Securities website;
- (ii) Updates on the Company's activities, product launching and operations are also disseminated through meetings with, and presentations to, analysts, fund managers and investors as well as through press releases and press conferences from time to time;
- (iii) Annual Report sent to shareholders containing comprehensive information on financial performance and various other areas of interest to shareholders;
- (iv) Annual General Meeting (AGM) of the Company which has been the main forum of dialogue for shareholders to raise their concerns and provide feedback to the Board on the Company's performance and direction;
- (v) Investor relations and corporate information are also made available on the Company's website at www.aeonmalaysia.com.my

Feedback received from shareholders and other stakeholders shall be given due consideration by the Company when making business decisions.

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4. DIRECTORS' TERMS OF SERVICE, ASSESSMENT & OTHER MATTERS

4.1 Appointments to the Board

The NC is responsible for identifying and nominating suitable candidates for appointments to the Board for approval, either to fill vacancies or as addition to meet the changing needs of the Company. Before recommending an appointment to the Board, the NC undertakes a thorough and comprehensive evaluation of the candidate based on a set of criteria adopted by the Board. The NC also takes into account the Company's businesses and matches the capabilities and contribution expected for a particular appointment.

The Chairman of the NC meets with the proposed candidate(s) and assesses the candidates based on the following aspects:

- (i) Specific knowledge, skill and working experience and achievements of the candidate
- (ii) Training attended by the candidate
- (iii) Time commitment by the candidate
- (iv) Independence and conflicts of interest
- (v) External directorships of the candidate

The following criteria are considered in assessing the suitability of the candidate for appointment:

- a) Probity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness.
- b) Competence and capability, where the candidate must have the skills, working experience, capability and commitment necessary to carry out the role.
- c) Financial integrity, where the candidate must manage his/her debts or financial affairs prudently.

The process for identifying and nominating new candidates for appointment as a Director entails the following steps:

- (i) Identification of skills required
- (ii) Selection of candidates
- (iii) "Fit and suitable" assessment based on criteria above
- (iv) Interaction with candidate(s)
- (v) NC deliberation and confirmation that the recommended candidate is fit and suitable for the Board role
- (vi) Recommendation by NC for Board approval
- (vii) Decision by Board on recommended appointment

4.2 Restriction on Directorships

Any Director of the Company is permitted to serve as a Director in a maximum of four (4) other listed companies.

Each Director confirms his/her time commitment to the Board at the time of appointment. In addition, the Director shall notify the Chairman before accepting any new directorship which includes an indication of time that will be spent on the new appointment.

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4.3 Term of Appointment

Each year, 1/3 of the Directors or, if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3), retire from office at the Annual General Meeting, and being eligible, may offer themselves for re-election at the Annual General Meeting.

Directors appointed during a financial year hold office until the next Annual General Meeting and if eligible, may offer themselves for re-election at the Annual General Meeting.

A Director who is due for retirement by rotation but does not offer himself for reelection shall retire at the conclusion of the Annual General Meeting.

4.4 Tenure of Independent Directors

The tenure of service of Independent Directors is generally capped at the maximum limit of nine (9) years as required by the Code. However, upon completion of the nine years, the Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director. In the event that the affected Director is to remain designated as an Independent Director, the NC's recommendation based on appropriate justification and shareholders' approval is required.

The NC undertakes assessment of the independence of the Independent Directors, upon admission, annually and as and when the need arises.

4.5 Board Diversity

The Company remains committed to selecting suitable persons for the role in regard to Board level appointments. In selecting new directors, the Board has regard to the skills, experience, diversity of background and perspectives represented on the Board, to enable the Board to effectively discharge its duties and responsibilities in a dynamic business environment.

4.6 Directors' Remuneration

The Company shall provide fair, reasonable and competitive remuneration for its executive and non-executive Directors to ensure that the Company attracts and retains high calibre Directors who have the skills, experience and knowledge to increase entity value for the benefit of all shareholders.

The remuneration policy for executive Directors is based on the executive functions and responsibilities as well as contribution and performance of each member to the business of the Company.

The non-executive Directors will receive Directors' fees not linked to profits/turnover or performance of the Company, but with consideration of role, responsibilities and time commitment to the Company, inclusive of roles in Board Committees.

The Board shall determine the remuneration of executive Directors and non-executive Directors taking into consideration the recommendations of the Remuneration Committee. No Director takes part in discussion and decision making on his/her own remuneration. The aggregate amount of Directors' fees to be paid to non-executive Directors is subject to the approval of the shareholders at a General Meeting.

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4.7 Board Effectiveness Assessment

4.7.1 The NC reviews annually the effectiveness of the Board and Board Committees as well as the performance of individual Directors.

4.7.2 The Company has introduced the Board Effectiveness Assessment (BEA) questionnaire for evaluation of the performance of the Board, Board Committees and individual Directors.

4.7.3 The evaluation takes place annually and involves Directors completing the BEA questionnaire, covering the Board and Board Committees processes and, the effectiveness and contribution of each of the Directors to the Board and Board Committees.

4.7.4 The Directors' responses are collated and a comprehensive summary of the findings and recommendations will be submitted to the NC for deliberation, after which, the findings and recommendations are escalated to the Board for further review and proposed actions.

4.7.5 The deliberations of the NC on the findings of the BEA are duly minuted at the meetings of the NC and Board.

The BEA exercise entails the Directors' feedback on areas which affect the performance of the Board which, amongst others, include the following:

- (i) Board structure, objectives and conduct
- (ii) Interaction and communication with Management and Stakeholders
- (iii) Corporate Governance
- (iv) Accountability and Audit

4.8 Directors Training & Development

Newly appointed Directors attend the mandatory Accreditation Programme conducted by Bursa Securities and are briefed by the management on the business, operations and risk management of the Company, the Company's organisation structure and functional areas of business units.

Board members are encouraged to attend training programmes conducted by competent professionals and which are relevant to the Company's operations and business, including new developments pertaining to the laws and regulations and changing commercial environment which may affect the Board and/or the Company.

The Board will assess the training needs of the Directors and ensure Directors have access to continuing education programmes, to facilitate the Directors in discharging their duties effectively. The details of training attended by the Directors are disclosed in the Annual Report.

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5. BOARD MEETINGS

5.1 Board Meetings

5.1.1 Call for meeting and proceedings

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

Any Director may, whenever he thinks fit, and the Secretary at the request of a Director shall, call a meeting of the Board of Directors as provided in the Articles of Association of the Company.

The Company Secretary is responsible to ensure minutes are recorded for all Board and Board Committee meetings, and the minutes duly confirmed by the Chairman of the meeting shall be reviewed and adopted at the subsequent meeting.

5.1.2 Notice of Meeting

Unless otherwise determined by the Directors from time to time, seven (7) days' notice of all Directors' meeting shall be given to all Directors. Any Director may waive notice of any meeting either prospectively or retrospectively.

5.1.3 Quorum for Board Meeting

Under the Articles of Association, the quorum shall be at least two (2) Directors. However, Board meetings are only fixed on dates when all or a majority of Directors are able to attend. An alternate Director will only be counted in the quorum if his appointer is not present.

5.1.4 Frequency of Meeting

The Board shall meet at least every quarter, not later than two (2) months after the end of the financial quarter, to discuss business strategy, quarterly results and financial performance, risk management, matters pertaining to compliance and governance, and corporate exercises, if any, as well as reports on matters deliberated by the respective Board Committees. Special meetings may be called by the Board from time to time as required.

5.1.5 Attendance at Board Meeting

Individual Directors shall attend at least 50% of the Board Meetings held in each calendar year. The office of a Director shall become vacant if a Director is absent from more than 50% of the total Board Meetings held in a year.

The Company Secretary shall attend all Board and Board Committee meetings. Key management are invited to attend Board and Committee Meetings to provide inputs as and when necessary. Auditors, other professional advisors and consultants may also be invited to brief the Board on specific areas as required.

5.1.6 Conflict of Interest

The Companies Act 1965 and Bursa Listing Requirements subject the Directors to disclosure requirements. Directors shall comply with the Companies Act 1965 in connection with disclosure of shareholding and interests in the Company and interest in any contract or proposed contract with the Company, which include the nature, character and extent of any office or possession of any property, whether directly or indirectly, duties or interests that might be created in conflict with his/her duty or interest as a Director of the Company. General notice given by a Director is tabled at the Board

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Meetings and the declarations made are recorded in the minutes of the Board Meeting, in line with the Companies Act, 1965.

Internal policies and procedures are in place to address potential conflict of interest situations in areas such as Related Party Transactions.

5.1.7 Voting and decision making

Any question arising at a Board Meeting is decided by a majority of votes after due discussion and deliberation, and the Chairman has a second and casting vote. A Director is required to abstain from deliberations and voting in respect of any contract or proposed contract or arrangement in which he/she has direct or indirect interest.

The Chairman and the Board may, if deemed necessary and appropriate, request an interested Director to excuse himself/herself in the deliberation.

Where appropriate, decisions are also made by way of circular resolutions in between scheduled meetings. Such resolutions are signed by a majority of the Directors and valid as if the resolution was passed at a Board Meeting duly called and constituted.

5.1.8 Right of Directors to access information and advice

Management shall provide the Board and Committees with information in a form, within acceptable time frame and quality that enable them to discharge their duties and responsibilities effectively. Board papers are generally circulated to Directors five (5) days prior to the date of the Board meeting to allow the Directors sufficient time to review the papers and issues arising.

Directors are entitled to request and receive additional information they consider necessary in order to make informed decisions, including the following:-

- (i) Obtaining full and unrestricted access to any information pertaining to the Company;
- (ii) Obtaining full and unrestricted access to the advice and services of the Company Secretary; and
- (iii) Obtaining professional independent advice, with the Chairman's prior written consent, at the Company's expense. The Director should provide notice to the Company Secretary of the intention to seek independent advice and shall provide the name(s) of the professional advisors proposed to be engaged, together with a brief summary of the subject matter on which professional advice is being sought. In the event that one or more directors seek to appoint one or more advisors on the same or similar matter(s), the Chairman shall initiate discussions to reach consensus on the advisor to be engaged.

5.2 Committee Meetings

The Audit Committee meets quarterly at the minimum, while other Board Committees meet annually at the minimum and as and when the need arises, to deliberate on matters under their purview.

5.3 Company Secretary

The Board appoints the Company Secretary who plays an important advisory role as a central source of information and advice to the Board and its Committees on issues

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relating to compliance with corporate laws, rules, procedures and regulations affecting the Company.

The Company Secretary is a senior position with adequate authority and shall report directly to the Board. The appointment and removal of the Company Secretary are subject to the approval of the Board.

5.4 Financial Reporting

The Board of Directors is responsible to ensure that the financial statements are prepared for every quarter, year or other financial period, if applicable, based on regulatory requirements and that it gives a true and fair view of the state of affairs of the Company and comply with applicable financial reporting standards.

Additionally, it is the Board's responsibility to ensure that the financial statements are prepared on a going concern basis and appropriate accounting policies are applied consistently and are supported by reasonable and prudent judgments and estimates.