

**VISDYNAMICS HOLDINGS BERHAD**  
**(Company No. 677095-M)**

**BOARD CHARTER**

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## **1 INTRODUCTION**

This Charter sets out the key corporate governance principles adopted by the Board of Directors (“Board”) of VisDynamics Holdings Berhad (“VisDynamics” or “Company”) and shall be reviewed by the Board periodically. In adhering to the responsibilities set out in this Charter, the Board members are expected to perform their duties with integrity, honesty and in a professional manner in accordance with the law in serving the interests of its shareholders, employees, clients and the community.

The Board will carry out its mandate directly and through the various committees of the Board, and such other committees it may establish from time to time.

This Charter provides an overview of the following:

- The delineation of the duties, responsibilities and powers of the Board and its Directors, the Chairman and CEO (to be defined hereinafter) and Senior Management<sup>[1]</sup> of the Company;
- Delegation of authority by the Board to various committees established in assisting the Board to execute its duties and responsibilities;
- Matters reserved for consideration and approval by the Board; and
- Board operating procedures and practices pertaining to meetings, nominations and appointments, training and development, performance management and evaluation, code of conduct and declarations on conflicts of interest.

This Charter serves as a reference for the Board members in executing their responsibilities and should be reviewed and revised in accordance with additional statutory or regulatory requirements. The provisions contained in this Charter neither replace nor supersede the laws of Malaysia or the regulatory frameworks applicable. The Charter is governed by, where applicable, the Companies Act 2016 (“Act”), ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“ACE LR”), Malaysian Code on Corporate Governance 2017 (“MCCG 2017”), Constitution of the Company, regulatory and legislative requirements, and best practices on corporate governance.

## **2 SIZE AND COMPOSITION OF THE BOARD**

Every public-listed company should be headed by an effective Board, which can both lead and control the business. Within the context of a unitary board system, a Board made up of a combination of EDs (to be defined hereinafter) and NEDs (to be defined hereinafter) should bring a broader view to the Company’s activities under a Chairman who accepts the duties and responsibilities that the post entails. The Board should also be capable of and perceived to exercise independent judgement.

<sup>[1]</sup>The senior management of the Company shall include the executive directors, chief executive officer, chief operating officer, chief financial officer and chief technical officer.

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The Board should comprise individuals with character, experience, integrity, competence and time to effectively discharge their role as company director. The composition and size of the Board is such that it facilitates the making of informed and critical decisions.

The number of Directors should not be less than two (2) and not more than twelve (12). At any one time, at least half of the Board members are independent directors.

The appointment of directors should be recommended by the Nomination Committee and approved by the Board. The Nomination Committee shall base on the "Fit and Proper" standards as detailed hereunder before recommending the candidates to the Board for approval:-

Age limit

- In accordance with the Act.

Work Experience

- 5 years or more preferably in relevant industry.
- Have been in senior management position.
- Good track record of managing a successful and profitable organisation.

Qualifications

- Degree, Professional qualification or equivalent or with the requisite years of relevant work experience

Personal Background

- A person of good character and high integrity and credibility.
- Not a bankrupt and has never been engaged in deceitful/oppressive/improper business practices.
- Has not been engaged/associated or had conducted himself in a manner which may cast doubt on his fitness, competence and soundness of judgment.
- Has not contravened any provision made by or under any written law to be designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice.
- Have not been convicted whether within or outside Malaysia of any offence.

Competencies

- Business acumen
- Product knowledge
- Visionary
- Strategic agility
- Proven leadership ability
- Financial knowledge
- Market and global awareness
- Compliance and legal awareness
- IT awareness
- Human Resource Management skills

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In identifying the candidates for appointment of Directors. The Board does not solely rely on the recommendations from the existing Board members, Senior Management or major shareholders and shall utilise independent sources to identify qualified candidates.

The Board should ideally consist of a Chairman and a suitable number of EDs and NEDs. The position of Chairman and the CEO should be held by different individuals.

**3 OBJECTIVES OF THE BOARD**

The objective of the Board is to essentially review, approve and contribute to the long-term strategy of the Company by bringing onto the Board their experience and expertise.

Moreover, they are also responsible for monitoring Senior Management's implementation of the strategy. In this respect, they should evaluate, identify and understand both the internal and external environments of the Company. In short, ensuring that the Company is properly run underpins their fundamental Board function. Further to the above, their principal role is also to identify and retain Directors who are able to add value to the Board as well as to the Company.

**4 DUTIES AND RESPONSIBILITIES OF THE BOARD**

The Board should assume, amongst others, the following responsibilities:

- a. Reviewing the Code of Conduct and Ethics of the Company and implementing appropriate internal systems to support, promote and ensure its compliance;
- b. Setting the Company's strategic aims and the strategic plan;
- c. Regularly evaluating economic, environmental, social and governance issues and any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders in ensuring that the Company's strategies promote sustainability;
- d. Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- e. Reviewing, ratifying and monitoring systems of risk management, internal control, ethical and legal compliance. This includes establishing sound risk management framework and reviewing procedures to identify the main risks associated with the Company's businesses and the implementation of appropriate systems to manage and mitigate these risks;
- f. Ensuring all candidates appointed to Senior Management positions are sufficient calibre and evaluating the necessary skills, expertise and performance of the Senior Management from time to time under the guidance of the Nomination Committee;

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- g. reviewing the procedures for appointment of chairman and Senior Management and ensuring that succession planning of the future chairman and Senior Management are in place;
- h. promoting effective communication and proactive engagements within shareholders and other stakeholders;
- i. ensuring there is a sound framework of reporting on internal controls and regulatory compliance;
- j. ensuring its members have access to information, advice and appropriate continuing education programmes;
- k. reviewing and approving formal and transparent remuneration policies and procedures to attract and retain Directors and Senior Management;
- l. ensuring there is appropriate corporate disclosure policies procedures;
- m. encouraging the usage of information technology in communicating with stakeholders;
- n. taking reasonable steps in encouraging the shareholders' participation and voting by poll at general meetings of the Company;
- o. The Board oversees the Company's policies as a whole and the standards in the workplace while ensuring appropriate internal systems are in place to support, promote and ensure its compliance.
- p. The Board reserves full decision-making powers on the following matters:
  - Conflict on interest issues relating to a substantial shareholder or Director.
  - Material acquisitions and disposition of assets not in the ordinary course of business.
  - Investments in capital projects.
  - Authority levels.
  - Treasury policies and bank mandate.
  - Risk management policies.
  - Key human resource issues.
  - Performing Strategy review.
  - Succession Planning.

The matters listed in **Appendix A** are reserved for the collective decision of the Board.

The Board had also delegated the risk management and internal control review to the Audit Committee to ensure that appropriate risk management and internal control procedures are in place.

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**5 STRATEGIES AND POLICIES**

The Board oversees the Company's Strategies and Policies as a whole. This include the Directors' Code of Conduct and Ethics, Whistleblowing Policy, Corporate Disclosure Policy, Remuneration Policy and other significant policies recommended under the MCCG 2017.

- Directors' Code of Conduct and Ethics (**Appendix B**) promotes ethical values and standard of Directors in discharging their duties and responsibilities.
- Whistleblowing Policy (**Appendix C**) sets the appropriate communication channels to facilitate whistleblowing by employees, customers, suppliers and other stakeholders.
- Corporate Disclosure Policy (**Appendix D**) promotes timely, effective and transparent disclosure of material information pertaining to the Company's performance and operations to shareholders, investors and general public.
- Board Diversity Policy (**Appendix E**) encourages a dynamic and diverse composition of the Company.
- Remuneration Policy (**Appendix F**) in attracting, retaining and motivating its Directors and Senior Management.

The Budget and the Financial and Business Update is tabled at every Board meeting to assist the Board examining the underlying strategic issues.

The Board has put in place key performance indicators ("KPI") for the Senior Management to ensure the Senior Management's strategy and performance are aligned with the Company's strategic objective.

**6 POWERS OF THE BOARD**

There should clearly be an accepted division of responsibilities at the head of the Company, which will ensure a balance of power and authority such that no one individual has unfettered powers of decision. The division of responsibilities is to be regularly reviewed taking into consideration the operational, financial and business development aspects of the Company to ensure the Company's needs are consistently met.

The Board has established and delegated certain duties to the following Board Committees to oversee critical or major functional areas and to address matters which require detailed review or in-dept consideration before tabling to the Board:

- Audit Committee;
- Remuneration Committee; and
- Nomination Committee.

The Board has established written procedures (such as the Limits of Authority, Delegation of Authority Table, Constitution of the Company and other documents) determining which

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issues require a decision of the full Board and which issues can be delegated to Board Committees or Management.

The duties and functions of the abovementioned Committees are provided in their respective terms of reference.

## **7 PROCEDURES OF THE BOARD**

The Board should meet regularly, with due notice of issues to be discussed in accordance with the annual Board Calendar as well as on ad-hoc requirements and should record its conclusions in discharging its duties and responsibilities. A full agenda and comprehensive Board papers should be circulated to all Directors at least 5 business days in advance of each Board meeting.

Directors who are not able to attend a meeting shall advise the Chairman at an earlier date as possible and confirm in writing to the Secretary. Individual Director must attend at least 50% of the Board meetings held in each financial year or such other percentage as may be prescribed by the ACE LR.

Board discussions will be open and constructive, recognising that genuinely held differences of opinion could bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus of the Board but may, where consider necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal and regulatory requirements the Board will decide the manner and timing of the publication of its decisions.

Directors are expected to strictly observe confidentiality of the Company's information and required to inform the Board of conflicts or potential conflict of interest that may have in relation to particular items of business or transaction. Subject to provisions of relevant laws and guidelines, these Directors shall abstain from deliberation and determination of those matters.

## **8 ROLE OF INDIVIDUAL DIRECTORS**

8.1 Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors. Broadly these include:-

- Acting in good faith and in the best interests of the Company as a whole.
- Acting with care and diligence and for proper purpose.
- Avoiding conflicts of interest with the Company in a personal or professional capacity.

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- Refraining from making improper use of information gained through the position of director and from taking improper advantage of the position of director.

8.2 Directors will keep all Board information, discussions, deliberations and decisions that are not publicly known confidential and not use information gained through the Board for their interest, or their employers' interest.

**9 ROLE OF CHAIRMAN OF THE BOARD**

The Chairman is responsible for:-

9.1 Provides leadership to the Board by helping the Board fulfil the goals it sets by assigning specific tasks to the members of the Board.

9.2 Ensures proper flow of information to the Board, reviewing adequacy and timing of documentation in support of Senior Management's proposals.

9.3 The Chairman ensures orderly conduct and proceedings of the Board and general meetings and is responsible for managing the business of the Board to ensure that:

- All Directors are properly briefed on issues arising at Board meetings in a timely manner.
- All Directors receive complete and accurate information in a timely manner.
- Sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for the Board's discussion.
- The issues discussed are forward looking and concentrates on strategy.

Should the Chairman absent from a meeting, the members of the Board present at the meeting may choose one of their number to chair the said meeting.

9.4 The Chairman, in consultation with the Company Secretary, sets the agenda for Board meetings and ensures that all relevant issues are on the agenda.

9.5 Acts as liaison between the Board and Senior Management and carries out other duties as requested by the Board as a whole, depending on need and circumstances.

9.6 Facilitates the effective contribution of Non-Executive Directors and ensuring constructive relations be maintained between Executive and Non-Executive Directors.

9.7 Manages the processes of the Board and ensures that the Board discharges their responsibilities.

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- 9.8 Ensures that EDs look beyond their executive function and accept their full share of responsibilities of governance. Given the importance and particular nature of the Chairman's role, it should in principle be separated from that of the Chairman and CEO.
- 9.9 Leads the Board in establishing and monitoring good corporate governance practices in the Company.
- 9.10 Ensures effective communication with shareholders and relevant stakeholders.

**10 ROLE OF CHIEF EXECUTIVE OFFICER (CEO) / EXECUTIVE-DIRECTORS (ED)**

- 10.1 The key roles of the CEO, amongst others, include:
- a. developing the strategic direction of the Company;
  - b. ensuring that Board decisions are implemented and Board directions are responded to;
  - c. providing directions in the implementation of short and long-term business plans;
  - d. providing strong leadership i.e. effectively communicating a vision, management philosophy and business strategy to the employees;
  - e. keeping Board fully informed of all important aspects of the Company's operations and ensuring sufficient information is distributed to Board members; and
  - f. ensuring day-to-day business affairs of the Company are effectively managed.
- 10.2 The sound operation of the Company depends critically on its CEO. Thus, he must be able to devote his full attention and time to be able to discharge his duties and responsibilities effectively and diligently.
- 10.3 As the CEO is directly responsible for the day-to-day operations of the Company, he must be familiar with the operations of the Company, the state of internal controls, requirements of regulations, as well as current issues and policies affecting the industry in general. He must also have the necessary knowledge and professional competence in the conduct of the Company's business.
- 10.4 In the absence of its CEO, the ED who is fully acquainted with the Company's affairs, is the person who will be directly responsible for the overall running of the Company.
- 10.5 The ED and CEO should meet regularly with the Board, with due notices of issues to be discussed and should record its conclusions in discharging their duties and responsibilities.

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**11 ROLE OF NON-EXECUTIVE DIRECTORS (NED)/ INDEPENDENT NON-EXECUTIVE DIRECTORS (INED)**

- 11.1 Review, approve, or disapprove Senior Management's corporate strategy proposal. In doing so, they should bring an objectivity and breadth of judgement to the strategic planning process, as they are not involved in the day to day management of the business. If they are to independently judge the merits of a Senior Management's proposal concerning strategic or business plans, they need to evaluate elements, which should be taken into account in the process of creating the strategic plan for the Company. They are also responsible in monitoring Senior Management's success in implementing the strategy.
- 11.2 Oversee the conduct of the Company's business and to evaluate whether the business is properly managed. In this respect, they must ensure that there are objectives in place against which Senior Management's performance can be measured.
- 11.3 Represent their interests on the Board, in the case of NEDs, representing major shareholders and to provide a balance and independent view to the Board. INEDs, however should:
- a. provide and enhance the necessary independence and objectivity to the Board;
  - b. ensure effective checks and balances on the Board;
  - c. mitigate any possible conflict of interest between the policy-making process and the day-to-day management of the Company;
  - d. constructively challenge and contribute to the development of business strategy and direction of the Company; and
  - e. ensure that adequate systems and controls to safeguard the interests of the Company are in place.
- 11.4 Acquire and provide the necessary skill and experience to bring an independent judgement to bear on the issues of strategies, performance and resources including key appointments and standards of conduct.
- 11.5 Keep abreast of issues relating to the Company between meetings.
- 11.6 Meet regularly with the Board, with due notices of issues to be discussed and should record its conclusions in discharging its duties and responsibilities.
- 11.7 Committed to a collective decision making process.

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**12 ROLE OF SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR (SINED)**

12.1 The SINED shall:-

- Ensure all INEDs have an opportunity to provide input on the agenda and advise the Chairman on the quality, quantity and timeliness of the information submitted by Senior Management that is necessary or appropriate for the INEDs to perform their duties effectively.
- Consult the Chairman regarding Board meeting schedules to ensure the INEDs can perform their duties and with sufficient time for discussion of all agenda items.
- Serve as the principal conduit between the INEDs and the Chairman on sensitive issues.
- Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels of contact with the Chairman, the CEO and the EDs.
- Serve as a designated contact to whom the stakeholders may convey their concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place or has taken place or may take place in the future in the Company in accordance with the Whistleblowing Policy.

12.2 The Board may appoint a SINED to whom shareholders' concerns can be conveyed. The Board shall appoint the Chairman of the Nomination Committee as the SINED, unless a better candidate is available.

12.2 The selection of SINED is based on his experience and the significant influence he has within the Board, ability to convey concerns of the INEDs on the Board to the other members of the Board and in the event of dissention between the Chairman and/or EDs of the Company in the execution of their duties as INEDs.

**13 DIRECTORS' COMMITMENT**

13.1 Each of the Board members is expected to commit sufficient time to carry out their role as Directors and/or member of the Board committees in which they are a member. In this regard, the Board members are expected to advise the Chairman of the Board, vice versa, of his/her intention to join the Board of another company outside the Group and indicating the time that will be spent on the new appointment. If necessary, the Chairman will consult with the rest of the Board members whether the proposed new appointment is likely to impair the Director's ability to devote the necessary time and focus to their role as a Director of the Company.

13.2 The Board should not hold more than 5 directorships in public listed companies.

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- 13.3 The Board is also required to keep abreast of changes in regulatory, laws and accounting standards and development in corporate governance, broad business trends, strategy, financial instruments and technology advancement through reading of relevant industry and business publications and/or attending training programme and relevant conferences. Board who is well informed would be in a better position to evaluate proposals made by Senior Management and to ask the right questions; hence, be more effective as Directors.

**14 DIRECTORS' INDEPENDENCE**

- 14.1 The INED is one who is independent and free from any business or other relationship that could interfere with the exercise of independent judgment or the ability to act in the best interest of the Company, and is willing to express his opinions at the Board table free of concern about his position or the position of any third party. The Board believes that it is impossible and/or impractical to formulate a list of criteria which is appropriate to characterise, in all circumstances, whether a NED is independent and choose to recognise amongst others, the spirit, intention, purpose and attitude of each NED to be considered as exhibiting independent judgment or the ability to act in the best interest of the Company. In determining/assessing the 'independence' of its Directors, the Company also adopts the provisions of the ACE LR as follows:-

- i) Not an executive director of VisDynamics or any related corporation of the Company;
- ii) Has not been within the last 2 years and is not an officer (except as a NED) of the Company;
- iii) Is not a major shareholder of the Company;
- iv) Is not a family member of any ED, officer or major shareholder of the Company;
- v) Is not acting as a nominee or representative of any ED or major shareholder of the Company;
- vi) Has not been engaged as a professional adviser of the Company or is not presently a partner, director (except as an INED) or a major shareholder, as the case may be, of a firm or corporation ("Entity") which provides professional advisory services to the Company; and
- vii) Has not engaged in any transaction with the Company or is not presently a partner, Director or a major shareholder, as the case may be, of the Entity (other than subsidiaries of the Company) which has been engaged in any transaction with the Company.

- 14.2 The Board assesses, at least annually, the independence of each Director and includes this information in the annual report.

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- 14.3 The tenure of an INED should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an INED may continue to serve on the Board subject to the director's re-designation as a NED. Otherwise, the Board must justify and seek shareholders' approval in the event that it desires to retain a person who has served in that capacity for more than nine (9) years as an INED.

Further, the long serving Director is required to declare to the Company annually that he complies the criteria as stated in item 14.1 above.

- 14.4 In the event that an INED has served the Company beyond twelve (12) years, the voting process for the resolution on his/her continuance to act as an INED shall be carried out by two-tier voting pursuant to the MCCG 2017.

Under the two-tier voting process, shareholders' votes will be casted in the following manner:-

- (a) Tier 1: only the large shareholder of the Company to vote; and
- (b) Tier 2: shareholders other than large shareholders to vote.

The resolution is deemed successful if both Tier 1 and Tier 2 votes support the proposed resolution.

**15 DIRECTORS' TRAINING AND DEVELOPMENT**

- 15.1 On appointment, Directors need to attend induction programme and meeting with senior executives to receive latest information about VisDynamics.
- 15.2 All Directors must attend and complete the Directors' Mandatory Accrediation Program pursuant to the ACE LR.
- 15.3 All Directors must abide by the Continuing Education Program requirement pursuant to the ACE LR.
- 15.4 The Board or the Nomination Committee shall evaluate and determine the training needs of the Board members on a continuous basis.
- 15.5 The training and seminar programs to be attended by the Directors must be relevant and useful in contributing to the effective discharge of their duties as Directors and sustain active participation in the Board deliberations.
- 15.6 All Directors may request training programs on specific subjects to be arranged.
- 15.7 The Board shall disclose in the Annual Report the trainings attended by the Directors.

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**16 DIRECTORS' ASSESSMENT/ BOARD EVALUATION**

- 16.1 The Board recognises the importance of assessing the effectiveness of individual Directors, the Board as a whole and its Committees. The Board reviews and evaluates its own performance and the performance of its Committees on an annual basis.
- 16.2 The Board evaluation comprises a Board Assessment, an Individual Director (Peer) Assessment by the Nomination Committee and an Assessment of Independence of Independent Directors.
- 16.3 The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations and roles and responsibilities of the Board, the Board Committee and the Chairman.
- 16.4 For Individual Director (Peer) Assessment, the assessment criteria include integrity, professionalism, knowledge, performance and participation during Board meetings, contribution and Board relationship.
- 16.5 The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Company and his involvement in any significant transaction with the Company.

**17 MEETING**

**17.1 Board Meeting**

- The Company aims to provide all Directors with timely and quality information and in a form and manner appropriate for them to discharge their duties effectively.
- Senior Management is responsible for providing the Board with the required information in an appropriate and timely manner. The Chairman, assisted by the Company Secretary, assesses the type of information required to be provided to the Board. If the information provided by Senior Management is insufficient, the Board will make further enquiries where necessary to which the persons responsible will respond as fully and promptly as possible.
- A full agenda and comprehensive Board papers are circulated to all Directors in advance of each Board meeting.
- Full Board minutes of each Board meeting are kept by the Company Secretary and are available for inspection by any Director at the Registered Office during office hours.

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**17.2 Annual General Meeting (“AGM”)**

- The Board regards the AGM as an important event in the corporate calendar of which all Directors and key senior executives should attend.
- The Company regards the AGM as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from, the Company's shareholders.
- The Chairman and, where appropriate, the CEO responds to shareholders' queries during the meeting. Where necessary, the Chairman will undertake to provide a written answer to any significant question that cannot be readily answered at the meeting.
- Notice for an AGM should be given to the shareholders at least 28 days prior to the meeting.

**17.3 Extraordinary General Meeting (“EGM”)**

- The Board will consider requisitions by shareholders to convene an EGM or any other urgent matters requiring immediate attention of the Company.

**18 BOARD DIVERSITY**

The Board promotes and embraces diversity and gender mix in its composition and believes that the presence of diverse ethnicities, nationalities, age and gender mix on the Board and Senior Management can widen perspectives of the Board and Senior Management in effectively discharging their duties and responsibilities. While promoting diversity, due recognition to the financial, technical, experience and skill-sets of the Director's concern and business imperative should remain a priority.

The Company adopts a policy of non-discrimination on the basis of race, age, religion and gender. Thus, the Board and Senior Management encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

Refer to Appendix E for Board Diversity Policy.

**19 RIGHTS TO INFORMATION AND INDEPENDENT PROFESSIONAL ADVICE**

The Board has direct and unrestricted access to all Company's information, whether as a full Board or in their individual capacities. In furtherance of their duties, they also have direct and unrestricted access to Senior Management. To ensure the effective working of the Board, all Directors also have individual and independent access to legal, financial, governance advice and dedicated services of the Company Secretary. The Board has the authority to conduct

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or direct any investigation required to fulfill its responsibilities and has the authority to engage, at the Company's expense, such legal, accounting or other independent professional advisers, consultants or experts as it considers necessary from time to time in the performance of its duties in accordance with the agreed procedures laid down by the Board.

**20 FINANCIAL REPORTING**

In preparing the annual financial statements and quarterly announcements to the shareholders, including price-sensitive public reports and reports submitted to the regulators, the Board aims to present a clear and balanced assessment of the Company's financial position and future prospects.

The Board ensures that the financial statements are prepared in accordance with the applicable act and applicable accounting reporting standards, so as to give a true and fair view of the state of affairs of the Group and the Company.

**21 REMUNERATION OF DIRECTORS**

- a) The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Company successfully, taking into consideration all relevant factors, including the function, workload and responsibilities involved, but without paying more than is necessary to achieve this goal.
- b) The level of remuneration for the EDs is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar industry.
- c) NEDs are entitled to participate in the Company's Employee Share Options Scheme (ESOS) subject to approval at a general meeting. NEDs who participated in the ESOS are prohibited to sell, transfer or assign the shares within one (1) year from the date of offer of such options.
- d) No director other than EDs shall have a service contract with the Company.

**22 CONFLICT OF INTEREST**

22.1 The Directors must:-

- disclose to the Board (through the Secretary and/or Chairman) any actual or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue;
- take any necessary and reasonable measures to try to resolve the conflict; and
- comply with the provisions in the Act on disclosing interests and restrictions on voting.

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- 22.2 If a conflict or potential conflict situation exists, it is required that the conflicted Director shall be absent from the meeting whilst the Board discusses the matter and not vote on the matter, unless the other directors who do not have a material personal interest in the matter have passed a resolution that states that those directors are satisfied that the interest should not disqualify the director from being present.
- 22.3 The Directors are expected to advise the Company Secretary of any proposed Board or executive appointment to other companies as soon as practicable.

**23 COMPANY SECRETARY**

- 23.1 The Board appoints the Company Secretary, who plays an important advisory role, and ensures that the Company Secretary fulfils the functions for which he/she has been appointed.
- 23.2 The Company Secretary shall be qualified under Section 235(2) of the Act to which he/ she must be a person licensed by the Companies Commission of Malaysia under Section 20G of the Companies Commission of Malaysia Act 2001 or a member of any one of the following body:-
- Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)
  - Malaysian Institute of Accountants (MIA)
  - Malaysian Bar
  - Malaysian Association of Company Secretaries (MACS)
  - Malaysian Institute of Certified Public Accountants (MICPA)
  - Sabah Law Association
  - Advocates Association of Sarawak
- 23.3 The roles and responsibility of the Company Secretary shall include, but not limited to the following:-
- Manage all Board and Board Committee meeting logistic, attend and records meetings and facilitate Board communication.
  - Advise the Board on its roles and responsibilities.
  - Facilitate the orientation of new directors and assist in director training and development.
  - Advise the Board on corporate disclosure and compliance with company and securities regulations and listing requirements.
  - Manage processes pertaining to the annual shareholder meeting.
  - Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.
  - Serve as a focal for stakeholders' communication and engagement on corporation governance issues.

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- 23.4 The Company Secretary is accountable to the Board through the Chairman of the Board and Committees on all governance matters.
- 23.5 The Company Secretary is a central source of information to the Board and its Committees on issues relating to compliance with rules and regulations, procedures and regulations affecting the Company.
- 23.6 The Company Secretary should guide Directors of their obligations to adhere to matters relating to:
- Disclosure of interest in securities;
  - Disclosure of any conflict of interest in a transaction involving the Company;
  - Prohibition on dealing in securities; and
  - Restriction on disclosure of price-sensitive information.
- 23.7 The Company Secretary must keep abreast of, and inform, the Board of current governance practices.
- 23.8 The Board members have unlimited access to the professional advice and services of the Company Secretary.

**24 APPLICATION**

The principles set out in this Charter are:-

- a) Kept under review and updated as practices on Corporate Governance develop and further guidelines on Corporate Governance are issued by the relevant regulatory authorities;
- b) Applied in practice having regard to their spirit and general principles rather than to the letter alone; and
- c) Summarised in the Annual Report as part of a narrative statement by the Directors on Corporate Governance.

The Board endeavours to comply at all times with the principles and practices set out in this Charter.

The Board will review this Charter from time to time and make any necessary amendments to ensure they remain consistent with the Board's objectives, current law and practice. Any updates to the principles and practices set out in this Charter will be made available on the Company's corporate website.

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**25 REVIEW OF BOARD CHARTER**

This Board Charter established by the Board shall be periodically reviewed and updated by the Board taking into consideration the needs of the Group as well as any development in rules and regulations that may have an impact on discharge of the Board's duties and responsibilities.

This Board Charter was reviewed and updated by the Board on 25 June 2018.

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**BOARD CHARTER**

**APPENDIX A**

**LIST OF MATTERS RESERVED FOR THE BOARD**

The following matters shall be reserved for decision by the Board, supported by any recommendation as may be made from time to time by the Board Committees (as appropriate):

**Financial**

- 1) The adoption of any significant change or departure in the accounting policies and practices of the Company and its subsidiaries.
- 2) The raising of incremental borrowing facilities involving substantial amounts.
- 3) The approval of the strategy, business plans and annual budgets and of any subsequent material changes in strategic direction or material deviations in business plans.
- 4) The approval of the annual financial statements and interim reports, the valuation of unlisted investments, the declaration of dividends and the forfeiture of unclaimed dividends.
- 5) The recommendation to shareholders of any increase, reduction or alteration to the share capital of the Company and the allotment, issue or other disposal of shares of the Company (except for shares allotted under any employee share option scheme).

**Statutory and administrative**

- 1) Recommending amendments to the Constitution of the Company.
- 2) The frequency of meetings of the Board.
- 3) The convening of general meetings of shareholders of the Company.
- 4) The prosecution, defence or settlement of legal or arbitration proceedings where material and except in the ordinary course of business.
- 5) The appointment, removal or replacement of the Company Secretaries.

**Regulatory**

- 1) The approval of the terms and conditions of the Company's rights issues, public offers, capital issues or issues of convertible securities, including shares or convertible securities issued for acquisitions;
- 2) The approval and authority to issue circulars to the shareholders of the Company;
- 3) The approval of and authority to issue prospectuses, listing particulars, rights offers or takeover or merger documents;
- 4) Recommending to the shareholders that any ordinary or special resolutions in respect of the Company;
- 5) Recommending to the shareholders to take a particular course of action proposed by the Board; and
- 6) Any decision to list the Company's shares on any stock exchange or to terminate any such listing.

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**BOARD CHARTER**

**APPENDIX A**

**LIST OF MATTERS RESERVED FOR THE BOARD**

**Conduct of the Board**

- 1) The appointment to the Board including the appointment of the Chairman, CEO, EDs and NEDs and the approval on the nomination of alternate directors (if any) as recommended by the Nomination Committee.
- 2) The appointment of, terms of reference and changes in the composition of the Board Committees as are established from time to time.
- 3) Any increase of Board members' fees and benefits payable to the Directors, as recommended by the Remuneration Committee and endorsed by the Board, which shall ultimately be approved by the shareholders of the Company in a general meeting.
- 4) The implementation of any employee share option scheme, the rules applicable to any such scheme and any amendments to such rules for submission to the shareholders of the Company for approval.
- 5) The formulation of recommended policies in relation to equal opportunity employment, human capital development, environment, health and safety.
- 6) Constituting part of this Board Charter is a "general enabling resolution" which deals with the authority of certain Directors and officials to negotiate and finalise the terms of contracts, for and on behalf of the Company.

**Performing Strategy Review**

- 1) Instituting a regular and formal Board strategy review. This involves analysing the existing corporate strategy, examining progress towards designated objectives and evaluating current performance in light of these objectives.
- 2) Board strategy should be undertaken periodically and in the midst of rapidly changing environments and market conditions, at short intervals.
- 3) Criteria to be used to measure strategic progress.

**Succession Planning**

- 1) The approval of the succession plan for all Senior Management position to ensure that candidates appointed to these positions are of sufficient caliber.
- 2) Type and depth of experience required in order for the Board to continue functioning effectively in the succession planning programme.

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**BOARD CHARTER**

**APPENDIX B**

**DIRECTORS' CODE OF CONDUCT AND ETHICS**

Board members are required to observe the Directors' Code of Conduct and Ethics as follows:

1. Compliance at all times with this Code of Conduct and Ethics and the Board Charter.
2. Observe high standards of corporate governance at all times.
3. Adhere to the principles of selflessness, integrity, objective, accountability, openness, honesty and leadership.
4. Act in good faith and in the best interest of the Company and Group.
5. Do not misuse information gained in the course of duties for personal gain or for political purposes, nor seek to use the opportunity of the service as directors to promote their private interests or those of connected persons, firms, businesses or other organisations.
6. Uphold accountability at all times. This includes ensuring that the Company's resources are properly safeguarded and the Company conducts its operations as economically, efficiently and effectively as possible at all times.
7. Board Members should not accept positions on Board committees or working groups where a conflict of interest is likely to arise, without first declaring that interest.
8. Declaration of any personal, professional or business interests that may conflict with directors' responsibilities. Guidance on declaration and registration and registration of interests is given in the section entitled "Declaration of Interest".
9. Follow the guidelines on acceptance of gifts and hospitality as stated in the section entitled "Guidelines on Acceptance of Gifts" below.

**Declaration of Interests**

Subject to the requirements of any acts, rules or regulations that are in force from time to time and in addition to such mandatory requirements, Board members are required to notify the Company Secretary changes in the following:

1. Shareholding in the Company and its related corporations, whether direct or indirect; and
2. Directorships or interests in any other corporations.

In addition to the above, Board members who has a material interest, either directly or through a partner, spouse or close relative, in matters being considered by, or likely to be considered by the Board should declare that interest. Such declarations should describe the interest clearly and state whether it carries direct or indirect financial benefits. This requirement also applies to Senior Management.

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**DIRECTORS' CODE OF CONDUCT AND ETHICS**

Relevant interests in this context are as follows:

1. Executive and non-executive directorships of significant shareholdings in or employment by public or private companies likely or possibly seeking to do business with the Company.
2. Ownership or part-ownership of or employment by business or consultancies likely or possibly seeking to do business with the Company.

**Conduct in Meetings**

Any Board Member who has a clear and substantial interest in a matter under consideration by the Board should declare that interest at any meeting where the matter is to be discussed, whether or not that interest is already recorded in the register. The Board Member concerned should withdraw from the meeting during the relevant discussion or decision.

**New Directorships**

Board Members should notify the Chairman before accepting any new directorships in any Public Listed or Private companies which includes an indication of time that will be spent on the new appointment.

**Membership of Committees**

Board Members should not accept positions on Board committees or working groups where a conflict of interest is likely to arise, without first declaring that interest.

**Guidelines of Acceptance of Gifts**

The following set out guidelines on acceptance of gifts.

1. The conduct of individuals must not create suspicion of any conflict between their position as a member of the Board and any private interest;
2. Board Members acting as such must not give the impression that they have been influenced by a benefit to show favour or disfavour to any person or organisation having dealings with the Company;
3. Board Members must not accept any benefit as an inducement or reward for taking any action (or specifically not taking any action) in their official capacity as a Board Member; and
4. Gifts other than of token value should generally be refused.

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**BOARD CHARTER**

**APPENDIX C**

**WHISTLEBLOWING POLICY**  
*(adopted on 06 February 2017)*

**Overview**

Whistle-Blowing is a specific means by which any employees, customers or suppliers ("stakeholders") can report or disclose through established channels, concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place/ has taken place/ may take place in the future; of which they become aware and to provide protection for the party, who report allegations of such malpractice or misconduct.

**Objective**

This Policy is designed to:

- 1) Support the Company's values;
- 2) Ensure stakeholders can raise concerns without fear of reprisals and safeguard such person's confidentiality;
- 3) Protect a whistle-blower from reprisal as consequence of making a disclosure;
- 4) Provide a transparent and confidential process for dealing with concerns. This policy not only covers possible improprieties in matters of financial reporting, but also:
  - Fraud;
  - Corruption, bribery or blackmail;
  - Criminal offences;
  - Failure to comply with a legal or regulatory obligation;
  - Miscarriage of justice;
  - Endangerment of an individual's health and safety; and
  - Concealment of any, or a combination, of the above.

**Principles**

The principles underpinning the Policy are as follows:

- 1) internal procedures to facilitate necessary whistle-blowing, in a timely and responsible manner, are in place and made known to all employees of the company;
- 2) all disclosures will be treated fairly and properly, and addressed in an appropriate and timely manner;
- 3) the Company will not tolerate harassment or victimisation of anyone raising a genuine concern;
- 4) the identity and personal information of the whistle-blower will be protected and kept confidential, unless the individual agrees otherwise or unless otherwise required by law;
- 5) the whistle-blower and the alleged wrongdoer will be treated fairly. The wrongdoer will be informed of the status of his disclosure and the alleged wrongdoer will be given an opportunity to respond to all allegations at an appropriate time (not necessarily at the start, or during, the investigation);
- 6) personal information, including the identity, of the whistle-blower and the alleged wrongdoer shall only be revealed on a 'need-to-know' basis; and
- 7) the Company will ensure no one will be at risk of suffering some form of reprisal as a result of raising a concern even if the individual is mistaken. The company, however, does not extend this assurance to someone who maliciously raises a matter he knows is untrue.

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**Covered Concerns**

A disclosure relating to, but not limited to, either of the following concerns or wrongdoings by any person in the conduct of the business shall be reported:

- 1) corruption, bribery and fraud;
- 2) criminal offence or any breach of the laws of Malaysia;
- 3) acceptance of gifts/ favour beyond the threshold allowed by the company;
- 4) misuse and/or misappropriation of the Company's funds or assets;
- 5) impropriety (including financial and operational, etc.) within the Company;
- 6) gross mismanagement within the Company (including serious potential breach to the interest of society and environment);
- 7) breach of code of ethics of the Company, including sexual, physical or other abuse of human rights; and
- 8) act or omission jeopardising the health and safety of the Company's employees or the public.

**Reporting Procedure**

If any stakeholder believes reasonably and in good faith that malpractices exist in the Company, the stakeholder should report this immediately to the head-of-department.

However, if for any reason the stakeholder is reluctant to do so, then the stakeholder should report the concerns to the Senior Independent Non-Executive Director or the Audit Committee Chairman ("Designated Contact Persons").

Employees concerned about speaking to another member of staff can communicate, in confidence, to the Designated Contact Persons by email his/her concern to the Designated Contact Persons. Any anonymous disclosure will not be entertained. However, the Designated Contact Persons reserves his/her right to investigate into any anonymous disclosure.

These concerns will be managed by the Designated Contact Persons and they shall have the right to decide whether to inform the Senior Management or the Board or Directors or relevant enforcement authority(ies) (if the Designated Contact Persons concluded that such incidents to be reported, based on the facts gathered), depending on the seriousness of the reported incident(s) and on need-to-know basis, without revealing the identity of the whistle-blower. The Designated Contact Persons, at the cost to be borne by the Company, shall have the right and authority(ies) to decide on the next course of actions with the advice of the external professionals or experts, if required.

Whistle-blowers' identity will not be disclosed without prior consent. Where concerns cannot be resolved without revealing the identity of the whistle-blower raising the concern (i.e. if the evidence is required in court), a dialogue will be carried out with the whistle-blower concerned as to whether and how the matter can progress further.

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**Consequences of Wrongdoing or Wrongful Disclosure**

If the Person (i.e. the whistle-blower) has, or is found to have:

- committed a wrongdoing;
- taken serious risks which would likely cause a wrongdoing to be committed;
- made a disclosure not in accordance with the requirements of this policy (for instance, dishonest, mischievous or malicious complaints); or
- participated or assisted in any process pursuant to this policy otherwise than in good faith,

the corrective actions to be taken against that Person will be determined by the Designated Contact Persons and the Managing Director or the Senior Management, which may include, disciplinary measures, formal warning or reprimand, demotion, suspension or termination of employment or services or monetary or other forms of punishment.

Any attempt to retaliate, victimise or intimidate against anyone (whistle-blower) making report in good faith is a serious violation of the Policy and shall be dealt with serious disciplinary actions and procedures.

**Protection**

The identity and personal information of the whistle-blower will be protected and kept confidential, unless the whistle-blower agrees otherwise or unless otherwise required by law.

The whistle-blower will be protected from reprisal, including any form of harassment and victimisation, as a consequence of his disclosure.

If a whistle-blower reasonably believes that he is being subjected to reprisal, including harassment and victimisation, as a consequence of whistle-blowing, he may consult or report to the Designated Contact Persons.

**Administration**

This Policy is administered by the Audit Committee with the assistance of Senior Management and overseen by the Board.

Designated Contact Persons:

Mr Pang Nam Ming  
Audit Committee Chairman  
Email : pang.nm@gmail.com

Mr Vincent Loh  
Senior Independent Non-Executive Director  
Email: vcloh@consultalliance.com

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**APPENDIX D**

**CORPORATE DISCLOSURE POLICY**

*(adopted on 06 February 2017)*

The Board is committed to provide accurate, clear, timely and complete disclosure of material information pertaining to the Company's performance and operations to shareholders, investors and the public generally. In formulating this policy, the Company has taken into account the recommendations contained in the Malaysian Code on Corporate Governance (MCCG) 2017 and its disclosure obligations contained in the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad.

**Objective**

The objectives of the Corporate Disclosure Policy ("**CDP**") are as follows:-

- (a) To raise awareness and provide guidance to the Directors, Management and employees of the Company on the disclosure requirements and practices;
- (b) To provide guidelines and policies in disseminating corporate information to, and in dealing with shareholders, stakeholders, analysts, media and the investing public;
- (c) To ensure compliance with all applicable legal and regulatory requirements on disclosure of material information; and
- (d) To build good investor relations with the investing public that inspires trust and confidence.

**Principles of Disclosure**

The Company is committed to the following principles in its disclosure of Material Information under provisions of this policy.

**a. Transparency and accountability**

Disclosure of corporate information shall be accurate and consistent, regardless of whether such information may have a positive or negative impact, in order to ensure transparency and accountability.

**b. Compliance with legal and regulatory requirements on disclosure**

Disclosure of corporate information shall be in compliance with applicable legal and regulatory requirements.

**c. Confidentiality and timely disclosure**

In order to ensure timely, accurate and fair disclosure, disclosure of material and non public information shall be done in accordance with the conditions and procedures for maintaining the confidence of such information as well as public disclosure.

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**d. Fair and equitable access to information**

Material, non public information shall be disclosed and disseminated in a manner which ensures fair and equitable access and by all stakeholders. Selective disclosure of such information to specific individuals or groups is avoided at all times unless confidentiality is fully secured by confidentiality agreements or other relevant measures.

**Corporate Disclosure Mechanism**

The Board assumes the overall responsibility to ensure that all Material Information is communicated to stakeholders impartially on timely, accurate, clear and complete manner per ACR LR and other relevant laws and regulations.

In order to discharge its duty and responsibility in respect of disclosure of Material Information, it is the Board responsibility to ensure that the Corporate Disclosure Policy is established and implemented effectively for the disclosure and dissemination of such material information. The Board delegates the implementation of the Corporate Disclosure Policy to Corporate Disclosure Committee. For the avoidance of doubt, the mandatory disclosure requirement for other information per ACE LR and applicable laws and regulations is not delegated to Corporate Disclosure Committee and shall be the responsibility of the Board collectively.

**a. Corporate Disclosure Committee**

1. The Corporate Disclosure Committee (“the Committee” or “CDC”) consists of the Chief Executive Officer and members of Audit Committee with Company Secretary acting as secretary to the Committee.
2. The Committee is tasked with the responsibility to oversee all matters relating to Company’s corporate disclosure practice and to ensure adherence to the Corporate Disclosure Policy.
3. The Committee:-
  - a) To maintain awareness and understanding of the corporate disclosure requirements and any changes thereto;
  - b) To implement and monitor compliance with the Corporate Disclosure Policy and undertaking reviews of any violations, including assessment and implementation of appropriate consequences and actions;
  - c) To review and update the Corporate Disclosure Policy from time to time to ensure compliance with the ACE LR and other regulatory requirements;

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- d) To disclose and disseminate Material Information in accordance with the Corporate Disclosure Policy and ACE LR and other applicable laws and regulations;
- e) To report to the Board, during the Board's Meeting, on material information announced pursuant to this policy;
- f) To ensure that all disclosure of material information is properly and adequately supported by appropriate approved documentation and is properly documented for future reference; and
- g) To determine corporate development and transactions to be material information to be governed under this policy in the event of doubt.

4. The Committee:-

- a. shall have the resources that are required to perform its duties. The Committee can obtain, at the expense of the Company, outside legal or other independent professional advice it considers necessary; and
- b. shall have full and unlimited access to any information pertaining to the Company and its subsidiaries and to seek any information it requires from officers and employees.

**b. Authorised Spokesperson**

(1) Primary Spokesperson

- Chairman; and
- Chief Executive Office (CEO)

The Company's Chairman and CEO have been appointed to communicate with audience constituents and respond to questions in relation to the corporate vision, strategies, developments, future prospects, financial plans and operation matters.

(2) Secondary Spokesperson

- Chief Technical Officer or Chief Operating Officer or Chief Financial Officer

The Chief Technical Officer or Chief Operating Officer or Chief Financial Officer may only communicate to audience constituents on information already in the public domain, unless they are authorised by the Primary Spokespersons to undertake broader communications.

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- (3) Employee, other than the Authorised Spokesperson, shall not respond to inquiries from any parties unless authorised to do so by Authorised Spokesperson (“Authorised Employee”).
- (4) In the event of doubt as to the information on-hand constitute material information, Authorised Spokesperson shall seek confirmation from the Committee in confidence (by incorporating “Strictly Private and Confidential” on the caption of the communication medium) and such information shall be material information shall majority of the members of the Committee determine as such in writing in confidence, either manually or electronically. In the event the information is determined as material information, such material information shall be disclosed per iii. below.
- (5) Authorised Spokesperson or Authorised Employee shall provide only factual, non-material and non-speculative information.

**c. Procedure for Disclosure of Material Information**

- (1) The Committee shall manage all of the Company’s release of announcements of material information to Bursa Malaysia Securities Berhad (“Bursa Securities”) through the Company Secretary.
- (2) All disclosure of material information shall only be made through Bursa Securities and no other means.
- (3) If the Committee believes that the material information will be better understood and widely disseminated, the Company may request Bursa Securities for a suspension in the trading of the Company’s securities in accordance with the ACE LR.
- (4) Upon being informed by CEO or any other designated personnel by him/her of the material information, the Company Secretary shall draft the announcement of the material information based on details provided by CEO or any other designated personnel in accordance to the disclosure requirement under ACE LR and other applicable laws and regulations. Such draft announcement shall be subject to the following review and approval prior to the release to the Bursa Securities:
  - (5) Review by Finance and Accounts Department for financial information and other relevant departments for non-financial information, manually on the draft announcement or electronically through electronic mail contains such announcement uneditable; and

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- (6) Review and approval by majority of the members of the Committee (mandatory for approval from CEO) for the accuracy of the content of the announcement and compliance with LR and other applicable laws and regulations, manually on the draft announcement or electronically through electronic mail contains such announcement uneditable.
- (7) The Company Secretary or other designated personnel by the CEO shall maintain a record of the announcements made under this policy supported by all relevant supporting documentation properly reviewed and approved.
- (8) The Committee to compile and presented to the Board for review of announcements made under this policy during the forthcoming Board's meeting.

**Responding to Market Rumours**

It is the Company's policy not to comment on market rumors and speculations. The Authorised Spokespersons shall respond consistently to rumors saying, "It is our policy not to comment on market rumors or speculation." However, if required by Bursa Securities, the Company will make due inquiry and immediately clarify, confirm or deny publicly the rumours through Bursa Securities.

**Confidential Material Information**

There are exceptional circumstances where the Company is allowed to withhold or delay disclosure of Material Information temporarily, provided that complete confidentiality is maintained ("Confidential Material Information").

It is the responsibility of the Committee as a whole to decide whether to temporarily withhold certain Material information not previously made public based on the following exceptional circumstances:

- (a) when disclosure would prejudice the ability of the listed issuer to pursue its corporate objectives; or
- (b) when the facts are in a state of flux; or
- (c) where company or securities laws restrict such disclosures

Shall such confidential Material Information being temporary withhold, the Committee shall ensure the followings are carried out until the public dissemination of such material information publicly:

- To limit the dissemination of the Confidential Material Information to officers and employees on "need-to-know" basis;

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- To ensure that officers and employees privy to the Confidential Material Information to sign a Confidentiality Agreement;
- Employees and officers with access to Confidential Material Information to ensure total confidentiality of such sensitive information and refrain from divulging such information to any third party and discuss among themselves publicly until timely, fair and equitable disclosure is made to the public;
- All documentations and correspondence of such confidential Material Information shall be marked with “Strictly Private & Confidential” and shall be kept in secured location by the recipient of such confidential information. Shall such confidential information is communicated through electronic mean, access to such electronic device shall be restricted to password access.

If anytime, Confidential Material Information is inadvertently leaked resulting in selective disclosures, the Committee will initiate a process immediately to ensure full and accurate public dissemination of such Material Information.

**Forward Looking Statement**

The Company may provide forward-looking Statement to the investing public to enable reasoned evaluation of the Company and its futures performance prospects provided that it is not undisclosed material information, it does not deal with future earnings, and it has been reviewed and approved by the Board.

**Non-Compliance**

Any employee who violates the disclosure policy may face disciplinary action, which may result in the termination of employment. The violation of this Policy may also violate certain securities laws.

If the Company discovers that an employees has violated such securities laws, it may refers the matter to the appropriate regulatory authorities, which can lead to penalties, fines and/or imprisonment.

**Review of the Corporate Disclosure Policy**

The CDP has been adopted by the Board and any subsequent amendment to the CDP can only be approved by the Board

The CDC will review the CDP periodically to ensure that it effective in accordance with any new regulations on the disclosure obligations and practices.

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**APPENDIX E**

**DIVERSITY POLICY**  
*(adopted on 25 June 2018)*

**Introduction**

This Policy pursues to record, more formally, the Company's policy on diversity of the Board and Senior Management and to recognise the recommendation of the Malaysian Code on Corporate Governance 2017.

**Principles and Objectives**

The Group strictly adheres to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition of members by nurturing suitable and potential candidates equipped with competency, skills, experience, good character, time commitment, integrity and other qualities in meeting the future needs of the Company.

The objectives of this Policy are to have a Board and Senior Management which:

- is characterised by a broad range of viewpoints rather than just diversity in skills and experience; diversity in viewpoints would exist if there are diversity in gender, nationality, age, culture and socio-economic backgrounds; and
- has sustainable development as its core value, thus promoting the interests of all our stakeholders, particularly the long term interests of our shareholders, fairly and effectively.

**Scope**

The Board considers that the concept of diversity incorporates a number of different aspects, such as professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background.

(a) Board Mix

The Board shall include a balanced composition of EDs, NEDs and INEDs to promote a strong element of independences in the Board. The INEDs shall be of sufficient calibre and standing, for their views to carry weight.

(b) Skills and Experience

The Board and Senior Management shall possess a balance of appropriate skills for the requirements of the business of the Company. The Directors shall have a mix of financial, legal, management and other backgrounds which when working in synergy, could provide the Company with considerable experience in a wide range of activities.

(c) Gender

The Board takes cognisant of the recommendation of the Malaysian Government to have at least 30% women as decision makers in corporate sector. The Company shall

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endeavour to increase female representation on the Board and Senior Management if there are appropriate candidates available when vacancies arise.

Nonetheless, the Company shall at any point of time to have at least one female representation on the Board and Senior Management.

(d) Ethnicity/Nationality

The Company aspires to have a Board and Senior Management of different nationality or ethnic backgrounds who can contribute their knowledge and understanding of the business, industry and environment.

(e) Age

The Board is fully committed to promote age diversity, valuing the contribution of its members and Senior Management regardless of age, and seeks to eliminate age stereotyping and discrimination.

**Measurable Objectives**

This Diversity Policy framework for the Group is aimed towards achieving the following objectives:

1. Selection of candidates will be based on a range of diversity perspectives, including but not limited to, professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background. The ultimate decision will be based on merit and contributions that the selected candidates will bring to the Board and Senior Management. The Board's composition (including gender, ethnicity and age) will be disclosed in the Annual Report annually.
2. The Board acknowledges the importance of promoting gender diversity. Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board and Senior Management remains a priority.

**Monitoring and Reporting**

1. Pursuant to the Term of Reference of the Nomination Committee ("NC"), NC is (among other things) responsible for:
  - reviewing, recommending and considering candidates to the Board and committees of the Board;
  - assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Directors on an on-going basis; and
  - assessing the balance of the Board membership and determining the core competencies and skills required for the Board.

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2. The NC shall report to the Board on:
  - initiatives undertaken by the Board in relation to board Diversity and to achieve the Measurable Objectives;
  - progress in achieving the Measurable Objectives; and
  - recommendations regarding Measurable Objectives.
3. The Board shall, at least annually, assess:
  - Measurable Objectives; and
  - the progress in achieving the Measurable Objectives.
4. The Board will ensure that appropriate disclosures are made in the Annual Report regarding Board Diversity.

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**BOARD CHARTER**

**APPENDIX F**

**REMUNERATION POLICY**

*(adopted on 27 March 2019)*

**GUIDELINES**

1. The objective of this Policy is to assist VisDynamics Holdings Berhad Group in attracting, retaining and motivating its directors and key senior management. The remuneration shall be based on conditions that are market driven and at the same time aligned with shareholders' interests.
2. VisDynamics' remuneration policy is approved by the Board of Directors on recommendation by the Remuneration Committee ("RC"). On a yearly basis, the RC recommends to the Board the remuneration packages of Executive and Non-Executive Directors and it is the responsibility of the Board as a whole to approve the remuneration packages, except that Director's Fees and Director's Benefits payable to the Non-Executive Directors shall be approved by the shareholders at general meetings.
3. No Director shall participate or vote on the deliberations and decisions concerning his or her own remuneration.

**POLICY & PROCEDURES**

The RC shall be responsible for the development of the remuneration policy and the determination of the remuneration packages of the Directors. Nevertheless, it is the ultimate responsibility of the Board to approve the remuneration of the Directors.

The Directors shall be offered an appropriate level of remuneration that would reflect the level of risks, responsibilities, experiences as well as the performance of the Company undertaken by the individual Director concerned.

**Procedures**

1. Executive Directors

The remuneration of the Executive Director(s) shall comprise of basic salaries, allowances, annual bonus, incentives & etc. and are set according to:-

- the job functions;
- the level of skills, qualification, experience and responsibilities given;
- the performance indicators ("KPI") for the job;
- the key contributions towards the Group; and
- prevailing market and industry's rate.

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In formulating the remuneration levels, the RC must consider the assessment on the performance of the Executive Director(s) against such targets as well as benchmarking to market rate for benefits-in-kind, annual increment and bonus. The performance measures may derive from a mix of financial and strategic measures. Financial measures include profitability and cash position of the Company. Strategic measures may include but not limited to competitive performance metrics such as enhancement of shareholder value/market share.

Remuneration of the Executive Director(s) shall be structured to link rewards to corporate and individual performance and shall take into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual's performance and responsibility, market competitiveness as well as VisDynamics' overall performance.

Remuneration payable to Executive Directors shall not include a commission on or percentage of turnover.

**2. Non-Executive Directors**

The remuneration of the Non-Executive Directors shall consist of directors' fees and meeting allowances. The remuneration for the Non-Executive Directors must take into consideration of the experiences, responsibilities and time committed by the Non-Executive Directors concerned.

Remuneration for the services of Non-Executive Directors shall be aligned with market terms, taking into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual's performance and responsibility, market competitiveness as well as VisDynamics's overall performance.

Fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover.

**3. Key Senior Management**

The remuneration of the Key Senior Management is made up of basic salaries, allowances annual bonus, incentives & etc. and are set according to:-

- the job functions;
- the level of skills, qualification, experience and responsibilities given;
- the performance indicators ("KPI") for the job;
- the key contributions towards the Group; and
- prevailing market and industry's rate.

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**REMUNERATION POLICY**  
*(adopted on 27 March 2019)*

Remuneration of the Key Senior Management shall be structured to link rewards to corporate and individual performance and shall take into consideration remuneration paid to them of other similar companies, whether in size and /or industry, the individual's performance and responsibility, market competitiveness as well as VisDynamics's overall performance.

**Process**

The RC operates under the delegation of the Board to provide an oversight of the Company's remuneration and compensation plans on behalf of the Board.

The RC reviews the remunerations strategy and plans of the Company, compares the strategy and plans with community and industry standards and, where possible, verifies the appropriateness of the strategy and plans by reference to external information and advice.