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NATHAN FINANCE

COMPANY LIMITED

STAKEHOLDER MANAGEMENT AND COMMUNICATION POLICY

FOR

NATHAN FINANCE COMPANY LIMITED

Table of Contents

Definitions.....	3
1. Introduction	5
2. Scope.....	5
3. Objectives	5
4. Stakeholder Engagement Process	6
5. Principles for effective Stakeholder engagement.....	6
6. Responsibility of the Board	7
7. Media Relations	8
8. Relationship with Shareholders and Stakeholders.....	9
9. Review of Policy	9

Definitions

S/N	Words/Abbreviation	Meaning
1	Board	Board of Directors of Nathan Finance Company Limited
2	Company	Nathan Finance Company Limited
3	MD/CEO	Managing Director/Chief Executive Officer
4	CS	Company Secretary
5	ED	Executive Director
6	Stakeholder(s)	shareholders, employees, analysts, creditors, customers, regulators, vendors, consultants, professional advisers, hostcommunity, non-governmental organisations and government.



1. INTRODUCTION

The Company recognizes the effect that financial service activities may have on persons and communities. As such, engagement and consultation with staff, individuals and communities that may be affected by the Company's business activities is thus essential for managing the risk of instability.

To ensure that the Company's relevance and survival in a competitive business environment, regular interaction with key stakeholders is considered mandatory. Not only is stakeholder engagement the key starting point for a business strategy, it also demonstrates how the Company is responsive to the legitimate needs and concerns of its Stakeholders. Stakeholders include shareholders, employees, analysts, creditors, customers, regulators, vendors, consultants, professional advisers, host community, non-governmental organizations and government, Whereas stakeholder engagement is defined as the process used by an organization to engage relevant stakeholders for a purpose in order to achieve optimal outcomes.

2. SCOPE

This Policy applies to all shareholders, directors, and employees with respect to any information (general, confidential, or material) in whatever form or means, regarding the Company that is shared between the Company, personnel, and other parties.

The Company views all employees as reputation managers not only for themselves, but for the Company and customers as well.

3. OBJECTIVES

The Stakeholder Management Policy is a useful tool for managing communication



and defining the Company's approach to engaging its Stakeholders. The Policy seeks to define a suitable approach to consultation and disclosure.

The objectives of the Company's Stakeholder Management are:

- a) Establish an effective communication and relations with the Company's 's shareholders and other stakeholders.
- b) Establish formal grievance mechanisms.
- c) Document the Company's stakeholder engagement process by providing a platform for obtaining and addressing Stakeholders concerns.
- d) Guide the Company in building a mutually respectful, beneficial and lasting relationships with stakeholders.
- e) To identify possible communication risks and their impact on Stakeholders and the Company's business.

4. STAKEHOLDER ENGAGEMENT PROCESS

The Company shall adopt a proactive approach towards building and maintaining mutually beneficial relationships with all relevant stakeholders, throughout its business operations. An engagement program shall be developed and implemented to comply with acceptable codes of corporate governance standards. The stakeholder engagement will be free of manipulation, interference, coercion, and intimidation. It shall be conducted on the basis of timely, relevant, understandable and accessible information. The Stakeholder engagement process may include the following steps listed in Schedule 1.

Effective stakeholder engagement depends on mutual trust, respect and transparent communication between the Company and its stakeholders. It thereby improves the Company's decision-making and performance by cutting costs, enhancing



reputation, avoiding conflict, improving corporate policy, identifying, monitoring and reporting on impacts and managing stakeholder expectations.

5. PRINCIPLES FOR EFFECTIVE STAKEHOLDER ENGAGEMENT

Stakeholder engagement is usually informed by a set of principles defining core values underpinning interactions with stakeholders. Common principles based on International best practices include the following:

- (a) Commitment is demonstrated when the need to understand, engage and identify the key stakeholders is recognized and acted upon.
- (b) Integrity occurs when engagement is conducted in a manner that fosters mutual respect and trust.
- (c) Respect is created when the rights, values and interests of stakeholders and neighbors are recognized.
- (d) Transparency is demonstrated when stakeholder concerns are responded to in a timely, open and effective manner.
- (e) Inclusiveness is achieved when broad participation is encouraged and supported by appropriate participation opportunities; and
- (f) Trust is achieved through open and meaningful dialogue that respects stakeholder's values and opinions.

6. RESPONSIBILITY OF THE COMPANY

6.1 The Company's corporate services shall ensure that Stakeholders have access to Company's information and shall ensure that websites, investor relation portals, annual reports and other relevant information about the Company are made accessible to the public and are in plain language, readable and understandable.

6.2 The Company's corporate services and compliance shall establish a whistle-blowing framework to encourage stakeholders to bring unethical conduct and violations of laws



and regulations to the attention of an internal and/or external authority so that action can be taken to verify the allegation and apply appropriate sanctions or take remedial action to correct any harm done. This framework should be known to employees and external stakeholders.

6.3 The corporate services team shall perform their functions with high degree of objectivity for sustaining Stakeholders trust and confidence.

6.4 The corporate services team shall also oversee the maintenance of the Company's communication and information dissemination strategy.

6.5 For reliability of the financial statements, the Board shall appoint an external auditor to provide an independent opinion on the true and fair view of the Company's financial statements and give assurance to its Stakeholders.

6.6 The Board is responsible for full and comprehensive disclosure of all matters material to investors and stakeholders, and ensure proper monitoring of its implementation which engenders good corporate governance practice.

6.7 It is the Board's duty to ensure that its corporate governance involves structures and processes that protect stakeholder interests.

7. MEDIA RELATIONS

7.1 Media relations shall be in line with the strategy of the Company as developed by the corporate services or any other department as authorized by the Company, which shall maintain a list of spokespersons that may be called upon to speak to the media on specific areas of the Company's business operations in consultation with Management. Only designated spokespersons shall be permitted to issue statements on behalf of the Company.



8. RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

- 8.1 General Meetings must be conducted by the Board to engage shareholders to facilitate greater understanding of the Company's business, governance, performance, provide shareholders with an opportunity to exercise their ownership rights and express their views to the Board on any areas of interest.
- 8.2 The dialogue with shareholders must be based on the mutual understanding of objectives. The Board has a responsibility for ensuring that a satisfactory dialogue with shareholders takes place.
- 8.3 Shareholders may communicate on governance matters directly to the Board through the Company Secretary. As deemed appropriate, such matters may be referred to the entire Board, Board committees, individual members, or other departments within the Company.
- 8.4 The Board must ensure equitable treatment of shareholders and the protection of their statutory and general rights, particularly the interest of minority shareholders, and promote good governance.
- 8.5 The Board shall ensure that the Company promptly provides shareholders documentary evidence of ownership interest in the Company such as share certificates, dividend warrants and related instruments. Where these are rendered electronically, the Board shall ensure that they are sent in a secure manner.
- 8.6 All dealings with Shareholder's Association, where applicable, shall be transparent and in line with the relevant governance codes.
- 8.7 The Board shall demonstrate good sense of corporate social responsibility to their stakeholders such as customers, employees, host communities, and the public.
- 8.8 At all times, Directors shall act in good faith and with integrity in the best interests of



the Company and provide adequate information to shareholders to facilitate their investment decisions.

9 REVIEW OF POLICY

This Policy shall be reviewed annually or as may be deemed necessary.

SCHEDULE 1

- Stakeholder Identification and Listing
- Stakeholder Matrix Analysis
- Identification of Engagement Strategies
- Development of Engagement plan
- Evaluation and Feedback