



AME ELITE CONSORTIUM BERHAD

Registration No. 201801030789 (1292815-W)
(Incorporated in Malaysia)

BOARD CHARTER

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1. INTRODUCTION

This Board Charter ("Charter") serves as a guiding document for the Board of Directors ("Board") of AME Elite Consortium Berhad ("AME" or "Company") and is in line with the Company's Constitution, which sets out the authorities, roles, functions, compositions and responsibilities of the Board to assist Directors of AME to be aware of their roles, duties and responsibilities and to effectively discharge their fiduciary duty in managing the affairs of the Company and its subsidiaries (collectively referred to as the "Group").

It provides an overview of how the Board leads the management of AME ("Management") through strategic guidance and effective oversight. It also sets out the delegation of authority by the Board to various committees to ensure that the Board members, in performing their responsibilities on behalf of AME, would act in the best interests of all stakeholders.

Whilst this Charter serves as a reference point for the activities of the Board and the various committees, it shall not be construed as an exhaustive blueprint for the Board's operations. This Charter is subject to the provisions of the Companies Act 2016 ("CA 2016"), the Capital Markets and Services Act 2007 ("CMSA"), the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the Malaysian Code on Corporate Governance 2021 ("MCCG") issued by the Securities Commission and any other applicable laws or regulatory requirements.

2. COMPANY'S GOALS

2.1 Company's Vision

To be a **Leading Industrial Space Solutions Provider** in the region, offering a complete suite of capabilities.

2.1 Company's Mission

Customers	To anticipate future trends and reimagine industrial space to deliver innovative and excellent products and services on time
People	To identify and nurture our employees to achieve their potential for career and professional development

Suppliers	To maintain trustworthy and quality collaboration with suppliers towards achieving excellent products and services for our customers
Community	To contribute to economic, environmental and social progress through the creation of communities centred upon high-quality, sustainable industrial real estate developments
Shareholders	To create and deliver sustainable shareholders' returns

3. BOARD STRUCTURE AND COMPOSITION

3.1 Size and Composition

The Board should consist of qualified individuals with a diverse mix of skills, knowledge, experience, background and gender to ensure sufficient diversity and independence in facilitating the deliberation, review and decision-making.

Whilst the Constitution of AME allows for not less than two (2) Directors and not more than fifteen (15) Directors, the Board shall periodically review and evaluate the size of the Board, to promote effective deliberation, encourage active participation of all Directors and to allow the functions of the various Board Committees to be discharged without giving rise to an over-extension of Directors that are required to serve on multiple Board Committees.

In tandem with Paragraph 15.02 of the MMLR, the Constitution of AME provides, at any one time, at least two (2) or one-third (1/3), whichever is higher, of the Board members shall be Independent Directors. Further, the Company shall ensure that at least one (1) Director of the Company is a woman. If vacancy in Board results in non-compliance, the Company must fill the vacancy within three (3) months.

The Board, through the Nomination Committee, shall take steps to adhere to the recommendation in the MCCG whereby, the composition of the Board should comprise a majority of Independent Directors and at least 30% of the Board members comprised women Directors, for effective oversight of Management and also to meet the gender diversity requirement.

For the avoidance of doubt, an Alternate Director shall not be counted in determining the number of Directors on the Board.

3.2 Nomination and Appointments

The appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendations from the Nomination Committee.

In nominating candidates for directorship, the Nomination Committee will consider the fitness and properness of the candidate which include amongst others, the required mix of diversity in skills, experience, age, cultural background, gender, character, integrity, competence and time commitment of the candidates, including those who retire and offer themselves for re-election.

Directors appointed should be able to devote the required time to serve the Board effectively. The Board should consider the existing Board positions held by a Director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided.

Further, it is the Company's policy to require a former partner of the Company's external audit firm and/or the affiliate firm (including those providing advisory services and tax consulting services) to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit and Risk Management Committee. In addition, the Company should avoid appointing an active politician as a member of the Board. A person is considered politically active if he/she is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.

In identifying candidates for appointment as Director, the Board shall not solely rely on recommendations from existing Board members, Management or major shareholders. The Board may utilise independent sources to identify suitably qualified candidates, not limited to sources from a Directors' Registry, open advertisements and independent search firms.

3.3 Re-election and Re-appointments

In accordance with the Constitution of AME, at the first Annual General Meeting of the Company ("AGM"), all Directors shall retire from office, and at the AGM in every subsequent year, an election of Directors shall take place and one-third (1/3) of the Directors for the time being, or, if their number is not three (3), or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided always that all Directors including a Managing Director shall retire from office once at least in each three (3) years but shall be eligible for re-election.

An election of Directors shall take place every year, and a retiring Director shall be eligible for re-election.

The Directors to retire each year shall be those who have been longest in office since their last election. Still, as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

3.4 Independent Director

The Board undertakes to assess the independence of its Independent Directors upon their appointment, annually and when any new interest or relationship develops.

The Independent Directors shall be independent of Management and free of any significant business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement or the ability to act in the best interests of the Company.

Even if a Director does not fall within any of the disqualifying indicators enumerated in Paragraph 1.01 of the MMLR, it does not mean that the Director will automatically be eligible as an Independent Director. Directors must give effect to the spirit, intention and purpose of the definition of an Independent Director. There must be a conscious application of the test of whether the said Director can exercise independent judgement and act in the Company's best interests.

The tenure of an Independent Director shall not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director.

The Board may identify, from amongst its members, a Senior Independent Director to whom concerns of fellow Directors, shareholders or stakeholders may be conveyed.

3.5 Time commitment for accepting new directorships

Directors are expected to have such expertise to qualify them to make a positive contribution to the Board performance of its duties and to give sufficient time and attention to the affairs of the Company. Any Director should notify the Chairperson of the Board before accepting any new directorship and the notification should include the indication of time that will be spent on the new appointment.

Any Director must not hold more than five (5) directorships in listed companies as prescribed by the MMLR.

3.6 Board evaluation and assessment

The Board undertakes to assess the performance and effectiveness of the Board, its Committees and each Director, including Independent Directors, annually via a formal and objective evaluation.

The Board entrusts the Nomination Committee to establish a set of criteria for the assessment, whereby in establishing these criteria, attention shall be given to the values, principles and skills required for the Group. These criteria will serve as a source of reference for prospective and incumbent Directors for the Board's annual assessment and shall be reviewed regularly to maintain their relevance.

The findings from the assessment shall be discussed with the respective Committees and/or the Chairperson of the Board whilst results of the evaluation of the Chairperson of the Board should be discussed with the Nomination Committee. The Board, together with the Nomination and Remuneration Committees, shall develop an actionable improvement programme based on the assessment findings.

The Board may engage independent experts periodically to facilitate objective and candid Board evaluation. The Board should disclose how the assessment was carried out and its outcome in the annual report including the identity of the third party if the assessment is conducted by an independent third party.

4. ROLES AND PRINCIPAL RESPONSIBILITIES OF THE BOARD

4.1 Roles of the Board

The Board is collectively responsible for the proper stewardship of the business of AME to enhance long-term shareholder value and investor interests while taking into account the interests of other stakeholders and maintaining high standards of transparency, accountability and integrity.

As stewards of the Company, directors shall exercise reasonable care, skill and diligence for a proper purpose and good faith, in the Company's best interests. Directors are required to keep abreast of their responsibilities as Directors and of the conduct, business activities and development of the Company.

4.2 Principal responsibilities of the Board

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board should, among others:

Strategy

- (a) Set the values, standards, objectives and strategic aims of the Company;
- (b) Together with senior Management, promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour;
- (c) Review, challenge and decide on Management's proposals for the Company and monitor its implementation by the Management; and
- (d) Ensure that the company's strategic plan supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.

Risk Management and Internal Control

- (a) Ensure there is a sound framework for risk management and internal control;
- (b) Understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks; and
- (c) Set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks.

Succession Planning, Evaluation and Remuneration

- (a) Develop a succession plan for Board members and the Senior Management;
- (b) Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of the Board and Senior Management;
- (c) Review the participation of women in Senior Management to ensure there is a healthy talent pipeline;
- (d) Supervise and assess Management's performance to determine whether the business is being properly managed;
- (e) Evaluate and determine the necessary training, mentoring and coaching needs of Directors and Senior Management; and

- (f) Establish and periodically review the remuneration policies and procedures for the Board, Group Managing Director and Senior Management.

Stakeholders Communication

- (a) Ensure that the Company has in place procedures to enable effective, transparent and regular communication with stakeholders, including shareholders and investors;
- (b) Ensure the latest information on the Group and its activities are easily accessible for stakeholders without compromising the rules on price-sensitive information; and
- (c) Encourage shareholders' participation in General Meetings.

Reporting

- (a) Ensure the Directors can understand financial statements and form a view on the information presented;
- (b) Ensure the integrity of the Company's financial and non-financial reporting; and
- (c) Ensure the statutory accounts of the Company and the Group are fairly stated and in accordance with relevant regulations.

Corporate Governance

- (a) Together with Management, oversee the Group's adherence to high standards of corporate governance framework to ensure good practices in line with the MCGC as well as in compliance with the CA 2016, the MMLR and other applicable laws or regulatory requirements.

Sustainability

- (a) Together with the Management, take responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets;
- (b) Take into account sustainability considerations when exercising its duties including among others the development and implementation of the Company's strategies, business plans, major plans of action and risk management;

- (c) Ensure the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders;
- (d) Take appropriate action to ensure Directors stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities; and
- (e) Review the performance of the Board and Senior Management in addressing the Company's material sustainability risks and opportunities.

4.3 Matters reserved for the Board

While the Board may delegate any authority to Board Committees or the Management, the Board shall establish written procedures determining the issues to be decided by the Board and matters to be delegated to Board Committees or the Management.

The following matters shall be reserved for the Board for determination and/or approval:

- (a) Group and divisional strategies, plans and budgets;
- (b) Acquisitions, disposals and transactions exceeding the authority limits of AME;
- (c) Appointment and removal of Directors, Group Managing Director and Company Secretary(ies) based on the recommendations of the Nomination and Remuneration Committees;
- (d) Establishment of Board Committees and approval of their Terms of Reference; and
- (e) Changes in the key policies, procedures and delegated authority limits of AME.

5. ROLES AND PRINCIPAL RESPONSIBILITIES OF CHAIRPERSON, GROUP MANAGING DIRECTOR AND COMPANY SECRETARY(IES)

5.1 Chairperson

The Chairperson of the Board shall be appointed by the Board and may hold any executive office with the Company. However, the position of the Chairperson and Group Managing Director must be held by two (2) different individuals to promote accountability and facilitate the division of responsibilities between them. In this regard, no individual can influence the Board's discussions and decision-making. The duties of the Chairperson should include leading the Board in its collective oversight of management, while the Group Managing Director focuses on the business and day-to-day management of the Company.

The responsibilities of the Chairperson include, but are not limited to, the following:

- (a) Providing leadership for the Board so that the Board can perform its duties effectively;
- (b) Setting the Board meeting agenda and ensuring that Board members receive complete and accurate information on time;
- (c) Leading Board meetings and discussions, including encouraging active participation from Board members and allowing dissenting views to be freely expressed;
- (d) Managing the interface between Board and Management;
- (e) Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- (f) Leading the Board in the adoption and implementation of good corporate governance practices in the Company;
- (g) Presiding as the Chairperson at every General Meeting; and
- (h) Other responsibilities as assigned by the Board from time to time.

5.2 Group Managing Director

The Group Managing Director serves as a conduit between the Board and Management in ensuring the effectiveness of the Group's governance and management functions.

The Group Managing Director is responsible for the day-to-day operation of the Group's business and implements the policies, strategies and decisions adopted by the Board.

The responsibilities of the Group Managing Director include, but are not limited to, the following:

- (a) Enhance stakeholder value and returns by motivating business development and operating efficiency;
- (b) Create conditions for the systematic scanning of emerging business conditions and reviewing business philosophy, goals and values;
- (c) Provide conceptual leadership to interpret stakeholder needs and strategically integrate the different business units;
- (d) Determine operating goals, objectives and standards by setting and reviewing operations goals and targets;
- (e) Study and approve broad operating policies and guidelines for resource allocation, utilisation and standards for performance evaluation to ensure the continued maintenance of a result corporate culture;
- (f) Enhance Group's performance and productivity by seeking areas for synergy;
- (g) Protect and monitor the proper use of the Group's assets;

- (h) Manage Board's communications and create conditions for timely decision-making and execution;
- (i) Review policies and monitor compliance with all relevant legislation and regulations; and
- (j) Ensure high performance and productivity of Senior Management by creating conditions for their motivation, performance management and professional development.

5.3 Company Secretary(ies)

The Board shall appoint a suitably qualified and competent Company Secretary or Company Secretaries, who, through the Chairperson of the Board, play(s) an important advisory role in good corporate governance by helping the Board and its committees to function effectively and in accordance with their terms of reference and best practices.

A suitably qualified and competent Company Secretary possesses the knowledge and experience to carry out secretarial functions. These may include knowledge in company and securities laws, finance, governance, company secretaryship and other areas of compliance such as the MMLR and CMSA. The Company Secretary(ies) should undertake continuous professional development.

The responsibilities of the Company Secretary(ies) include, but are not limited to, the following:

- (a) Advising the Board on its roles and responsibilities;
- (b) Providing secretarial functions for all Board-related administrative functions, including managing all Board and Board Committee meeting logistics, attending and recording minutes of all meetings and facilitating the flow of information to the Board;
- (c) Facilitating the orientation of newly-appointed Directors and assisting in the training and professional development of Directors;
- (d) Advising the Board on corporate disclosures and regulatory compliance matters;
- (e) Managing processes on the AGM;
- (f) Monitoring corporate governance developments and assisting the Board in interpreting and applying corporate governance practices to meet the Board's needs and stakeholders' expectations; and
- (g) Serving as a focal point for stakeholders' communication and engagement on corporate governance issues.

All Directors shall have full and unrestricted access to the advice and services of the Company Secretary(ies) for the Board's affairs and the business.

6. ROLES OF INDIVIDUAL DIRECTORS

Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors.

The roles of Individual Directors broadly include the following:

- (a) acting in good faith and in the best interests of the Company as a whole and for a proper purpose;
- (b) acting with care and diligence of reasonable person subject to business judgement rule;
- (c) avoiding conflicts of interest with the Company in a personal or professional capacity;
- (d) refraining from making improper use of information gained through the position of Director and from taking improper advantage of the position of Director;
- (e) disclosure of and abstaining from voting on matters of material personal interest; and
- (f) compliance with company and securities laws and listing requirements.

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.

7. ROLES OF INDEPENDENT DIRECTORS

The roles of Independent Directors broadly include the following:

- (a) ensure there is a proper check and balance of the Board by providing unbiased and independent views in Board deliberations and decision making of the Board, taking into consideration the interest of all shareholders, not only the interests of a particular function or group, but also the minority shareholders;
- (b) improve corporate credibility and governance standards, functioning as a watchdog and make significant contributions to the Company's decision-making by bringing in the quality of detached impartiality; and
- (c) make an independent assessment of information, reports or statement when the interests of Management, Company and/or shareholders diverge, such as executive performance and remuneration, related party transactions and audit matters.

8. BOARD COMMITTEES

The Board may, from time to time, establish Committees, including an ad-hoc Board Committee, as is considered necessary or appropriate to assist in discharging its duties and responsibilities.

Where a Committee is formed, specific Terms of Reference of the Committee shall be established in writing to cover matters such as the objective, composition, authority limits, roles and responsibilities of the Committees. The Terms of Reference shall be approved by the Board as a whole and shall be assessed and reviewed as and when necessary to ensure the Terms of Reference are in accordance with the MCCG and MMLR.

While the Board delegates its authority to Board Committees or the Management, the Board should not abdicate its responsibilities. It should at all times exercise collective oversight of the Board Committees and the Management.

The Chairperson of the respective Committees shall report and update the Board on significant issues and concerns discussed and, where appropriate, make the necessary recommendations to the Board.

The following standing Committees have been established by the Board:

- (a) Audit and Risk Management Committee
- (b) Remuneration Committee
- (c) Nomination Committee

The Terms of Reference of the Committees are available on the Company's website at www.ame-elite.com.

9. BOARD MEETING

9.1 Frequency

Board meetings shall be conducted at least quarterly or at a frequency agreed as the Board may decide from time to time, with additional meetings to be convened as and when necessary.

9.2 Notice, Agenda and Meeting Materials

The notice of the Board meeting and accompanying meeting agenda and other materials should be circulated at least seven (7) days before the Board meeting to ensure Directors have sufficient information and time to review and prepare, facilitating meaningful deliberation during each meeting.

The Company Secretary(ies) shall work with the Chairperson to develop the meeting agenda, which should include any proposals and written materials, including information requested by the Board and/or external consultants. The agenda should address priority strategic issues, rather than detailed operational matters and ensure that there is enough time for discussion.

9.3 Quorum

The quorum for a Board meeting shall be a minimum of two (2) Directors. The Directors may elect a Chairperson of their meetings and determine the period for which the Chairperson is to hold office. In the absence of the Chairperson or if the Chairperson is not present within fifteen (15) minutes after the time appointment for holding the meeting, the Directors present may elect a Chairperson from amongst them to chair the meeting.

9.4 Attendance Requirement

All Directors must meet the minimum 50% attendance requirement imposed by the MMLR. Management who are not Directors may be invited to attend and speak at Board meetings on matters relating to their areas of responsibility. The Board may also invite external parties such as auditors and consultants to attend as and when the need arises.

9.5 Meeting Mode

Any Director may participate in a meeting by way of telephone and video conferencing or through other communication equipment whereby all persons participating in the meeting can hear each other and be heard for the entire duration of the meeting, then such Director shall be deemed to be physically present at the meeting.

A Director participating in a meeting in the manner aforesaid may also be considered to ascertain the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the Directors attending the

meeting provided that at least one (1) of the Directors present at the meeting was at such place for the duration of that meeting.

9.6 Circular Resolutions

In the event issues requiring the Board's decision arise between meetings, such issues shall be resolved through circular resolution after discussions being held amongst the Board members, either via teleconference, videoconference, email and etc. in order for the Board as a whole to be apprised on such matters and obtain their viewpoints before arriving at a decision.

Such circular resolution in writing shall be valid and effectual if it is signed or approved by letter, facsimile or telegram by the majority members of the Board and such discussions, including any concerns raised and the rationale for the decisions so made in the resolution shall be tabled at the immediate Board meeting for formal record keeping.

9.7 Voting

All resolutions of the Board shall be adopted by a simple majority vote, each member having one vote. In the case of equality of votes, where two (2) Directors form a quorum, the Chairperson of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote. Otherwise, in the case of an equality of votes, the Chairperson shall have a second or casting vote.

Directors are required to inform the Board of conflicts or potential conflicts of interest that they may have concerning a particular subject matter or business transaction. These Directors shall abstain from deliberation and determination of those matters.

9.8 Minutes

The Chairperson of the meeting shall cause minutes of meetings to be duly entered in the books provided for all resolutions and proceedings of all Board meetings. Minutes of each meeting shall be distributed to all Directors within twenty-one (21) days of the meeting.

The minutes of the Board meeting shall be tabled at the following Board meeting for confirmation and thereafter for signing by the Chairperson of the meeting at which the proceedings were held or by the Chairperson of the succeeding meeting.

All Directors shall ensure the minutes of meetings accurately reflect the deliberations and decisions of the Board, including any concerns raised by Individual Directors or dissenting views expressed. Any Director who abstained from voting or deliberation on a particular matter shall be minuted. All discussions and records of discussions shall remain confidential unless otherwise specified by the Board or where the law requires disclosure. Subject to legal or regulatory requirements, the Board will decide on the manner and timing of the publication of its decisions.

10. DIRECTORS' REMUNERATION

The fees and any benefits payable to the Directors shall be subject to approval by the shareholders annually at General Meeting.

The Directors shall be paid for all their travelling and other expenses necessarily and adequately expended by them in and about the business of the Company, including their travelling and additional costs incurred in attending the Board meeting or General Meeting of the Company.

Fees payable to Independent Directors shall be by a fixed sum and not by a commission on or percentage of profits or turnover, whilst salaries payable to Executive Directors may not include a commission on or percentage of turnover.

The Board, with the assistance of the Remuneration Committee, shall develop and administrate a fair and transparent procedure for setting policy on the remuneration of Directors to ensure that the Company attracts, retains and motivates high calibre Directors who have the skills, experience and knowledge to drive the Company's long-term objectives.

The remuneration of Directors shall be determined on the basis of the Directors' merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics. The Board should also ensure that the remuneration for Independent Directors does not conflict with their obligation to bring objectivity and independent judgment on matters discussed at Board meetings.

11. DIRECTORS' INDUCTION AND TRAINING

11.1 Induction

All newly appointed Directors shall undergo a comprehensive and tailored Induction Programme to familiarise themselves with the Group's businesses and operations. The Induction Programme should include briefing sessions on the range of products and services, organisation structure and site visits to the operating facilities of AME.

As soon as practicable after appointment, the newly appointed Directors shall be provided with a copy of the following documents, amongst others:

- (a) Board Charter;
- (b) Code of Conduct and Ethics;
- (c) Board Committees' composition and Terms of Reference;
- (d) Latest annual reports;
- (e) Management reporting structure;
- (f) Corporate/Organisation structure;
- (g) Meeting schedules for the year; and
- (h) Minutes of the past three Board meetings.

11.2 Training

All Directors, including newly appointed Directors, are required to attend the Mandatory Accreditation Programme as prescribed by Bursa Malaysia from time to time.

In addition to the mandatory programme, the Board, with the assistance of the Nomination Committee, shall evaluate and determine the training needs of its members to ensure Directors attend relevant training courses or seminars at periodic intervals to keep themselves updated on developments on the oversight function of Directors. Through continuing education programmes, the Directors are required to update their knowledge and skills to sustain their active participation in Board deliberations and effectively discharge their duties.

The Board shall disclose in the Company's annual report the training programmes attended by Directors during the financial year. In exceptional circumstances where any Director has not attended any training during the financial year, valid justifications for the non-attendance of such Director shall also be disclosed.

The Company shall incur the cost of participating in training programmes.

12. DIRECTORS AND OFFICERS LIABILITY INSURANCE

Directors are accorded with Directors and Officers Liability Insurance in respect of any liability (civil or criminal) arising in the course of discharging their duties as Directors, provided that such liabilities were occasioned in good faith and not as a result of negligence, default or breach of duty.

The Directors and Officers Liability Insurance premium shall be borne by the Company and Directors separately and does not form part of the benefits awarded to Directors as part of their remuneration packages.

13. CONFLICTS OF INTERESTS

Directors are required to act in the best interests of the Company.

A Director shall disclose to the Board, as soon as practicable:

- (a) any material personal interest they have in a matter which relates to the affairs of the Company; and
- (b) any other interest, whether direct or indirect, which the Director believes is appropriate to disclose to avoid any conflict of interest or the perception of a conflict of interest.

Should there be an actual, potential or perceived conflict of interest between the Company or a related corporation and a Director, or an associate of a Director such as a spouse or other family members, the Director involved shall make full disclosure and act honestly in the best interests of the Company.

14. INVESTOR RELATIONS AND SHAREHOLDERS' COMMUNICATION

The Board is committed to ensuring effective, transparent and regular communication between the Company and shareholders to facilitate mutual understanding of each other's objectives and expectations.

The Board has established, amongst others, the following communication channels with its shareholders:

- (a) AGM;
- (b) Extraordinary General Meeting ("EGM") held as and when required;

- (c) Annual Report;
- (d) Company's website; and
- (e) Investor relations function.

All the Board members shall attend the AGM and EGM and the Chairperson of the various Board Committees shall be available to facilitate the answering of questions from shareholders.

All corporate disclosures take into account the prevailing legislative restrictions and requirements as well as the investors' needs for timely release of price sensitive information such as financial performance results and statements, material acquisitions, significant corporate proposals, and other significant corporate events.

In all circumstances, the Board shall seek to ensure that the Group does not provide undisclosed material information about the Group.

In the course of pursuing the vision and mission of the Group, the Board recognises that no company can exist by maximising shareholder value alone. In this regard, the needs and interests of other stakeholders are also considered.

15. CODE OF CONDUCT AND ETHICS

The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. All Directors and employees are expected to behave ethically and professionally at all times to protect and promote the reputation and performance of the Group.

The Board shall establish the tone and standards of the Company through the Code of Conduct and Ethics of AME ("Code"), in which articulate acceptable practices and guide the behaviour of Directors, Management and employees. The policies of the Code should be integrated into company-wide management practices and be periodically reviewed.

The Code should describe measures put in place to:

- (a) handle actual or potential conflict of interest;
- (b) prevent corrupt practices, which include money laundering, the offering and acceptance of gifts and other forms of benefits;
- (c) encourage the reporting of unlawful or unethical behaviour;
- (d) protect and monitor the proper use of the Group's assets; and
- (e) ensure compliance with laws, rules and regulations.

The Group communicates the Code to all Directors and employees upon their appointment or employment and forms part of their terms and conditions of service.

The Code is available on the Company's website at www.ame-elit.com.

16. WHISTLEBLOWING POLICY

The Board has in place a whistleblowing policy to provide employees and stakeholders with proper channels and guidance to report and disclose any legitimate concerns over any wrongdoing within the Group relating to unlawful conduct, financial malpractice or dangers to the public or the environment. Individuals shall be able to raise concerns confidently and without the risk of reprisal.

The whistleblowing policy is available on the Company's website at www.ame-elit.com.

17. REVIEW OF CHARTER

The Board will periodically review this Charter, which may be amended from time to time to ensure its relevance, effectiveness and consistency with the Company's objective, its practices and current laws.

This Charter was last reviewed by the Board on 25 July 2022.