

APB RESOURCES BERHAD
Company No. 200101029080 (564838 V)

BOARD CHARTER

1. INTRODUCTION

The Directors of APB Resources Berhad (“the Company”) regard Corporate Governance as important to the success of Company’s business and is committed to applying the principles of good governance in all of its business dealings in respect of its shareholders and relevant stakeholders.

The Board is ultimately accountable and responsible for the performance and affairs of the Company.

All Board members are expected to act in a professional manner, thereby upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

All Board members are responsible to the Company for achieving a high level of good governance.

This Board Charter shall constitute and form an integral part of each Director’s duties and responsibilities.

2. OBJECTIVES

The objectives of this Board Charter are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good Corporate Governance are applied in all their dealings in respect, and on behalf of, the Company.

3. ROLE OF THE BOARD AND BOARD RESPONSIBILITIES

3.1. The Board is charged with leading and managing the Company in an effective and responsible manner and to establish the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the Management and monitoring performance of the Management.

3.2 Each Director shall at all times exercise his/her powers for a proper purpose and in good faith in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in the discharge of the duties of his/her office and shall not make use of any information acquired by virtue of his/her position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company

3.3. Each Director shall at all times avoid conflicts of interest, and shall as soon as practicable after the relevant facts have come to his/her knowledge, declare the nature of his/her interest at a meeting of the directors of the Company. Every Director shall give notice to the Company of such events and matters relating to him/her as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Companies Act 2016.

3.4 The Board is collectively responsible for the long-term success of the Company and the delivery of sustainable value to its stakeholders. In discharging its fiduciary duties and leadership functions, the Board will govern and set the strategic direction of the Company while exercising oversight on management.

The Board sets the Company's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

3.5 The principal responsibilities of the Board are as follows:

- (a) Promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behavior
- (b) review, challenge and determine on Management's proposals including the strategic direction, business plan and budget and to ensure that it supports long-term value creation with attention given to environmental, social and governance;
- (c) oversee the conduct of the Group's business, including monitoring the performance of Management to determine whether the business is being properly managed;
- (d) identify principal business risks faced by the Group and ensure the implementation of appropriate internal controls and mitigating measures to manage such risks;
- (e) establish a succession plan to ensure that all candidates appointed to senior management positions are of sufficient calibre and that there are programmes to provide for the orderly succession of senior management;
- (f) review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the Group's continued ability to compete effectively in the marketplace;
- (g) oversee the development and implementation of a Stakeholder Communication Policy;
- (h) Develop and implement an investors relations programme or shareholders communication policy; and

- (i) review the adequacy and integrity of the Group's management information and internal control systems, ensuring there is a sound framework of reporting internal controls and regulatory compliance; and
- (j) overseeing the Group's adherence to high standards of conduct or ethics and corporate behaviour, including the Code of Ethics for Directors.

3.6 In discharging the above responsibilities, Directors are expected to:

- (a) be aware of the environment, laws and regulations the Group is operating in;
- (b) avoid undeclared conflict of interest;
- (c) understand their oversight role, including the exercise of independent and objective judgment in decision making;
- (d) commit and devote sufficient time and efforts in discharging their duties responsibly;
- (e) contribute actively in Board discussion and deliberation of issues by providing sound advice based on the Directors' experience and specific expertise they bring to the Board; and
- (f) attend regular training programmes in order to be apprised of changes in regulatory requirements the Group is subjected to.

3.7 Matters for the Board's decision

To ensure the direction and control of the Company are in the hands of the Board, the following matters are specifically reserved for decision of the Board:

- (a) Acquisitions and disposals of businesses of the Company or its subsidiaries;
- (b) Acquisition and disposal of assets and / or investment which is 5% or in exceed of 5% of the Company's net asset;
- (c) Material capital expenditure and / or investment which is 5% or in exceed of exceeds 5% of the Company's net asset;
- (d) Determining level of authority;
- (e) Determining treasury policies;
- (f) Determining risk management policies;

- (g) Related Party Transactions;
- (h) Material agreements that are not in the normal course of business;
- (i) Funding and Financing;
- (j) Approving of quarterly financial results, public announcements and press releases;
- (k) Approving of financial statements, directors' report, statement by directors, management discussion and analysis, sustainability reporting, corporate governance overview statement, corporate governance report, audit committee report, statement on risk management and internal control and other statements and reports the directors deem their approval is required;
- (l) Adoption of new/change in accounting policy;
- (m) Proposal to increase / decrease capital;
- (n) Proposal to amend Constitution;
- (o) Material litigation that is not in the ordinary course of business;
- (p) Appointment and resignation of Director;
- (q) Appointment and resignation of Principal Officer of the Company;
- (r) Appointment and resignation of Company Secretary;
- (s) Approve Circulars to shareholders;
- (t) Adopting or amending the Terms of Reference of the respective Board Committees;
- (u) Recommending dividends; and
- (v) Recommending Director's fees;
- (w) Approve remuneration packages for the Board members, Board Committee members, Chief Executive Officer, Chief Financial Officer and other senior management.

4 COMPOSITION AND BOARD BALANCE

- (a) The Board consists of qualified individuals with diverse experiences, backgrounds, and perspectives. The composition and size of the Board is such that it facilitates the making of informed and critical decisions.
- (b) The Board should have a balance of Executive and Non-Executive Directors such that no individual or a group of individuals can dominate the Board's decision making.
- (c) To ensure a balanced view at all board deliberations, Non-Executive Directors form a majority in the Board composition.
- (d) At least two (2) or one third, whichever is higher, of the Board members must be Independent Directors. The Independent Directors bring independent judgement on the issues of strategy, performance and resources.
- (e) The Managing Director ("MD") and the Executive Director(s) are the "Executive" Directors on the Board. The views of the Management Team are represented at meetings of the Board by the Executive Directors and invited senior executives.
- (f) The Independent Directors shall provide independent judgment, experience and objectivity.
- (g) An Independent Director is a director who fulfils the requirements of an Independent Director as provided in Part A – Definitions in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements.
- (h) The Independent Directors shall help to ensure that the interests of all shareholders, and not only the interest of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.
- (i) The views of the Independent Directors should carry significant weight in the Board's decision-making process.
- (j) If, on any matter discussed at a Board meeting, any Director holds views contrary to those of any of the other Directors, the Board minutes will clearly reflect this.
- (k) The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.

5 SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

- (a) The Board approves the appointment of a Senior Independent Non-Executive Director to act as an additional safeguard and to serve as a fallback point of contact for investors and shareholders when the normal channel of communication is considered to be inappropriate or inadequate.
- (b) The Senior Independent Director shall be nominated from amongst the Independent Non-Executive Director, but excludes the Audit Committee Chairman, who is also an Independent Director of the Company.
- (c) The Nomination Committee shall make its recommendation to the Board for approval of the proposed appointment of the Senior Independent Director for such terms as may be determined by the Board.
- (d) The Senior Independent Director shall have specific responsibilities which include, to:-
 - (i) Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through normal channels of contact with the Chairman, Executive Director or Chief Executive Officer;
 - (ii) Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues;
 - (iii) Receive report(s) made by employees, shareholders or external parties/other stakeholders for the purpose of whistleblowing in the form as prescribed under the Whistleblower Policy and Procedures of the Company, and thereafter submit the same to the Audit Committee Chairman with an opinion as to whether the report is frivolous or vexatious based on alleged facts;
 - (iv) Chair meetings of the Board or Annual General Meetings in the absence of the Chairman.

6 APPOINTMENT, RETIREMENT AND RE-ELECTION

- (a) An election of Directors shall take place each year at the annual general meeting of the Company where 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. All Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he/she retires.
- (b) The Directors to retire in each year shall be those who have been the longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

- (c) The Directors shall have power at any time, and from time to time, to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election.
- (d) In identifying candidates for appointment of Directors, the Board may utilize independent sources in addition to considering recommendations from existing Board members, the Management, major shareholders. The appointment of a new Director is a matter for consideration and decision by the full Board upon the appropriate recommendation from the Nomination Committee.
- (e) New 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.
- (f) The Company Secretary has the responsibility of ensuring that relevant procedures relating the appointments of new Directors are properly executed.
- (g) The directorships held by any Board member at any one time shall comply with the provisions of the Bursa Securities Listing Requirements.
- (h) Executive Directors are not permitted to take on non-executive directorships in another public listed company, unless such company is part of the Group.
- (i) Non-Executive Directors may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfil their duties as a member of the Board. Directors must inform the Chairman in writing in advance of accepting an invitation to serve on the board of another public company.

7 DISQUALIFICATION OR VACATION OF OFFICE

The office of a Director shall become vacant if the Director:

- (a) becomes disqualified, ceases to be or is prohibited from being a director under the Companies Act 2016, Securities Laws, the Bursa Malaysia Securities Main Market Listing Requirements or other laws;
- (b) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
- (c) dies;
- (d) resigns his office by notice in writing to the Company and deposited at the registered office of the Company

- (e) is removed from his office as Director by ordinary resolution of the Company in a meeting of shareholders of which special notice has been given in accordance with Section 206(3) of the Companies Act 2016.
- (f) A director will vacate office should he be absent from more than 50% of the total board of directors' meetings held during a financial year.

8 GENDER DIVERSITY

The Board acknowledges the importance of gender diversity and recognizes the benefits that it can bring. The Nomination Committee considers diversity generally when making appointments to the Board, taking into account relevant skills, experience, knowledge, personality and gender. The Board should always make best endeavors to have at least 30% women Directors on the Board. The Company's prime responsibility, however, is the strength of the Board and the overriding aim in any new appointments must always be to select the best candidate available.

9 REMUNERATION

- (a) The remuneration of Executive Directors shall be recommended by the Remuneration Committee with the individual Director concerned abstaining from discussing his individual remuneration. The amount of remuneration payable shall be determined with reference to corporate and individual performance of Directors.
- (b) Non-Executive Directors is paid Director's fees and meeting allowance. Directors' fees and benefits are paid with the approval of the shareholders.
- (c) The Board as a whole determines the remuneration of the Executive and Non-Executive Directors.
- (d) The individual Director does not participate in decision concerning his/her own remuneration packages.

10 BOARD EFFECTIVENESS EVALUATION

- (a) The Board has entrusted the Remuneration Committee with the responsibility for carrying out the Annual Board Effectiveness Evaluation.
- (b) The Board's effectiveness is assessed in the areas of composition, accountability and responsibility, conduct, and the performance. The Board, through the Remuneration Committee reviews the respective directors, Executive Director and Members of Committees to ascertain that their functions and duties are effectively discharged in accordance with their respective Terms of Reference.

- (c) The Directors' Self and Peer Assessment is intended to evaluate the mix of skills, experience and other relevant qualities the Directors bring to the Board, and takes into account the individual director's ability to exercise independent judgement at all times and to contribute to the effective functioning of the Board. The Self and Peer Assessment process also examines the ability of each Board or Committee member to give material input at meetings and to demonstrate a high level of professionalism and integrity in the decision-making process.
- (d) The assessment results from the Annual Board Effectiveness Evaluation form the basis of the Nomination Committee's recommendation to the Board for the re-election and/or re-appointment of Directors and Board Committee members as well as for further development of the Board and Board Committees.

11 BOARD MEETINGS

The Board shall meet at least five (5) times a year. The Board's annual meeting calendar is prepared and circulated to the Directors before the beginning of each calendar year. It provides the scheduled dates for the meetings of the Board, Board Committees and Annual General Meeting.

12 CHAIRMAN OF THE BOARD

- (a) The Board shall appoint one (1) person from amongst the Directors to be the Chairman of the Board.
- (b) The Chairman leads the Board with a keen focus on governance and compliance. His roles/responsibilities include:
 - (i) providing leadership to the Board, and oversee the Board in the effective discharge of its fiduciary duties;
 - (ii) leading the Board in the adoption and implementation of good corporate governance practices in the Company;
 - (iii) setting the Board agenda and ensuring the Board members receive complete and accurate information in a timely manner;
 - (iv) leading discussions at meetings and ensure efficient and effective conduct of the Board meetings;
 - (v) encouraging active participation and allowing dissenting views to be freely expressed;
 - (vi) promoting constructive and respectful relations between Board members and manage the interface between the Board and Management;

- (vii) facilitating effective communication between the Board and the stakeholders and that their views are communicated to the Board as a whole; and
 - (viii) committing his time and efforts as may be necessary to discharge effectively his role as Chairman.
 - (ix) the Chairman, assisted by the Company Secretary finalized the agenda of each Board meeting.
 - (x) ensure the provision of accurate, timely and clear information to Directors;
 - (xi) the Chairman ensures that every Board resolution is put to vote to ensure the will of the majority prevails.
- (c) The Chairman will have no casting vote if two (2) Directors form a quorum, or if there are only two (2) Directors competent to vote on the question at issue.

13 Supply of Information

- (a) 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.
- (b) The 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 the Management is insufficient, the Board will make further enquiries where necessary to which the persons responsible will respond as fully and promptly as possible.
- (c) A full agenda shall be circulated to the Directors and/or Members of Committees at least seven (7) business days before each meeting.
- (d) A comprehensive Board papers shall be circulated to all Directors at least five (5) business days before each Board meeting.
- (e) Amongst others, the Board papers shall include the following:
 - (i) Quarterly financial report and report on the Company's cash and borrowing positions;
 - (ii) Minutes of meetings of all Committees of the Board;
 - (iii) A current overview of the business and operations of the Company.
 - (iv) Reports on Related Party Transactions and Recurrent Related Party Transactions;

- (v) Reports from the Internal and External Auditors; and
- (vi) Annual operational and capital expenditure budgets.
- (vii) Any other Board papers
- (viii) Full Board minutes of each Board meeting are kept by the Company Secretary and are available for inspection by any Director during office hours.

14 BOARD COMMITTEES

The Board appoints the following Board Committees with specific terms of reference:

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

15 AUDIT COMMITTEE

- (a) The Audit Committee shall consist of not less than three (3) members, all must be Non-Executive directors, with a majority of them being Independent Directors.
- (b) The Audit Committee reviews issues of accounting policy and presentation for external financial reporting, monitors the work of the internal audit function and ensures an objective and professional relationship is maintained with the external auditors.
- (c) The Audit Committee has full access to both the internal and external auditors who, in turn, have access at all times to the Chairman of the Audit Committee.

16 NOMINATION COMMITTEE

The Nomination Committee shall comprise exclusively of Non-Executive Directors. The Nomination Committee is set up to propose new nominees for the Board and to evaluate each individual Director on an on-going basis. The Nomination Committee also seeks to ensure an optimal mix of qualification, skill and experience among the Board members.

17 REMUNERATION COMMITTEE

- (a) The Remuneration Committee shall comprise a majority of Independent Non-Executive Directors.
- (b) The Remuneration Committee is responsible to recommend to the Board the framework and quantum values for the Executive Directors' as well as senior management's remuneration package, terms of employments, reward structure and perks.
- (c) In general, the remuneration is structured so as to link rewards to corporate and individual performance as in the case of the Executive Directors and senior management. As for the Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken individually by the Director concerned.

18 RISK MANAGEMENT COMMITTEE

- (a) The Risk Management Committee is made up of Board members, and senior management (on invitation by the Committee, and approved by the Chairman of the Board).
- (b) The Risk Management Committee is responsible to highlight key risks affecting the Group (in particular, risks at Group level) to the Board.

19 CODE OF CONDUCT

- (a) The Directors are to maintain the highest degree of integrity and professionalism while at the same time promoting transparency and accountability in their actions.
- (b) The Company has in place "Code of Conduct and Ethics for Directors" which is formulated to enhance the standard of corporate governance and behaviour through:
 - (i) establishing standards of ethical conduct for Directors based on acceptable beliefs and values;
 - (ii) upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines;
 - (iii) Documenting and emphasizing to the Directors, the integral obligation of each Director in performing his/her duty, to act in a manner that is lawful, honest, ethical and free from any conflict of interest or perceived conflict of interest.

20 WHISTLEBLOWER POLICY AND PROCEDURES

- (a) “Whistleblowing” is defined as “the deliberate, voluntary disclosure or reporting of individual or organizational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated improper conduct within the organization or by an organization that is within its ability to control”.
- (b) The Company has in place “Whistleblower Policy and Procedures for Directors to manage improper conduct on the part of the Directors, if any. This policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.
- (c) Director’s improper conduct is generally described as any conduct by a Director which if proved constitutes a criminal offence or any conduct that constitutes a wrongdoing or malpractice and may include any of the following:
 - (i) The breach of any law, regulation or rule that is applicable to the Company.
 - (ii) Any criminal act, including criminal breach of trust, extortion and sabotage;
 - (iii) Any act that is likely to cause significant financial loss or costs to the Company including any intentional misrepresentation of the Company’s financial statements;
 - (iv) Any other action that would cause significant harm to the Company or to any person(s);
 - (v) The deliberate concealment of information concerning any of the matters listed above.
- (d) The Board has overall responsibility for this policy and shall oversee the implementation of this policy.

21 DIRECTORS’ TRAINING

- (a) Directors are required to undergo the mandatory accreditation programme. In addition, Directors are required to attend relevant training courses or seminars at periodic intervals to keep themselves updated on developments pertaining to the oversight function of Directors as well as technical matters.
- (b) The Nomination Committee shall decide on the continuous education training programme for Directors.
- (c) All trainings attended by Directors shall be disclosed in the Annual Report. In special circumstances, valid justifications for non-attendance at any training by Directors for the financial year shall also be disclosed.

22 INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATIONS

- (a) The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company and adopts an open and transparent policy in respect of its relationship with its shareholders and investors.
- (b) The Board ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements made during the year.
- (c) The Company conducts dialogues with financial analysts and fund managers from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.
- (d) A press conference may be held after each General Meeting. If held, the Chairman or Managing Director will give a press release to advise the media of the resolutions passed, and sharing the Company's results and their prospects.
- (e) The Company's website provides easy access to corporate and financial information pertaining to the Company and its activities and is continuously updated.

23 COMPANY SECRETARY

- (a) The Company Secretary shall be a person who is qualified pursuant to Section 139A of the Companies Act 2016 and competent in carrying his/her duties. The appointment and removal of the Company Secretary shall be decided by the Board of Directors.
- (b) The roles and responsibilities of a Company Secretary include, but are not limited to the following:
 - (i) manage all board and committee meeting logistics, attend and record minutes of all board and committee meetings and facilitate board communications;
 - (ii) ensure statutory records are kept and maintained in a proper manner, in compliance with all applicable laws and regulatory guidelines;
 - (iii) advise the board on its roles and responsibilities;
 - (iv) facilitate the orientation of new directors and assist in director training and development;

- (v) advise the board on corporate disclosures and compliance with company and securities regulations and listing requirements;
- (vi) manage processes pertaining to the annual shareholder meeting;
- (vii) Monitor corporate governance developments and assist the board in applying governance practices to meet the board's needs and stakeholders' expectations; and
- (viii) serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

24 REVIEW OF BOARD CHARTER

The Board Charter shall be reviewed as and when necessary to keep it up to date and consistent with the Board's objectives and responsibilities.

TERMS OF REFERENCE OF AUDIT COMMITTEE

1 Name of Committee

Audit Committee of APB Resources Berhad ("Committee")

2 Objectives

The Board's responsibilities which have been delegated to the Committee should be clearly conveyed and explicitly defined. The Terms of Reference will not only help the Committee members focus on their roles and responsibilities but the disclosure of such will also enable shareholders to be apprised of the roles and responsibilities of the Committee.

3 Roles and Responsibilities

The primary roles and responsibilities of the Committee with regards to the Group's Internal Audit Department, External Auditors, Financial Reporting, Related Party Transactions, Annual Reporting and Investigation are as follows:

(a) Internal Audit

- (i) mandate the Internal Audit Department to report directly to the Committee;
- (ii) review the adequacy of the scope, functions, budget, competency and resources of the Internal Audit Department, and that it has the necessary independence and authority to carry out its work, which should be performed professionally and with impartiality and proficiency;
- (iii) review Internal Audit Reports and ensure that appropriate and prompt remedial action is taken by the Management on lapses in controls or procedures that are identified by Internal Audit Department;
- (iv) review the appraisal or assessment of the performance of the Internal Audit Department;
- (v) approve the appointment or termination of the Group Head - Internal Audit;
- (vi) review the results of ad-hoc investigations performed by the Internal Audit Department and the actions taken relating to those investigations;
- (vii) review the adequacy of the Internal Audit Charter;

- (viii) approve the Internal Audit Charter, which defines the purpose, authority, scope and responsibility of the Internal Audit function within the Group;
- (ix) review and approve the Internal Audit plan for the Group; and
- (x) monitor that all recommended actions by the Group Internal Audit Department are implemented in a timely manner.

(b) External Audit

- (i) consider the appointment of the External Auditors, Audit fees, resignation or dismissal of the External Auditors;
- (ii) submit a copy of written representation or submission of External Auditors' resignation to Bursa Malaysia;
- (iii) monitor the effectiveness of the External Auditors' performance and their independence and objectivity;
- (iv) discuss with the External Auditors before the Audit commences, the Audit plan which includes the nature and Scope of the Audit, and ensure co-ordination where more than one (1) Audit firm is involved;
- (v) review major findings raised by the External Auditors and Management's responses, and monitor that all recommendations arising from the audit are properly implemented including the status of the previous audit recommendations;
- (vi) discuss problems and reservations arising from the interim and final Audits, and any matter the External Auditors may wish to discuss (in the absence of Management where necessary);
- (vii) provide a line of communication between the Board and the External Auditors;
- (viii) review the extent of assistance and co-operation extended by the Group's employees to the External Auditors and ensure that all information required by the External Auditors were made available to them;
- (ix) review and monitor the provision of non-audit services by the External Auditors and to ensure that they comply with the external auditor independence policy;
- (x) The Committee is responsible to obtain confirmation from the External Auditors that they are, and have been, independent throughout the conduct of the audit engagement;

- (xi) ensure that there is coordination between both Internal and External Auditors; and
- (xii) receive continuous updates from the External Auditors on changes in the Malaysian Financial Reporting Standards as well as the International Financial Reporting Standards to ensure that the Group is ready for implementation and to understand the implication, if any, on the Group's Financial Statements

(c) Financial Reports and Bursa Malaysia Announcements

- (i) to review and recommend the quarterly and annual financial statements of the Group and Company for approval of the Board;
- (ii) to review significant adjustments arising from the Audit; litigation that could affect the results materially; the going concern assumption; compliance with Accounting Standards, other legal and regulatory requirements; where necessary, make appropriate recommendations to the Board for approval; and review and ensure corporate disclosure policies and procedures of the Group comply with the disclosure requirements of Bursa Malaysia.

(d) Related Party Transactions

- (i) review any related party transactions and conflict of interest situations and where appropriate, make recommendations to the Board for approval that such transactions are at arm's length and are in the best interest of the Group or Company; and
- (ii) review the process used to procure the shareholders' mandate for recurrent related party transactions.

(e) Annual Report

- (i) report the Audit Committee's activities for the financial year;
- (ii) prepare for the Board's consideration and approval, a draft of the Audit Committee Report to be set out in the Company's annual report;
- (iii) review the Statement on Risk Management and Internal Control;
- (iv) review the Statement on Corporate Governance; and
- (v) prepare for the Board's consideration and approval, the disclosure on Internal Audit functions in the Annual Report which shall include:
 - whether the Internal Audit Department personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;

- the number of resources in the Internal Audit Department;
- name and qualification of the person responsible for internal audit; and
- whether the Internal Audit function is carried out in accordance with the Internal Audit Charter.

(f) Investigations

- (i) consider major findings of internal investigations and Management's response; and
- (ii) review the Company's procedures for detecting fraud and whistle blowing.

(g) Internal Control

- (i) evaluate the overall adequacy and effectiveness of the system of internal controls including information technology controls;; and
- (iii) review the employee code of business practice, vendor code of business practice, the whistle-blowing policy and the outcome of any defalcation cases investigated.

(h) Reporting of Breaches to Bursa Malaysia

Where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of Bursa Malaysia Main marketing Listing Requirements and other laws and regulations, the Committee shall promptly report such matter to Bursa Malaysia and/or the relevant authorities.

(i) Other matters

Consider any other matters as directed by the Board.

4 Authorities

The Company must ensure that wherever necessary and reasonable for the performance of its duties, the Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company:

- (i) have authority to investigate any matter within this Terms of Reference;
- (ii) have the resources which are required to perform its duties;
- (iii) have full and unrestricted access to any information pertaining to the Group and/or Company;

- (iv) have direct communication channels with the External Auditors and the Internal Audit Department;
- (v) be able to obtain independent professional or other advice; and
- (vi) be able to convene meetings with the External Auditors, Internal Audit Department or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

5 **Members**

Members of the Committee shall be appointed by the Board and shall comprise at least three (3) members, all of whom shall be non-executive directors and a majority of whom shall be independent directors. No alternate director shall be appointed as a member of the Committee. All members of the Committee shall be financially literate and at least one (1) member shall:

- (i) be a member of the Malaysian Institute of Accountants;
- (ii) any former key audit partner of the external audit firm of the Group and/or the Company shall observe a cooling period of at least three (3) years before one is eligible for appointment as a member of the Audit Committee;
- (iii) each appointed Committee member shall hold office until the earlier of:
 - (a) such time as the Board determines to terminate his/her appointment; or
 - (b) the Committee member ceasing to be a member of the Board. If a member of the Committee resigns, dies, is incapacitated or for any reason ceases to be a member which results in the noncompliance with Bursa Malaysia Main Market Listing Requirements the Board shall fill the said vacancy. The terms of office and performance of the Committee and each of its members shall be reviewed by the Nomination and Remuneration Committee annually.

6 **Chairman**

The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director and shall not be the Chairman of the Board. In the absence of the Chairman in any meeting, the remaining members present shall elect one (1) of themselves to chair the meeting.

7 **Quorum**

The quorum for meetings shall be at least two (2) members, of whom the majority present shall be an independent director. A duly convened meeting of a Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

8 Number of Meetings and Notices of Meetings

The Committee shall meet at least four (4) times each financial year and at such other times as the Chairman of the Committee considers necessary or appropriate.

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chairman of the Committee. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than seven (7) business days before the date of the meeting. Reasonable time should be given for the Committee members and to other attendees as appropriate, to consider all relevant papers and materials prior to the Committee meeting.

9 Voting, Proceedings and Minutes of Meetings

Matters arising at any meeting shall be decided by a majority vote of the members present, each member having one (1) vote. In the event of equality of votes, the Chairman of the Committee shall have a second or casting vote. However, at meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman of the Committee will not have the second or casting vote.

The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. The minutes of the Committee, when approved by the Committee, should be circulated to the Board.

The Committee may pass resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

10 Reporting Structure

In addition to the availability of detailed minutes of the Committee meetings to all Board members, the Chairman of the Committee at each Board meeting will report a summary of significant matters.

The Committee shall not be delegated with decision making powers but shall report its recommendations to the Board for decision.

The Committee shall compile a report to shareholders on its own activities to be included in the Company's Annual Report.

The Committee Chairman shall respond to any questions relating to the Committee's activities at the Annual General Meeting of the Company, where required.

11 **The Secretary**

The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman of the Committee, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.

The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee, including the names of those present and in attendance. Meeting minutes shall be approved by the Committee at its next meeting. The minutes of the Committee, when approved by the Committee and signed by the Chairman of the Committee, should be circulated to the Board.

12 **Review of the Terms of Reference**

The Terms of Reference of the Committee shall be reviewed and amended as necessary to determine its adequacy in line with the current circumstances, the Company's policies and applicable rules and regulations

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1 Name of Committee

Nomination Committee of APB Resources Berhad (“Committee”)

2 Objectives

The objective of the Committee is to ensure that the Directors of the Board comprise members which provide a required mix of responsibilities, skills and experience needed to direct and control the Company towards achieving its intended goals and objectives.

The Committee will also assist the Board in reviewing on an annual basis the appropriate balance and size of Non-Executive participation and in establishing procedures and processes towards an annual assessment of the effectiveness of the Board as a whole and contribution of each individual Director and Board Committee member.

3 Roles and Responsibilities

The duties and responsibilities of the Committee are as follows:

- (a) to recommend to the Board of Directors, candidates for all directorships to be filled by the Shareholders or the Board of Directors. In making its recommendations, the Committee would consider the following attributes of candidates:
 - (i) skills, knowledge, expertise, qualification, experience, professionalism, integrity, time commitment, age and gender; and
 - (ii) in the case of the candidates for the position of independent non-executive Directors, the Committee would also evaluate the candidates’ ability to discharge such responsibilities/functions as required of the independent non-executive Directors;
- (b) to consider, in making its recommendations, candidates for directorships proposed by the Chairman and, within the bounds of practicability, by any other senior executive or any Director or Shareholder.
- (c) to consider and recommend the election, re-election, appointment and re-appointment of members of the Board and the Board Committees.
- (d) to assess the effectiveness of the Board of Directors as a whole and each individual Director/committee of the Board, including the Chairman. All assessments and evaluations carried out by the Committee in the discharge of all its functions would be properly documented.

- (e) to ensure that orientation and education programmes are provided for new members of the Board and to evaluate and determine the training needs of its Directors and review the training and education programmes for the Board.
- (f) to perform such other functions and matters as may be delegated by the Board and/or under the relevant laws and regulations from time to time

4. **Authority**

The Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company:

- (a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and the Board Committees and make recommendations to the Board with regards to any changes thereof;
- (b) assess on an annual basis, the performance and effectiveness of the Board as a whole, the Board Committees and assessing the contribution and performance of each individual Director;
- (c) assess on an annual basis, the independence of the Independent Directors of the Board and determine whether the Board member can remain as an Independent Director after serving a cumulative term of 9 years;
- (d) be entitled to the services of a Company Secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both for the Company's own records and for the purposes of meeting the obligations under the Listing Requirements of Bursa Malaysia Securities Berhad and any other regulatory requirements.
- (e) be authorized to obtain outside legal or other professional advice on matters within its terms of reference.

5 **Members**

The Board of Directors shall elect the Committee members from amongst themselves. The Committee shall comprise at least three directors, composed exclusively non-executive directors, a majority of whom are independent directors.

6 **Chairman**

The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director and shall not be the Chairman of the Board. In the absence of the Chairman in any meeting, the remaining members present shall elect one (1) of themselves to chair the meeting.

7. **Quorum**

The quorum for meetings shall be at least two (2) members, of whom the majority present shall be an independent director. A duly convened meeting of a Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

8 **Number of Meetings and Notices of Meetings**

The Committee shall meet at least one (1) time each financial year and at such other times as the Chairman of the Committee considers necessary or appropriate.

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chairman of the Committee. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than seven (7) business days before the date of the meeting. Reasonable time should be given for the Committee members and to other attendees as appropriate, to consider all relevant papers and materials prior to the Committee meeting.

The Committee may pass circular resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

9 **Voting, Proceedings and Minutes of Meetings**

Matters arising at any meeting shall be decided by a majority vote of the members present, each member having one (1) vote. In the event of equality of votes, the Chairman of the Committee shall have a second or casting vote. However, at meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman of the Committee will not have the second or casting vote.

The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. The minutes of the Committee, when approved by the Committee, should be circulated to the Board.

The Committee may pass resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

10 **Reporting Structure**

In addition to the availability of detailed minutes of the Committee meetings to all Board members, the Chairman of the Committee at each Board meeting will report a summary of significant matters.

The Committee shall not be delegated with decision making powers but shall report its recommendations to the Board for decision.

The Committee shall compile a report to shareholders on its own activities to be included in the Company's Annual Report.

The Committee Chairman shall respond to any questions relating to the Committee's activities at the Annual General Meeting of the Company, where required.

11 The Secretary

The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman of the Committee, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.

The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee, including the names of those present and in attendance. Meeting minutes shall be approved by the Committee at its next meeting. The minutes of the Committee, when approved by the Committee and signed by the Chairman of the Committee, should be circulated to the Board.

12 Review of the Terms of Reference

The Terms of Reference of the Committee shall be reviewed and amended as necessary to determine its adequacy in line with the current circumstances, the Company's policies and applicable rules and regulations

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1 Name of Committee

Remuneration Committee of APB Resources Berhad (“Committee”)

2 Objectives

The primary function of the Committee is to assist the Board to recommend to the Board the remuneration package of Executive Directors, Non-Executive Directors and Senior Management of the Group to attract, retain and motivate Directors and Senior Management to drive long term objectives.

3 Roles and Responsibilities

The roles and responsibilities of the Committee shall include the following:

- (a) to recommend to the Board the appropriate remuneration packages for the Managing Director, Executive Directors, Non-Executive Directors and key management personnel in all forms;
- (b) assist the Board in developing and administering a fair and transparent procedure for setting policy on remuneration of directors and key management personnel;
- (c) review the remuneration package for the Non-Executive Directors and the committees to be aligned with their responsibilities and contribution;
- (d) review at least once a year the performance of the Managing Director and Executive Directors and recommend to the Board specific adjustments in remuneration and/or reward payments, if any, reflecting their contributions for the year;
- (e) ensure that the remuneration packages are determined on the basis of the directors’ and key management personnel’s merit, qualification and competence, having regard to the Company’s operating results, individual performance and comparable market statistics;
- (f) ensure that the level of remuneration are aligned with the business strategy and long-term objectives of the Company and reflects the experience and level of responsibilities undertaken by the Directors and key management personnel;
- (g) review the fees of the Directors and benefits payable to directors including any compensation for loss of employment of director or former director and recommend to the Board and thereafter to be approved at a general meeting; and
- (h) recommend the engagement of external professional advisors to assist and/or advise the Committee on remuneration matters, where necessary.

4 **Authorities**

The Committee is authorised to:

- (a) undertake any activity within its terms of reference;
- (b) request any information from any employee/director/contractor/consultant (or other provider of services, including legal and tax advisers) of the Company/Group in order to perform its duties;
- (c) obtain, at the Company's expense, external legal, or other professional advice, on any matter within its terms of reference, and to invite persons giving such advice to attend Committee meetings;
- (d) request the attendance of any employee, contractor, consultant or other provider of services to the Group to be questioned at a meeting of the Committee, as and when required;
- (e) publish the Company's annual report details of any issues that have not been resolved between the Committee and the Board; and
- (f) delegate any of its powers to one or more of its members, the secretary, a sub-committee or such other body as it deems appropriate

5 **Members**

The Board of Directors shall elect the Committee members from amongst themselves. The Committee shall comprise at least three (3) directors, composed exclusively non-executive directors, a majority of whom are independent directors.

6 **Chairman**

The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director and shall not be the Chairman of the Board. In the absence of the Chairman in any meeting, the remaining members present shall elect one (1) of themselves to chair the meeting.

7 **Quorum**

The quorum for meetings shall be at least two (2) members, of whom the majority present shall be an independent director. A duly convened meeting of a Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

8 Number of Meetings and Notice of Meetings

The Committee shall meet at least one (1) time each financial year and at such other times as the Chairman of the Committee considers necessary or appropriate.

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chairman of the Committee. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than seven (7) business days before the date of the meeting. Reasonable time should be given for the Committee members and to other attendees as appropriate, to consider all relevant papers and materials prior to the Committee meeting.

The Committee may pass resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

9 Voting Procedures and Minutes

Matters arising at any meeting shall be decided by a majority vote of the members present, each member having one (1) vote. In the event of equality of votes, the Chairman of the Committee shall have a second or casting vote. However, at meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman of the Committee will not have the second or casting vote.

The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. The minutes of the Committee, when approved by the Committee, should be circulated to the Board.

10 Reporting Structure

In addition to the availability of detailed minutes of the Committee meetings to all Board members, the Chairman of the Committee at each Board meeting will report a summary of significant matters.

The Committee shall not be delegated with decision making powers but shall report its recommendations to the Board for decision.

The Committee shall compile a report to shareholders on its own activities to be included in the Company's Annual Report.

The Committee Chairman shall respond to any questions relating to the Committee's activities at the Annual General Meeting of the Company, where required.

11 **The Secretary**

The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman of the Committee, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.

The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee, including the names of those present and in attendance. Meeting minutes shall be approved by the Committee at its next meeting. The minutes of the Committee, when approved by the Committee and signed by the Chairman of the Committee, should be circulated to the Board.

12 **Review of Terms of Reference**

The Terms of Reference of the Committee shall be reviewed and amended as necessary to determine its adequacy in line with the current circumstances, the Company's policies and applicable rules and regulations

TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE

1 Name of Committee

Risk Management Committee of APB Resources Berhad (“Committee”)

2 Objectives

The primary objective of the Risk Management Committee is to put in place adequate and effective risk management framework to manage risks to achieve business objectives and provide reasonable assurance to the Board of Directors and other stakeholders on the state of internal controls of the Company and its ability to increase shareholders’ value and confidence.

3 Composition of members

The Board of Directors shall elect the Committee members from amongst themselves. The Risk Management Committee shall consist of not less than three members, wholly or mainly of whom are Independent and Non- Executive Directors.

3. Chairman

The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director and shall not be the Chairman of the Board. In the absence of the Chairman in any meeting, the remaining members present shall elect one (1) of themselves to chair the meeting.

4 Secretary

The Secretary of the Committee shall be the Company Secretary of the Company.

5. Meetings

The Committee may meet together to transact the business, adjourn and otherwise regulate their meetings, at least four (4) times a financial year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman’s discretion.

The Secretary shall on the requisition of the members of the Committee summon a meeting of the Committee except in the case of an emergency, seven (7) business days’ notice of every Committee meeting shall be given in writing.

The Committee may pass circular resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

6. **Quorum**

The quorum for meetings shall be at least two (2) members, of whom the majority present shall be an independent director. A duly convened meeting of a Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

7. **Authority**

- (a) The Risk Management Committee is granted the authority to oversee the overall management of all risk of the Group within its terms of reference, and all employees are directed to co-operate as requested by the members of Committee.
- (b) The Risk Management Committee shall have direct communication channels with the Independent Auditors and person(s) carrying out the internal audit function or activity, if requires.
- (c) The Risk Management Sub-Committee report directly to the Risk Management Committee and shall have direct access to the Chairman of the Risk Management Committee on all matters of internal controls.

8 **Duties and Responsibilities**

The duties and responsibilities of the Committee are as follows:

- (a) To evaluate the effectiveness of the internal control system and risk management framework adopted within the Group and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to mitigate losses and maximize opportunities.
- (b) To recommend to the Board steps to improve the system of internal control derived from proposed internal control through the identified potential risk by the Risk Management Sub- Committee.
- (c) To undertake reviews of the consolidated risk register of major subsidiaries and associates within the Group to identify significant risks and whether these are adequately managed.
- (d) To ensure that the Board receives adequate and appropriate information including the annual risk report for decision making and review respectively.
- (e) To commission where required, special projects to investigate, develop or report on specific aspects of the risk management processes of the Company.
- (f) To review and propose the Company's risk appetite and its acceptable tolerance level annually.

- (g) To review the adequacy of the infrastructure, resources, processes and system are in place for risk management.

9. **Review of the Terms of Reference**

The Terms of Reference of the Committee shall be reviewed and amended as necessary to determine its adequacy in line with the current circumstances, the Company's policies and applicable rules and regulations

CODE OF CONDUCT

1 INTRODUCTION

- (a) This Code of Conduct and Ethics is adopted by the Board of Directors to attain best corporate governance practices and compliance with legislation governing Director's duties in discharging their duties to achieve corporate objectives.
- (b) This Code is intended to focus the Board and each director on areas of ethical risk, provide guidance to directors to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of integrity, honesty and accountability.
- (c) This Code of Ethics is in addition to the Board Charter which had been adopted by the Board of Directors.

2 PURPOSE

- (a) This Code of Conduct and Ethics is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:
- (b) To establish a standard of ethical behaviour for Directors based on trustworthiness and values that can be accepted, are held or upheld by Directors.
- (c) To uphold the spirit of responsibility in line with the legislation, regulations, and guidelines for administering a common standard of ethics.

3 CODE OF CONDUCT AND ETHICS

- (a) Directors must avoid any conflicts of interest between the director and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed immediately all contractual interests, whether directly or indirectly, with the Company to the Chairman of the Audit Committee.
- (b) Directors must neither divert for own advantage any business opportunity that the Company is pursuing, nor use confidential information obtained by reason of their office for own benefits or that of others.
- (c) Directors should promote ethical behaviour and take steps to ensure the Company encourages employees to:
 - (i) talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;

- (ii) report violations of laws, rules, regulations or the Company's Code of Conduct to appropriate personnel; and
 - (iii) informs employees that the Company will not allow retaliation for reports made in good faith.
- (d) Directors are prohibited from:
 - (i) taking for themselves personally opportunities related to the Company's business;
 - (ii) using the Company's property, information, or position for personal gain; or
 - (iii) competing with the Company for business opportunities, provided, however, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may do so.
- (e) Confidential information obtained in the course of their office or duties remains the property of the Company and it is inappropriate to disclose, allow, or render it to be disclosed or leaked, unless that disclosure had been endorsed by the Board of Directors, or the person whom the information is provided, or is required by law.
- (f) Directors shall comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company.
- (g) Directors must keep abreast with the affairs of the Company and be kept informed of the Company's compliance with the relevant rules, legislation and contractual requirements; and
- (h) Directors must have a clear understanding of the aims, purposes, capabilities and capacity of the Company.
- (i) Directors should devote time and effort to carry out their duties and responsibilities, attend meetings and to know what is required of the board and each of its Directors, and to discharge those functions.
- (j) The Directors should exercise their authority of office for a proper purpose, in good faith, and in the best interest of the Company.
- (k) The Directors should exercise duty of care and diligence in fulfilling their functions and power of office.
- (l) The Directors should recognize their primary responsibility is to the Company as a whole but may, where appropriate, have regard for the interest of stakeholders of the Company;

- (m) Exercise independent judgment and actions, if necessary to openly object should the vital interest of the Company be at stake.
- (n) Take all reasonable steps to satisfy the soundness of all decisions taken by the Board
- (o) Promote and cultivate social and environmental responsibilities and encourage effective use of natural resources.
- (p) Comply with the principles of Malaysian Code of corporate Governance.
- (q) Should limit his directorship of companies to a number in which he can best devote his time and effectiveness.
- (r) Directors should be conscious of the interest of shareholders, employees, creditors and customers of the Company and the Group.
- (s) Promote professionalism and improve the competency of management and employees; and ensure adequate safety measures and proper protection to workers and employees at the workplace.

WHISTLEBLOWER POLICY AND PROCEDURES

This policy is intended to encourage Board members, staff (paid and volunteer) and others to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviors or practices) without retribution.

1. The Whistleblower should promptly report the suspected or actual event to his/her supervisor.
2. If the Whistleblower would be uncomfortable or otherwise reluctant to report to his/her supervisor, then the Whistleblower could report the event to the next highest or another level of management, including to an appropriate Board committee or member.
3. The Whistleblower can report the event with his/her identity or anonymously.
4. The Whistle blower shall receive no retaliation or retribution for a report that was provided in good faith – that was not done primarily with malice to damage another or the organization.
5. A Whistleblower who makes a report that is not done in good faith is subject to discipline, including termination of the Board or employee relationship, or other legal means to protect the reputation of the organization and members of its Board and staff.
6. Anyone who retaliates against the Whistleblower (who reported an event in good faith) will be subject to discipline, including termination of Board or employee status.
7. Crimes against person or property, such as assault, rape, burglary, etc., should immediately be reported to local law enforcement personnel.
8. Supervisors, managers and/or Board members who receive the reports must promptly act to investigate and/or resolve the issue.
9. The Whistleblower shall receive a report within five business days of the initial report, regarding the investigation, disposition or resolution of the issue.
10. If the investigation of a report, that was done in good faith and investigated by internal personnel, is not to the Whistleblower's satisfaction, then he/she has the right to report the event to the appropriate legal or investigative agency.
11. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement, in which case members of the organization are subject to subpoena.

WHISTLE POLICY

COMPLAINT TYPES

A Whistleblower's complaint is information relating to improper conduct of any staff, consultant or contractor engaged by APB Resources Berhad Group of Companies.

Improper conduct among others include below:

- Abuse of Authority
- Asset Misappropriation
- Breach of Legal Obligation
- Corruption
- Improper conduct by any employee
- Fraudulent Statements
- Misuse of Company Information
- Misuse of Company Properties
- Non-Disclosure of Internal or External Audit Process
- Theft
- Damage / Potential Damage to Environment
- Harassment / Bullying
- Impersonation of officials
- Money laundering
- Procurement fraud / suspicious dealings
- Dishonesty
- Anyone action of a discriminating nature that has had a direct / indirect effect on the person(s) involved
- Other criminal offences

PURPOSE

The Group's Whistleblower Policy outlines the Company's commitment to ensure that anyone is able to raise concerns regarding any illegal conduct or malpractice without being subjected to victimization, harassment or discriminatory treatment, and to have such concerns properly investigated.

The Whistleblower Policy applies to the Company and all its subsidiary companies. All employees, directors, shareholders, consultants, vendors, contractors, external agencies or any other parties having a business relationship with the Group are encouraged to confidently and professionally disclose any wrongdoings that may impact the Company. However, please do not misuse this opportunity as an avenue to seek revenge or as a retaliation channel.

REQUIRED INFORMATION

Your complaint has to be submitted together with the following information:

- Type of activity or conduct
- Details of the suspected personnel involved
- Details of incident (including place, date and time of incident, as well as names of those involved)
- Transaction amount and type (if it is known).
- Any document, information or physical evidences relating to the complaint.

PROTECTION

- All disclosures made under this policy will be dealt with in a confidential manner.
- The identity of all complainants will be kept confidential and protected.
- Whistleblowers are protected under the Laws of Malaysia Act 711: The Whistleblower Protection Act 2010.

Complaints or reports under this policy can be made through e-mail, fax or mail.

Disclosure of information by the Whistleblower can be made to one or more of the following persons within the Company:

- Audit Committee Chairman;
- Chief Executive Officer; or
- Company Directors

Complaints against the Senior Management of the Group can be made directly to the Audit Committee Chairman.

Employees are encouraged to use the following to report allegations of wrongdoings or for any improper activity:

Phone No. 03-78461389
Fax No. 03-78463795
Email address carlson@amcsb.com.my / alex930@yahoo.com

All information received from the Whistleblower will be treated with utmost confidentiality.