



Pansar Berhad
(Company No. 18904-M)

BOARD CHARTER

TABLE OF CONTENTS

1.	INTRODUCTION	1
2.	OBJECTIVES	1
3.	THE BOARD	1
3.1.	Role	1
3.2	Composition and Board Balance	2
3.3	Appointments	3
3.4	Re-election	3
3.5	Supply of Information	3
4.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)	4
4.1	Chairman	4
4.2	Chief Executive Officer (CEO)/Managing Director	5
5.	BOARD COMMITTEES	5
5.1	Audit Committee	5
5.2	Nomination Committee	6
5.3	Remuneration Committee	7
6.	REMUNERATION LEVELS OF DIRECTORS	7
7.	FINANCIAL REPORTING	8
7.1	Transparency	8
7.2	Company Auditors	8
7.3	Internal Controls and Risk Management	8
8.	GENERAL MEETINGS	9
8.1	Annual General Meeting (AGM)	9
8.2	Extraordinary General Meeting (EGM)	9
9.	INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION	9
10.	RELATIONSHIP WITH OTHER STAKEHOLDERS	9
10.1	Employees	10
10.2	Environment	10
10.3	Social Responsibility	10
11.	COMPANY SECRETARY	10
12.	APPLICATION	11
	APPENDIX A – Code of Conduct and Ethics for the Board of Directors	12

Abbreviations

Bursa Securities	.....	Bursa Malaysia Securities Berhad
CEO	.....	Chief Executive Officer and/or Managing Director, interchangeably
Independent Director	.....	A Director who does not participate in the management of the Company and who satisfies the criteria for “independence” set out in the LR
LR	.....	Main Market Listing Requirements of Bursa Malaysia Securities Berhad
MCCG	.....	Malaysian Code on Corporate Governance
Para	.....	Paragraph
PSB or Company	.....	Pansar Berhad
SC	.....	Securities Commission

1. INTRODUCTION

The Directors of Pansar Berhad (PSB) regard corporate governance as vitally important to the success of PSB's business and are unreservedly committed to applying the principles necessary to ensure that the following principles of good governance is practised in all of its business dealings in respect of its shareholders and relevant stakeholders:

- The Board is the focal point of the Company's Corporate Governance system. It 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. THE BOARD

3.1 Role

- 3.1.1 The Board is charged with leading and managing the Company in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Company. The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Company's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

Accordingly, the Board is guided by its Code of Conduct and Ethics which prescribes the ethical expectations of each Director; so as to foster a culture of honesty, transparency, integrity and accountability. The Directors are expected to be familiar with and to comply with the letter and spirit of the Code. This Code of Conduct and Ethics for Directors is attached as Appendix A of this Board Charter and forms part of the Board Charter.

- 3.1.2 The Board understands that the responsibility for good Corporate Governance rests with them and therefore strives to follow the principles and best practices stated in the Malaysian Code on Corporate Governance (MCCG). The Board includes a narrative statement in its Company's Annual Report on the extent of its compliance with the principles and best practices in Corporate Governance pursuant to Paragraph 15.25 of the LR.
- 3.1.3 The Board ensures that the Company complies with the various guidelines issued by Bursa Securities and the SC relating to disclosure and internal audit functions.
- 3.1.4 The Board meets in person at least once every quarter to facilitate the discharge of their responsibilities. Members of the Management who are not Directors may be invited to attend and speak at meetings on matters relating to their sphere of responsibility.

- 3.1.5 The duties of the Board include establishing the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the Management and monitoring the performance of the Management.
- 3.1.6 The Board assumes the following specific duties:
- a) Establishing and reviewing the strategic direction of the Company;
 - b) Overseeing and evaluating the conduct of the Company's businesses;
 - c) Identifying principal risks and ensuring that the risks are properly managed;
 - d) Establishing a succession plan;
 - e) Developing and implementing an investors relations programme or shareholder communication policy; and
 - f) Reviewing the adequacy of the internal control policy.
- 3.1.7 The Board has established written procedures determining which issues require a decision of the full Board and which issues can be delegated to Board Committees or the Management.
- 3.1.8 The Board reserves full decision-making powers on the following matters:
- a) Conflict of interest issues relating to a substantial shareholder or a Director;
 - b) Material acquisitions and disposition of assets not in the ordinary course of business, including the acquisition and disposal or closure of business;
 - c) Approval of interim dividends and the recommendation of final dividends; and approval of financial statements;
 - d) Investments in Capital projects;
 - e) Authority levels;
 - f) Treasury policies;
 - g) Risk management policies; and
 - h) Key human resource issues.
- 3.1.9 The Board has established a procedure whereby the Directors, collectively or individually, may seek independent professional advice in furtherance of their duties at the Company's expense.

3.2 Composition and Board Balance

- 3.2.1 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.
- 3.2.2 At any one time, at least two (2) or one-third (1/3), whichever is higher, of the Board members are Independent Directors.
- 3.2.3 Profiles of Board members are included in the Annual Report of the Company.
- 3.2.4 The Chief Executive Officer (CEO) who is also the Managing Director is the "Executive" Director on the Board. However, the views of the Management are represented at meetings of the Board by the presence of senior executives when required.
- 3.2.5 Non-Executive Directors can meet as a group at least once a year without the Chairman or the Executive Director present.
- 3.2.6 The Independent Directors provide independent judgement, experience and objectivity without being subordinated to operational considerations.
- 3.2.7 The Independent Directors help to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are taken into account by the Board and that the relevant

issues are subjected to objective and impartial consideration by the Board.

- 3.2.8 The views of the Independent Directors carry significant weight in the Board's decision-making process.
- 3.2.9 If, on any matter discussed at a Board meeting, a Director holds views contrary to those of any of the other Directors, the Board minutes will clearly reflect this.

3.3 Appointments

- 3.3.1 The appointment of a new Director is a matter for consideration and decision by the full Board upon appropriate recommendation from the Nomination Committee.
- 3.3.2 New Directors are expected to have such expertise so as to qualify them to make a positive contribution to the Board's performance of its duties and to give sufficient time and attention to the affairs of the Company.
- 3.3.3 The Company Secretary is responsible to ensure that relevant procedures relating to the appointments of new Directors are properly executed.
- 3.3.4 Upon the appointment of a new Director, the Company Secretary advises the Director of his/her principal duties and responsibilities and explains the restrictions to which he or she is subject to in relation to price-sensitive information and dealings in the Company's securities. Thereafter, all Directors are provided with appropriate briefings on the Company's affairs and up-to-date Corporate Governance materials published by the relevant bodies.
- 3.3.5 The Company has adopted an induction programme for newly appointed Directors. The induction programme aims at communicating to the newly appointed Directors, the Company's vision and mission, its philosophy and nature of business, current issues within the Company, the corporate strategy and the expectations of the Company concerning input from Directors. The Company Secretary is primarily responsible for the induction programme with appropriate assistance from the Executive Directors.
- 3.3.6 The Company has in place educational / training programmes to update the Board of new developments pertaining to relevant laws and regulations and changing commercial risks which may affect the Board and/or the Company.
- 3.3.7 In addition to the Mandatory Accreditation Programme (MAP) as required by Bursa Securities, Board members are also encouraged to attend training programmes conducted by highly competent professionals which are relevant to the Company's operations and business. The Board will assess the training needs of the Directors and disclose in the Annual Report the trainings attended by the Directors.

3.4 Re-election

- 3.4.1 All Directors are subject to retirement by rotation.

3.5 Supply of Information

- 3.5.1 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.
- 3.5.2 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.

- 3.5.3 A full agenda and comprehensive Board papers are circulated to all Directors at least seven (7) working days before each Board meeting.
- 3.5.4 Amongst others, the Board papers may include the following:
- a) Quarterly financial report and report on the Company's cash and borrowing positions;
 - b) Minutes of meetings of all Committees of the Board;
 - c) Review of the current operations of the Company including trends, prospects, explanations and management actions to be taken ;
 - d) Reports on Related Party Transactions and Recurrent Related Party Transactions;
 - e) Directors' share dealings, including public shareholdings spread; and
 - f) Annual Management Plans.
- 3.5.6 Full Board minutes of each Board meeting are kept by the Company Secretary and are available for inspection by any Director during office hours.

4. CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

The Company aims to ensure a balance of power and authority between the Chairman and the CEO with a clear division of responsibility between the running of the Board and the Company's business respectively. The positions of the Chairman (who is a Non-Executive member of the Board), and the CEO are separate and clearly defined.

4.1 Chairman

- 4.1.1 The Chairman is responsible for leading the Board in ensuring the effectiveness of all aspects of the Board's role. The Chairman is responsible for:
- a) leading the Board in setting the values and standards of the Company;
 - b) maintaining a relationship of trust with and between the Executive and Non-Executive Directors;
 - c) ensuring the provision of accurate, timely and clear information to the Directors;
 - d) ensuring effective communication with the shareholders and relevant stakeholders;
 - e) arranging regular evaluation of the performance of the Board, its Committees and individual Directors;
 - f) facilitating the effective contribution of the Non-Executive Directors and ensuring constructive relations are maintained between the Executive and Non-Executive Directors.
- 4.1.2 The Chairman, in consultation with the CEO and the Company Secretary, sets the agenda for Board meetings and ensures that all relevant issues are on the agenda.
- 4.1.3 The Chairman is responsible for managing the business of the Board to ensure that:
- a) all Directors are properly briefed on issues arising at Board meetings;
 - b) information and reports are circulated in advance of Board meetings;
 - c) sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for Board discussion;
 - d) dissertations on important and critical issues are encouraged and where necessary recorded; and
 - e) issues discussed are forward looking and focused on strategy.

- 4.1.4 The Chairman ensures that every Board resolution is put to vote to ensure that the will of the majority prevails.
- 4.1.5 The Chairman ensures that the Executive Directors look beyond their executive functions and accept their full share of responsibilities on governance.
- 4.1.6 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 a matter at issue.

4.2 Chief Executive Officer (CEO)/Managing Director

- 4.2.1 The CEO and in this case the Managing Director is the conduit between the Board and the Management in ensuring the success of the Company's governance and management functions.
- 4.2.2 The CEO has the executive responsibility for the day-to-day operations of the Company's business.
- 4.2.3 The CEO implements the policies, strategies and decisions adopted by the Board and promptly reports back to the Board where any such implementation is not carried out.
- 4.2.4 All Board authorities conferred on the Management is delegated through the CEO and this will be considered as the CEO's authority and accountability as far as the Board is concerned.

5. BOARD COMMITTEES

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

- Audit Committee
- Nomination Committee
- Remuneration Committee

Independent and Non-Executive Directors play a leading role in these Committees. The Management and third parties are co-opted to the Committees as and when required. Details of the membership and a summary of the terms of reference of each Committee appointed by the Board are published in the Annual Report.

5.1 Audit Committee

- 5.1.1 The Audit Committee comprises at least three (3) members, a majority of whom are Independent Directors.
- 5.1.2 No alternate Director can be appointed as a member of the Audit Committee.
- 5.1.3 The Audit Committee will elect a Director from amongst them as its Chairman.
- 5.1.4 The functions of the Audit Committee are to review the following and report the same to the Board:
- a) with the external Auditor, the audit plan;
 - b) with the external Auditor, his evaluation of the system of internal controls;
 - c) with the external Auditor, his audit report;
 - d) the assistance given by the employees of the Company to the external Auditor;
 - e) the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - f) the internal audit programme, processes, the results of the internal audit programme, processes or investigations undertaken and whether or not appropriate actions have been taken on the recommendations of the internal audit functions;

- g) the performance and evaluation of the internal auditor as the internal auditor reports and is responsible to the Audit Committee;
- h) the quarterly results and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on:
 - (i) changes in and/or implementation of major accounting policies;
 - (ii) significant and unusual events; and
 - (iii) compliance with relevant accounting standards and other legal requirements;
- i) any related party transaction and conflict of interest situation that may arise within the Company or group including any transaction, procedure or course of conduct that raises questions of management integrity;
- j) any letter of resignation from the external Auditor of the Company; and
- k) whether there is reason (supported by grounds) to believe that the Company's external Auditor is not suitable for re-appointment.

5.1.5 The Audit Committee meets on a quarterly basis to carry out its functions. The Audit Committee is also responsible for recommending the person or persons to be nominated to act as the external Auditor and the remuneration and terms of engagement of the external Auditor.

5.1.6 The CEO, COO, General Manager, Head of Internal Audit, the Financial Controller and/or any other senior manager/head may attend the meetings only at the invitation of the Audit Committee.

5.1.7 The Audit Committee will have the necessary resources and personnel internally to carry out its functions and responsibility and will have access to all internal and external resources including appointments of advisors and consultants should the need arise.

5.1.8 The Board reviews the performance of the Audit Committee at least once in every three (3) years.

5.2 Nomination Committee

5.2.1 The Nomination Committee comprises Non-Executive Directors and a majority of the Committee members are appointed from the Independent Directors.

5.2.2 The Nomination Committee will elect a Non-Executive Director from amongst them as its Chairman.

5.2.3 The Nomination Committee's primary responsibilities include:

- a) leading the process for Board appointments and making recommendations to the Board;
- b) assessing the Directors on an on-going basis; and
- c) annually reviewing the required skills and core competencies of Non-Executive Directors, including familiarization with the Company's operations.

5.2.4 The main duties of the Nomination Committee are to:

- a) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- b) evaluate the balance of skills, knowledge and board experience and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment of Director;
- c) review the time required from a Non-Executive Director. The performance evaluation should be used to assess whether the Non-Executive Director is spending sufficient time to fulfil his/her duties;
- d) consider candidates from a wide range of backgrounds and how they can contribute towards a more effective functioning of the Board;
- e) give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and the skills and expertise that may be required by the Board in the future;

- f) regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
- g) keep under review the leadership needs of the Company, both executive and non-executive, with the view of ensuring the continued ability of the Company to compete effectively in the marketplace;
- h) make a statement in the annual report about its activities, the process used for appointments, the membership of the Committee, the number of Committee meetings and the attendance of members over the course of the year; and
- i) ensure that on appointments to the Board, Non-Executive Directors are briefed on what is expected of them in terms of time and service commitment to the Board and its committees.

5.2.5 The Committee will make the following recommendations to the Board:

- a) as regards plans for succession of Directors to maintain an appropriate balance of skills on the Board;
- b) as regards the re-appointment of any Non-Executive Director at the conclusion of their specified term of office;
- c) concerning the re-election by shareholders of any Director under the retirement by rotation provisions in the Company's articles of association;
- d) concerning any matters relating to the continuation in office of any Director at any time; and
- e) concerning the appointment of any Director to executive or other office other than to the position of Chairman or Chief Executive Officer, of which, such recommendation will be considered at a meeting of the Board.

5.2.6 In the event that a new Chairman is to be appointed, the Nomination Committee will be guided by the following principles prior to making recommendations to the Board:

- a) that a systematic evaluation be undertaken to identify the skills and expertise required for the role;
- b) that all short listed candidates be considered with the possibility of obtaining external advice, if necessary; and
- c) that such consideration process be properly recorded and documented.

5.3 Remuneration Committee

5.3.1 The Remuneration Committee comprises a majority of Independent Non-Executive Directors.

5.3.2 The Remuneration Committee will elect a Director from amongst them as its Chairman.

5.3.3 The Remuneration Committee's primary responsibilities include establishing, reviewing and recommending to the Board the remuneration packages of each individual Executive Director, the Chairman and the Company Secretary.

6. REMUNERATION LEVELS OF DIRECTORS

6.1 The Company aims to set remuneration at fair levels which are sufficient to attract and retain Directors needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved.

6.2 The level of remuneration for the CEO and Executive Directors is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar Malaysian public listed companies.

- 6.3 Non-Executive Directors are entitled to participate in the Company's Employee Share Options Scheme (ESOS) subject to approval at a General Meeting. Non-Executive Directors who participate in the ESOS are prohibited to sell, transfer or assign the shares within one (1) year from the date of offer of such options.
- 6.4 No Director other than the CEO and Executive Directors shall have a service contract with the Company.
- 6.5 A formal independent review of the Directors' remuneration is undertaken no less frequently than once per annum.
- 6.6 There is adequate disclosure in the Annual Report with a note on the remuneration of Directors.

7. FINANCIAL REPORTING

7.1 Transparency

- 7.1.1 The Company aims to present a clear and balanced assessment of the Company's financial position and future prospects that extends to the interim and price-sensitive information and other relevant reports submitted to the regulators.
- 7.1.2 The Directors ensure that the financial statements are prepared so as to give a true and fair view of the current financial status of the Company in accordance with approved accounting standards.
- 7.1.3 The Company's practice is to announce to Bursa Securities its quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period.
- 7.1.4 The Auditors Report contains a statement from the external Auditors explaining their responsibility in forming an independent opinion, based on their audit, of the financial statements of the Company.

7.2 Company Auditors

- 7.2.1 The Board has established formal and transparent arrangements for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the Company Auditors through its Audit Committee.
- 7.2.2 The Audit Committee also keeps under review the scope and results of the audit and the independence and objectivity of the Company Auditors.

7.3 Internal Controls and Risk Management

- 7.3.1 The Company has an internal audit function, which critically reviews all aspects of the Company's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditure and internal controls of all business and support units and subsidiaries are undertaken on a regular basis. The Head of Internal Audit has direct access to the Board through the Chairman of the Audit Committee.
- 7.3.2 The Board ensures the system of internal controls is reviewed on a regular basis.
- 7.3.3 The Audit Committee receives reports regarding the outcome of such reviews on a regular basis.

8. GENERAL MEETINGS

8.1 Annual General Meeting (AGM)

- 8.1.1 The Company regards the AGM as an important event in the corporate calendar where all Directors and key senior executives attend.
- 8.1.2 The Company regards the AGM as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from, the Company's shareholders.
- 8.1.3 The Chairman encourages active participation by the shareholders during the AGM.
- 8.1.4 The Chairman and, where appropriate, the CEO responds to shareholders' queries during the meeting. Where necessary, the Chairman will undertake to provide a written answer to any significant question that cannot be readily answered at the meeting.

8.2 Extraordinary General Meeting (EGM)

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

9. INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

- 9.1 The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company and as such adopts an open and transparent policy in respect of its relationship with its shareholders and investors.
- 9.2 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.
- 9.3 The Company may conduct dialogues with financial analysts from time to time as a means of effective communication which enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.
- 9.4 A press conference may be held after each General Meeting at which, the Chairman or CEO will give a press release stating the Company's results, their prospects and outline any specific events for notation. All press releases will be vetted prior to their release to ensure that information which has yet to be released to Bursa Securities is not released to the press.
- 9.5 The Company's website provides easy access to corporate information pertaining to the Company and its activities.

10. RELATIONSHIP WITH OTHER STAKEHOLDERS

In the course of pursuing the vision and mission of the Company, the Board recognises that no Company can exist by maximising shareholders value alone. In this regard, the needs and interests of other stakeholders are also taken into consideration.

10.1 Employees

- 10.1.1 The Board acknowledges that the employees are invaluable assets of the Company and play a vital role in achieving the vision and mission of the Company.
- 10.1.2 The Company adopts comprehensive and documented policies and procedures with respect to the following:
- a) Occupational safety and health with the objective of providing a safe and healthy working environment for all employees; and
 - b) Industrial relations with the objective of managing employees' welfare and well-being in the workplace.

10.2 Environment

- 10.2.1 The Board acknowledges the need to safeguard and minimise the impact to the environment in the course of achieving the Company's vision and mission.
- 10.2.2 The Company adopts comprehensive and documented policies and procedures as part of its commitment to protect the environment and contribute towards sustainable development.
- 10.2.3 The Company supports initiatives on environmental issues.

10.3 Social Responsibility

- 10.3.1 The Board acknowledges that the Company should play a vital role in contributing towards the welfare of the community in which it operates.
- 10.3.2 The Company adopts comprehensive and documented policies and procedures towards responsible marketing and advertising of its products and services.
- 10.3.3 The Company supports charitable causes and initiatives on community development projects.

11. COMPANY SECRETARY

- 11.1 The Board appoints the Company Secretary, who plays an important advisory role, and ensures that the Company Secretary fulfils the functions as an independent officer for which he/she has been appointed.
- 11.2 The Company Secretary is accountable to the Board through the Chairman of the Board and the Committees on all governance matters.
- 11.3 The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company.
- 11.4 The Company Secretary is responsible to advise Directors of their obligations to adhere to matters relating to:
- a) disclosure of interest in securities;
 - b) disclosure of any conflict of interest in any transaction involving the Company;
 - c) prohibition on dealing in securities; and
 - d) restrictions on disclosure of price-sensitive information.

11.5 The Company Secretary must keep abreast of, and inform, the Board of current governance practices.

11.6 The Board members have unlimited access to the professional advice and services of the Company Secretary.

12. APPLICATION

12.1 The principles set out in this Charter:

- a) follow what the Board believes to be good corporate governance practices expected of a listed company and as mandated by the relevant regulatory authorities;
- b) will be reviewed and updated regularly in line with changes in the expectations of the investment public and stakeholders of the company in general and guidelines issued by the regulatory authorities from time to time; and
- c) for disclosure purposes, summarised in the Annual Report as part of a narrative statement by the Directors on Corporate Governance.

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

12.3 Any updates to the principles and practices set out in this Charter will be made available on the Company's website.

Appendix A**CODE OF CONDUCT AND ETHICS
FOR THE BOARD OF DIRECTORS**

The Board of Directors has adopted this Code of Conduct and Ethics which is intended to serve as a source of guiding principles for the Directors. The Code aims to:

- *Prescribe the underlying principles and values so that the Directors can better understand and meet the expectations and requirements of the Company with respect to the behaviour of its Directors;*
- *Promote the Company's commitment to honest and ethical conduct, including fair dealing and ethical handling of conflicts of interests;*
- *Maintain the Company's reputation for integrity;*
- *Protect the Company's business interests, including corporate opportunities, assets and confidential information; and*
- *Foster compliance with applicable laws and regulatory obligations.*

All Directors are expected to be familiar with the Code and to abide by and conform to the principles in their capacity as board members:

1. Candid Conduct and Responsibilities

The Board's primary responsibility is to the Company's shareholders and where appropriate, the interests of the stakeholders of the Company, in optimising long-term value by overseeing the financial performance and management of the Company on their behalf.

The performance of this oversight function include a duty of care and diligence in fulfilling the functions of the office and exercising the proper authority and powers attached to that office-

- 1.1 Attend and participate in Board and Committees meetings and uphold the strict confidentiality of all meetings and deliberations and communications of the Board and Committees.
- 1.2 Be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken as a Board.
- 1.3 Devote appropriate time to review and be informed about the Company's business and affairs.
- 1.4 Act with integrity and honesty, in good faith and in the best interests of the Company; and not to use their positions for personal gain.
- 1.5 Adhere to a high standard of business ethics.
- 1.6 Maintain confidentiality of the information entrusted to the Directors by the Company and not to make improper use of the information acquired except where the disclosure of such information has been authorised by the Company, or is required by law.
- 1.7 Observe all applicable laws, rules and regulations, accounting standards and the policies of the Company.

2. Conflict of Interest

A “conflict of interest” occurs when an individual’s personal interest interferes, or appears to interfere, with the interests of the Company. It can arise when a Director takes actions or has interests, or the interests of an associated person, that may make it difficult for him/her to perform her duties objectively and effectively.

Directors must avoid any conflicts of interest between the Director and the Company. Any situation that involves, or may reasonably be expected to involve or give rise to, a conflict of interest with the Company, must be disclosed promptly to the Chairman of the Board or the Chairman of the Audit Committee.

Some common conflict of interest situations which Directors must refrain from are-

- Material ownership or financial interest in any supplier of goods and services to the Company or in any major customer of the Company.
- Employment relationship with any major customer, supplier or competitor of the Company.
- Receipt of gifts or personal benefits by Directors and/or members of their immediate families from any person or company with which the Company has current or prospective business dealings where such gifts are being made in order to improperly influence the Directors’ actions, or where the acceptance of such gifts can be construed as a conflict of interest.
- Be in a position of supervising, reviewing or having an influence on the job evaluation, pay or benefit of any immediate family member.
- Compete with the Company for business opportunities related to the Company’s business, unless it is determined that the Company will not pursue the opportunity.

3. Compliance

Directors must comply, and oversee compliance by the employees and other Directors of the Company with the laws, rules and regulations applicable to the Company and to ensure fair dealing by the employees with the Company’s customers, suppliers, competitors and other employees.

A Director must not purchase or sell any of the Company’s securities while in possession of material non-public information relating to the Company and must comply with the Company’s guidelines on insider trading.

Nothing in the Code should be considered as limiting the duties, obligations or legal requirements with which the Board members must comply as no Code can anticipate every situation that may arise.

4. Reporting and Waivers

Directors should promote ethical behaviour and encourage employees to report violations of laws, rules and regulations as well as the Company’s Employee Handbook. A Director who becomes aware of any existing or potential violation of this Code must notify the Chairman of the Board or the Chairman of the Audit Committee. Violations will be investigated by the Board and appropriate action will be taken in the event of any violation of the Code.

Any waivers of the Code may only be granted by the Board with recommendation from the Audit Committee after disclosure of all material facts by the Director seeking the waiver. Where the waiver relates to a material item, the Company must disclose this in accordance with applicable legal and regulatory requirements.