



PRESS METAL ALUMINIUM HOLDINGS BERHAD

Registration No. 201601027232 (1198171-H)

BOARD CHARTER

| Abbreviation | Meaning |
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| AC | : Audit Committee of the Company. |
| Board | : The Board of Directors of the Company |
| Bursa | : Bursa Malaysia Securities Berhad |
| COC | : Code of Conduct |
| COE | : Code of Ethics |
| Director | : Includes all independent and non-independent directors, executive and non-executive directors of the Company and shall also include alternate or substitute directors. |
| Employees | : All individuals directly contracted to the Group on an employment basis, including permanent and temporary employees excluding Directors and Management. |
| Group | : The Company and its subsidiaries, collectively. |
| Group CEO | : Group Chief Executive Officer of the Group. |
| HCA | : Head of Corporate Affairs of the Group. |
| HOD | : Head of department. |
| IR | : Investor Relations |
| Management | : Management personnel of the Company |
| MCCG | : The Malaysian Code on Corporate Governance. |
| MMLR | : Main Market Listing Requirements of Bursa. |
| NC | : Nomination Committee of the Company |
| PMAH or the Company | : Press Metal Aluminium Holdings Berhad (Registration No. 201601027232 (1198171-H)) |
| RC | : Remuneration Committee of the Company |
| RMC | : Risk Management Committee of the Company |
| Stakeholder | : Those parties who are directly or indirectly influenced by our business operations or can significantly influence our business operations such as shareholders and investors, employees, customers, suppliers, regulators, Government agencies, Non-Governmental Organisations, society and the communities in which the Group conducts its business. |

| Abbreviation | Meaning |
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| Subsidiary | : A corporation in which the Company controls the composition of the board of directors, controls more than half of the voting power or holds more than half of the issued share capital excluding preference shares. |

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## **1. Purpose of the Board Charter**

This Board Charter incorporates the Principles and Practices of the MCCG, as considered appropriate, MMLR on corporate governance, certain aspects of the Company's Constitution and relevant portions of the Companies Act 2016 insofar as the duties and responsibilities of Directors are concerned. This Board Charter is established to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its committees. This Board Charter does not overrule or pre-empt the statutory requirements and other relevant statutes. This Board Charter shall form an integral part of each Director's duties and responsibilities.

This Board Charter sets out the principles for the operation of the Board and describes the functions of the Board and those functions delegated to the Management of the Company.

The Board has primary responsibility to shareholders for the welfare of the Group. The Board is responsible for guiding and monitoring the business and the affairs of the Group. The Company recognises the importance of the Board in providing a sound base for good corporate governance in the operations of the Group.

## **2. Composition of the Board**

- (a) The Board should consist of qualified individuals with diverse experiences, backgrounds, skills and perspectives to understand properly and deal with the current emerging issues of the business of the Group. The composition and size of the Board should be such that it facilitates the making of informed, critical decisions without limiting the level of individual participation, involvement and effectiveness. Whilst the Company's Constitution allows for not less than two (2) and not more than fifteen (15) Directors, the Board shall examine and determine its size periodically in relation to the effective running of the Company's business.
- (b) In accordance with Paragraph 15.02 of the MMLR, at any one time, at least two (2) or one-third (1/3), whichever is the higher, of the Board members shall be Independent Directors. The independent directors provide the strong independent element to the Board to ensure that all matters are reviewed with objectivity, balance and fairness.

In the event of any vacancy in the Board, resulting in non-compliance with the above, the Board must ensure that the vacancy is filled within 3 months.

- (c) The Board shall endeavour to achieve 30% female directors whenever a suitable female candidate is identified. The Board through its NC should take steps to ensure that women candidates are sought as part of the recruitment exercise.
- (d) The Board recognises the importance of having a clearly accepted division of power and responsibilities at the head of the Company to ensure a balance of power and authority. The position of Chairman and the Group CEO are separated and clearly defined.

- (e) A Director shall inform the Board's Chairman before he/she accepts any new directorships in any other listed issuer. Each Board member must not hold directorships in more than five (5) listed issuers.
- (f) The Board shall appoint a Senior Independent Director who serves as the principal conduit between the Independent Directors and the Chairman on sensitive issues.
- (g) The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9)-year period, an Independent Director may continue to serve on the Board subject to the Director's re-designation as Non-Independent Director. However, the Board may, in exceptional cases and subject to the assessment of the NC on an annual basis, recommend for an Independent Director who has served a consecutive or cumulative term of nine (9) years to remain as an Independent Director subject to valid justification and shareholders' approval.

If the Board continues to retain the Independent Director after the twelfth year, the Board should provide justification and seek shareholders' approval through a two-tier voting process.

### **3. Appointments**

- (a) The appointment of a new Director is a matter for consideration and decision by the full Board upon appropriate recommendation from the NC. Further, in identifying candidates for appointment of directors, the Board does not solely rely on recommendations from existing Board members, Management or major shareholders. The Board utilises variety of independent sources to identify suitably qualified candidates where necessary.
- (b) Without limiting the generality of the foregoing, the qualifications for Board membership are:
  - (i) the ability to make informed business decisions and recommendations;
  - (ii) an entrepreneurial talent for contributing to the creation of shareholders' value;
  - (iii) sufficient available time to be able to fulfil his or her responsibilities as a member of the Board and any of the Committees to which he or she may be appointed; and
  - (iv) total commitment to furthering the interests of shareholders and the achievement of the Company's goals
- (c) The Board shall undertake an assessment of its Independent Directors annually.

### **4. Roles of the Board**

- (a) Board is charged with leading the Group in an effective and responsible manner. Each Director has a legal duty to act in good faith, to use reasonable care, skill and diligence and to act in the best interest of the Group. The Directors, collectively

and individually, must be aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Group's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

- (b) The Board shall be fully committed to developing and maintaining high standards of corporate governance by implementing the prescriptions of the principles and best practices stated in the MCCG. Good governance holds management accountable to the Board and the Board accountable to the shareholders and other stakeholders. The Board's fundamental approach in this regard is to ensure that the right executive leadership, strategy and internal controls for risk management are well in place.
- (c) The principal duties and responsibilities of the Board including those adopted from the MCCG are:
  - (i) together with Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
  - (ii) review, challenge and decide on Management's proposals for the Company., and monitor its implementation by Management;
  - (iii) ensure that the strategic plan and direction of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
  - (iv) supervise and assess the conduct and performance of the Management to determine whether the business is being properly managed;
  - (v) ensure there is a sound framework for internal controls and risk management;
  - (vi) understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks;
  - (vii) set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
  - (viii) ensure that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and senior management;
  - (ix) ensure that the Company has in place procedures to enable effective communication with stakeholders;
  - (x) ensure the integrity of the Group's financial and non-financial reporting;
  - (xi) establishing and reviewing the policies and procedures on whistle-blowing;

- (xii) promulgating and upholding ethical business practice, corporate social responsibility, long-term sustainability and good corporate governance.
- (d) In overseeing the conduct of the Group's business, the Board shall ensure that an appropriate financial planning, operating and reporting framework as well as an embedded risk management framework is established. Elements under this combined framework include the business plan, the budget, financial statements, divisional strategic/performance reviews reports and risk management reports.

## **5. Formal Schedule of Matters Reserved for the Board's Decision**

- (a) The Board reserves full decision-making powers on the following matters:
  - (i) Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
  - (ii) Material acquisitions and disposition of assets not in the ordinary course of business, including significant capital expenditures;
  - (iii) Strategic investments, mergers and acquisitions and corporate exercises;
  - (iv) Limits of authority;
  - (v) Treasury policies;
  - (vi) Risk management policies; and
  - (vii) Key human resource issues.

## **6. Chairman, Executive Vice Chairman and Group CEO**

The Company aims to ensure a balance of power and authority between the Chairman, Executive Vice Chairman and Group CEO with a clear division of responsibility between the running of the Board and the Group's business respectively. The positions of Chairman, Executive Vice Chairman and Group CEO are separated and clearly defined.

### **6.1. Chairman**

- (a) The Chairman is responsible for leadership of the Board and ensuring the effectiveness of all aspects of its role. The Chairman is responsible for:-
  - (i) leading the Board in setting the values and standards of the Group;
  - (ii) setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
  - (iii) leading board meetings and discussions;
  - (iv) encouraging active participation and allow dissenting views to be freely expressed;

- (v) managing the interface between Board and Management;
  - (vi) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole
  - (vii) leading the Board in establishing and monitoring good corporate governance practices in the Group
  - (viii) ensuring the integrity of the governance process and issues and other responsibilities assigned by the Board from time to time;
  - (ix) maintaining a relationship of trust with and between the executive and non-executive Directors;
  - (x) ensuring effective communication with shareholders and relevant stakeholders; and
  - (xi) facilitating the effective contribution of non-executive Directors and ensuring constructive relations be maintained between executive and non-executive Directors.
- (b) The Chairman is responsible for running the business of the Board to ensure that:
- (i) all Directors are properly briefed on issues arising at Board meetings.
  - (ii) sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for the Board discussion.
  - (iii) the issues discussed are forward looking and focused on strategy.
- (c) The Chairman ensures that every Board resolution is put to vote to ensure the will of the majority prevails and any concern or dissenting views expressed by any Director on any matter deliberated at meetings of the Board are adequately addressed and duly recorded in the relevant minutes of meetings.
- (d) The Chairman ensures that Executive Directors look beyond their executive functions and accept their full share of responsibilities on governance.
- (e) The Chairman will have no casting vote if two (2) Directors form a quorum at a particular meeting, or if there are only two (2) Directors competent to vote on the question at issue.

#### 6.2. Executive Vice Chairman

- (a) The Executive Vice Chairman shall assist the Chairman in performing the latter's duties and responsibilities. In particular, the Executive Vice Chairman shall take the important role in monitoring the implementation of the Group's

strategies. During the period when the Chairman is absent and the normal functions of the Chairman cannot be carried out, the Executive Vice Chairman will take the role as the acting Chairman.

- (b) The Executive Vice Chairman is also responsible to the Board for the following:
  - (i) strategic planning, business development and overseeing the Group's business operations together with the Group CEO;
  - (ii) formulation of high level-strategies of the Group and together with the Group CEO, directing the overall growth of the Group; and
  - (iii) the Group's business operations.

### 6.3. Group CEO

- (a) The Group CEO is the conduit between the Board and the Management in ensuring the success of the Group's governance and management function.
- (b) The Group CEO, in association with the Chairman, is accountable to the Board for the achievement of the Group's mission, goals and objectives and the Group CEO is accountable to the Board for the observance of Management's limitations.
- (c) The Group CEO has the executive responsibility for the day-to-day operation of the Group's business.
- (d) The Group CEO implements the policies, strategies and decisions adopted by the Board.
- (e) All Board authorities conferred on the Management is delegated through the Group CEO and this will be considered as the Group CEO's authority and accountability as far as the Board is concerned.
- (f) The Group CEO is responsible to the Board for the following:
  - (i) executive management of the Group's business covering, inter alia, the development of a strategic plan; an annual operating plan and budget; performance benchmarks to gauge management performance against and the analysis of management reports;
  - (ii) effectively overseeing the human resources of the Group with respect to key positions in the Group's hierarchy, determination of remuneration as well as terms and conditions of employment for Senior Management and issues pertaining to discipline;
  - (iii) assuring that the Group's corporate identity, products and services are of high standards and are reflective of the market environment;

- (iv) be the official spokesman for the Company and responsible for regulatory, governmental and business relationships;
  - (v) coordinating business plans with the business heads, coordinating management issues through the Board, and overseeing divisional function groups and cost containment process in consultation with the Group Financial Controller and the country heads;
  - (vi) regularly reviewing the heads of divisions and departments who are responsible for all functions contributing to the success of the Group;
  - (vii) assessing business opportunities which are of potential benefit to the Group;
  - (viii) ensuring the provision of accurate, timely and clear information to Directors;
  - (ix) maintaining and facilitating a positive working environment and good employee relations;
  - (x) promoting a high degree of corporate governance and ethics across the Group;
  - (xi) assisting in the selection and evaluation of Board members through the NC; and
  - (xii) assisting the Chairman in organising information necessary for the Board to deal with the agenda and for providing this information to Directors on a timely basis.
- (g) In discharging the above responsibilities, the Group CEO can delegate appropriate functions to the Management, who shall report to the Group CEO.

## **7. Role of Independent Directors**

- (a) Independent Directors are those who have no direct or indirect pecuniary interest in the Company other than the remuneration for their services as members of the Board of Directors and Board committees of the Company and the Group as defined under Paragraph 1.01 of the MMLR;
- (b) The role of Independent Directors is to constructively scrutinise proposals on strategy include, inter alia:-
  - (i) to make independent assessment of the information, reports or statements, having regard to the Directors' knowledge, experience and competence, to provide independent view and demonstrate objectivity in reviewing and challenging the management's proposals at meetings;

- (ii) to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to keep abreast of industry issues, market development and trend, and enable them to sustain their active participation in board deliberations; and
- (iii) act as a channel of communication between Management, shareholders and other stakeholders, and provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied.

## **8. Role of Senior Independent Director**

- (a) The role of Senior Independent Director includes, amongst others:
  - (i) act as a sounding board for the Chairman;
  - (ii) ensure all independent directors have opportunity to input on the agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by management that is necessary or appropriate for the independent directors to perform their duties effectively;
  - (iii) consult the Chairman regarding board meeting schedules to ensure the independent directors can perform their duties responsibly and with sufficient time for discussion of all agenda items;
  - (iv) serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues; and
  - (v) serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels of contact with the Chairman or Group CEO.

## **9. Role of Directors**

- (a) The principal roles and responsibilities of the Directors include, amongst others:
  - (i) To direct the management of the business and affairs of the Group
  - (ii) To attend substantially all the meetings of the Board and substantially all the meetings of each committee on which the Director serves; and
  - (iii) To review, before attending meetings of the Board or Committees, all materials provided by the Company relating to matters to be considered at the meetings.

## **10. Board Processes/ Procedures**

Board Meetings shall be conducted in a business-like manner where all Directors are encouraged to share their views and partake in discussions.

#### 10.1. Board Meeting and Frequency

- (a) The Board shall meet regularly, at least on a quarterly basis. Special Board meetings shall be held in addition to the quarterly meetings as and when required. Prior notice of meetings will be given to all who are required to attend the meetings.

The quorum for Board meetings shall be two (2).

- (b) The Chairman of the Board, or in his absence, a Director from amongst the Board members appointed shall preside as Chairman of the meeting.
- (c) Board members are required to attend the Board meetings and attendance of each individual Director in the meetings held in a financial year is required to be disclosed in the Annual Report.
- (d) Other senior officers may be invited to attend for particular items within their responsibility. The Board may also invite external parties such as the auditors, solicitors and consultants as and when the need arises.
- (e) Additional formal business is dealt with as required, whether by physical, videoconferencing or telephonic meetings, as well other electronic meetings allowed under the laws or the Company's Constitution.

#### 10.2. Agenda

- (a) The notice of a Directors' meeting shall be given in writing not less than seven (7) days prior to the meeting except in the case of an emergency.
- (b) The agenda shall include, amongst others, matters specifically reserved for the Board's decision. The Board shall record its deliberation, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities.

#### 10.3. Meeting Papers

- (a) Board papers and agenda items are to be circulated at least five (5) days prior to the meeting.
- (b) The draft minutes shall be circulated together with the Board papers at the following Board meeting. If one or more Directors request their opinion to be noted, the Company Secretary shall comply with the request.

#### 10.4. Access to information and independent Professional advice

- (a) All Directors (executive and non-executive) have the same right of access to all information within the Group whether as a full board or in their individual capacity, in furtherance of their duties and responsibilities as Directors of the Company, subject to a formal written request to the Chairman furnishing satisfactory and explicit justification for such request.

- (b) All Directors shall have access to the advice and services of the Company Secretary. The Board shall recognise that the Chairman is entitled to the strong and positive support of the Company Secretary in ensuring the effective functioning of the Board.
- (c) The full Board or in their individual capacity, in furtherance of their duties, shall be able to obtain an independent professional advice at the Company's expenses.

## **11. Company Secretary**

- (a) The appointment and removal of the Company Secretary is a matter for the Board as a whole.
- (b) The Company Secretary shall be suitably qualified, competent and capable of carrying out the duties required of the post.
- (c) The key role of the Company Secretary shall include:
  - (i) provide unhindered advice and services for the Directors, as and when the need arises;
  - (ii) enhance the effective functioning of the Board;
  - (iii) ensure regulatory compliance;
  - (iv) advise the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis;
  - (v) preparing agendas and coordinating the preparation of the Board papers in a timely and effective manner;
  - (vi) ensuring that Board procedures and applicable rules are observed;
  - (vii) maintaining records of the Board and ensure effective management of organisation's records;
  - (viii) preparing comprehensive minutes to document Board proceedings and ensure conclusions are accurately recorded;
  - (ix) facilitate the orientation of new directors and assist in director training and development;
  - (x) ensure availability of information required by new directors for the proper discharge of their duties;
  - (xi) assisting the communications between the Board and Management; and
  - (xii) providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.

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**12. Board Committees**

- (a) The Board reserves the right to establish Committees from time to time in the discharge of its duties and responsibilities.
- (b) Where a Committee is formed, specific terms of reference of the Committee would be established to serve as a guidance note which covers matters such as the purpose, composition and functions of the Committee.
- (c) The Board has established the following Board Committees which operate within their specific terms of reference:-

- (i) AC

AC assists in providing oversight on the Group's financial reporting, disclosure, regulatory compliance, risk management and monitoring of internal control processes within the Group. The AC reviews the quarterly financial results, unaudited and audited financial statements, internal and external audit reports as well as related party transactions.

- (ii) NC

The NC oversees matters relating to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identify candidates to fill board vacancies, and nominating them for approval by the Board.

- (iii) RC

The RC is primarily responsible for recommending to the Board the remuneration packages of Executive Directors, Non-Executive Directors and Senior Management in all its forms, drawing from outside advice if necessary. The remuneration of Executive Directors and Senior Management shall be recommended by the RC 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 Executive Directors.

- (iv) RMC

The RMC is responsible to oversee senior management activities in managing all risks and to ensure the risk management processes are in place and functioning according to its purpose. The RMC will review and recommend to the Board for approval, risk management strategies, methodologies, policies and guidelines, risk tolerance/appetite and other risk related issues as prescribed in the Terms of Reference, including the following:

- to ensure that the Group's corporate objectives are supported by a sound risk strategy and an effective risk management framework that is appropriate to the nature, scale and complexity of the activities and
  - to oversee the management of the Group's compliance risk.
- (d) Although the Board has granted discretionary authority to these Board Committees to deliberate and decide on certain operational matters as set out in their respective Terms of Reference, the ultimate responsibility for final decision on all matters lies with the Board.

### **13. Remuneration levels of Directors**

- (a) The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Group, successfully taking into consideration all relevant factors including the demands, complexities, performance of the Group, as well as skills and experience required, but without paying more than is necessary to achieve this goal.
- (b) The level of remuneration for the Group CEO, Executive Directors is recommended by the RC to the Board after giving due consideration to the compensation levels for comparable positions among other similar Malaysian public listed companies.
- (c) In fixing the remuneration to be paid to Directors who are not employees of the Group for serving on the Board and on Committees of the Board, the Board will consider the following:
- (i) The compensation that is paid to Directors of other companies which are comparable in size to the Group.
  - (ii) The amount of time it is likely Directors will be required to devote in preparing for and attending meetings of the Board and the Committees on which they serve.
  - (iii) The success of the Company (which may be reflected in compensation related to the price of the Company's shares).
  - (iv) If a Committee on which a Director serves undertakes a special assignment, the importance of that special assignment to the Group and its shareholders.
  - (v) The risks involved in serving as a Director and a member of Board Committees.
- (d) Fees payable to non-executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.

**14. Accountability and Audit**

## 14.1. Financial Reporting

- (a) The Board aims to present a clear and balanced assessment of the Group's financial position and future prospects that extends to the annual and quarterly reports.
- (b) The Board ensures that the annual and interim financial statements are prepared so as to give a true and fair view of the current financial status of the Group in accordance with the approved accounting standards.

## 14.2. Company Auditors

- (a) The Board has established formal and transparent arrangement for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the Company auditors through the AC.
- (b) The AC also keeps under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Company auditors. The AC ensures that the Company auditors do not supply a substantial volume of non-audit services to the Group. and any practice that departs from this has to be disclosed in the AC Report.

## 14.3. Internal Controls and Risk Management

- (a) The Board has overall responsibility maintaining a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with internal policies and procedures.
- (b) The Company has a well-resourced 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 (in-house) / outsourced internal auditors has direct access to the Board through the Chairman of the AC.
- (c) The Board ensures the system of internal controls is reviewed on a regular basis by the AC
- (d) The AC receives reports regarding the outcome of such reviews on a regular basis.

**15. The Board's Relationship with Shareholders and Stakeholders**

- (a) The Board shall maintain an effective communications policy that enables both the Board and Management to communicate effectively with its shareholders, stakeholders and the general public.

- (b) It is the role of the Board to ensure that the AGM and EGM of the Company are conducted in an efficient manner and serves as a crucial mechanism in shareholder communications. Key ingredients behind this include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the AGM and EGM.
- (c) The Board will focus its efforts on the following best practices to enhance the effectiveness of the General Meeting:
  - (i) ensure that each item of special business included in the notice to be accompanied by a full explanation of the effects of the proposed resolution;
  - (ii) for election of Directors, ensures that the notice of meeting state which Directors are standing for election with a brief description to include matters such as age, relevant experience, list of directorships, date of appointment to the Board, details of participation in board committee and the fact that a particular Director is independent;
  - (iii) ensure that the Chairman provides reasonable time for discussion at the meeting. Where appropriate and if required, the Chairman will also undertake to provide written answer to any significant question which cannot be answered immediately; and
  - (iv) conduct a business presentation with a question and answer session, where appropriate and if required.
- (d) The Group CEO shall take responsibility for addressing queries from shareholders, stakeholders, analysts and press.
- (e) The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Group and adopts an open and transparent policy in respect of its relationship with its shareholders and investors.
- (f) The Board ensures the timely release of financial results on a quarterly basis to provide shareholders and analysts with an overview of the Group's performance and operations in addition to the various announcements made during the year.
- (g) The Company's website, [www.pressmetal.com](http://www.pressmetal.com) provides easy access to corporate information pertaining to the Group and its activities and is continuously updated.

## **16. Induction Process**

- (a) The objective of the induction process is to provide Directors with a rapid and clear insight into the Group as well as keeping them abreast with development in the market place pertaining to the oversight function of Directors. This will enable the Directors to discharge their duties and responsibilities effectively.

- (b) Induction of Directors may include, but not limited to, the following:
- (i) furnishing of a copy of the previous board minutes for at least the past six (6) months; the business/strategic plan, pertinent management reports; profile of key competitors and significant reports by management consultants on areas of board responsibilities;
  - (ii) PMAH's COC;
  - (iii) visits to key sites; and
  - (iv) a formal one (1) to two (2) day induction programme, including the elements above, and presentations from various divisions on their strengths, weaknesses and ambitions.

#### **17. Directors' External Commitments and Conflict of Interest**

- (a) The Company's Constitution stipulate that a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare his interest in accordance with the provisions of the Companies Act 2016. The Director concerned shall not participate in deliberations and shall abstain himself from casting his votes in any matter arising thereof unless otherwise as provided for in the Constitution of the Company.
- (b) Shall there be an actual, potential or perceived conflict of interest between the Company or a related corporation and a Director, or an associate of a Director such as a spouse or other family members, or a related company, the Director involved shall make full disclosure and act honestly in the best interest of the Company.
- (c) An actual, potential or perceived conflict of interest shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in good faith and with due honesty.

#### **18. Directors' Training**

- (a) Directors are required to undergo the mandatory accreditation programme under the auspices of Bursa Malaysia Securities Berhad. 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. The NC shall decide on the continuous education training programme for Directors.
- (b) 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.

**19. Corporate Disclosures**

- (a) The Company shall consider the use of information technology in communicating with stakeholders, including a dedicated section for Investor Relations on the Company's website. This section shall provide information such as the Board Charter and Annual Report of the Company.
- (b) The Board appoints the Group CEO and HCA to speak on behalf of the Group and to manage the communication of information to investors, other stakeholders and the public in an orderly and effective manner while adhering, at all times, to relevant laws and regulatory requirements.
- (c) Non-executive Directors with the possible exception of the Chairman to as far an extent as possible, shall avoid commenting on the Company to external audiences. This is to avoid confusion and to ensure that the Board speaks in one voice.

**20. Anti-Corruption Compliance Programme**

The Board shall ensure a sustainable anti-corruption compliance programme, which includes the Anti-Bribery and Anti-Corruption Policy and assign adequate resources to implement the anti-corruption compliance programme. The Anti-Bribery and Anti-Corruption Policy is available at the Group's website, [www.pressmetal.com](http://www.pressmetal.com).

**21. Whistle-Blowing Policy**

To enhance corporate governance practices across the Group, a whistle-blowing policy has been adopted which provides Directors, Management, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group's policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties.

The aim of this policy is to encourage the reporting of such matters in good faith, with the confidence that the person filing the report, to the extent possible, be protected from reprisal, victimisation, harassment or subsequent discrimination.

**22. Code of Ethics**

The Board has formalise and commit to ethical values through the maintenance of a COE and ensure the implementation and compliance with the COE.

**23. Periodic Review**

This Board Charter shall be reviewed periodically and may be amended by the Board as it deems appropriate to ensure its relevance and effectiveness.

*This Board Charter was first adopted by the Board on 10 July 2017. The first review was on 26 February 2019. The Board subsequently reviewed and approved this Board Charter on 26 November 2020.*