

AMS Public Transport Holdings Limited (the “Company”) Terms of Reference for the Board of Directors

(a) Strategy and Management

- (i) Being responsible for the overall direction of the Group;
- (ii) Approval of the Group’s long-term objectives and strategy and policies;
- (iii) Oversight of the Group’s operations and management;
- (iv) Review of performance in the light of the Group’s strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken; and
- (v) Any decision to develop new business or cease to operate all or any material part of the Group’s business.

(b) Structure and capital

- (i) Approval of any changes relating to the Group’s capital structure;
- (ii) Approval of any major changes to the Group’s corporate structure, management and control structure; and
- (iii) Approval of any changes to the Company’s listing position.

(c) Financial reporting and controls

- (i) Approval of announcements of interim and final results;
- (ii) Approval of summary report (if any), the annual report (including the corporate governance report) and audited financial statements, the interim report and the unaudited interim financial statements;
- (iii) Set up of the Group’s dividend policy and approval of declaration of final or interim dividends;
- (iv) Approval of any significant changes in accounting policies or practices; and
- (v) Approval of investment and treasury policies.

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(d) Internal controls

- (i) Being responsible for a sound system of internal control and risk management;
- (ii) Annual review of the Group’s internal control environment and systems can be delegated to the Audit Committee of the Board.

(e) Contracts

- (i) Approval of any major capital projects, investments or contracts in excess of the amount/scope delegated to the Chief Executive or subject to the announcement and/or shareholders’ approval requirements under the Listing Rules; and
- (ii) Approval of lending or borrowing or investment by the Group made outside the treasury or investment policies of the Group.

(f) Communication

- (i) Approval of resolutions and related documentation to be put forward to shareholders at a general meeting;
- (ii) Approval of shareholder circulars and listing particulars;
- (iii) Attending the general meetings; and

(Note: The Chairman should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, should invite another member of the committee or failing this his duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting. The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that requires independent shareholders’ approval.)

- (iv) Set up of shareholder communication policy.

(g) Board membership and other appointments

- (i) Approval of the directors’ appointments and removals, selection of the Chairman, non-executive director, INED and Chief Executive, membership and chairmanship of

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board committees, by following the recommendations from the Nomination Committee;

- (ii) Succession planning, by following to the recommendations from the Nomination Committee.
- (iii) Approval of the appointment or removal of the Company Secretary;
- (iv) Approval of the appointment, reappointment or removal of the external auditor to be put to shareholders for approval, by following the recommendation of the Audit Committee.

(h) Remuneration

- (i) Determining the remuneration policy for non-executive directors and INEDs;
- (ii) Delegation of its responsibility to the Remuneration Committee of the Board to determine the specific remuneration packages of all executive directors and senior management; and
- (iii) Approval of the introduction of new share option schemes or new long-term incentive schemes or major changes to existing schemes, which require shareholders’ approval.

(i) Delegation of Authority

- (i) Determining the division of responsibilities between the Chairman and the Chief Executive; and
- (ii) Approval of the set up and the terms of reference of the board committees.

(j) Corporate governance matters

- (i) Set up and review the Group’s policies and practices on corporate governance;
- (ii) Review and monitor the training and continuous professional development of directors and senior management;
- (iii) Review and monitor the Group’s policies and practices on compliance with legal and regulatory requirements;
- (iv) Set up, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (v) Review of the Group’s compliance with the Code of Corporate Governance Practice of the

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Listing Rules and disclosure in the Corporate Governance Report.

(Note: The Board should be responsible for performing the corporate governance duties set out above or it may delegate the responsibility to a committee or committees.)

(k) Other

- (i) Settlement of litigation involving amounts in excess of that delegated to the Chief Executive or being otherwise material to the interests of the Group;
- (ii) These functions of the Board reserved for the Board’s decisions; and
- (iii) Any other matter not falling within the powers and authority of the shareholders, the Chief Executive or delegated to any committee of the Board.

First update on: 22 December 2011