



Tune Protect Group Berhad

(Company No: 948454-K)

BOARD CHARTER

TERMS OF REFERENCE

- Name : **Board of Directors (“Board”) of Tune Protect Group Berhad (“Tune Protect” or the “Company”)**
- Applicable laws / regulations/guidelines : The Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (“MMLR”) including but not limited to the Capital Markets and Services Act 2007 (“CMSA”), the Companies Act 1965 (“CA”), the Malaysian Code on Corporate Governance 2012 issued by the Securities Commission (“MCCG”) and the provisions of the Memorandum and Articles of Association of Tune Protect as well as all applicable laws, regulations and guidelines.
- Objectives/Principles : To actively oversee the conduct and direct the management of the business and affairs of Tune Protect towards enhancing business prosperity and corporate accountability with the ultimate objective of realising long term shareholder value and safeguarding the interests of stakeholders.
- Role, Responsibilities and Powers : (a) to review and approve strategies, business plans and significant policies for Tune Protect and monitor management’s performance in implementing them;
- (b) to set corporate values and clear lines of responsibility and accountability, including governance systems and processes that are communicated throughout Tune Protect;
- (c) to ensure full compliance and to carry out the duties of the Board in accordance with the relevant provisions of the MMLR, the CMSA, the CA and all applicable laws, regulations and guidelines including but not limited to the director’s duties contained in Part V, Division 2 of the CA;

- Role, Responsibilities and Powers : (d) to oversee the conduct of Tune Protect’s business and ensure that the management of Tune Protect is competent and effective;
- (e) to ensure that there shall be unrestricted access to independent advice or expert advice at Tune Protect’s expense in furtherance of the Board’s duties (whether as a Board or a director in his/her individual capacity);
- (f) to formalise the ethical standards through a code of conduct which will be applicable throughout Tune Protect and ensure the compliance of this code of conduct;
- (g) to ensure that the operations of Tune Protect are conducted prudently, and within the framework of relevant laws and regulations;
- (h) to establish, approve, review, and monitor Tune Protect’s risk appetite and comprehensive risk management policies, processes and infrastructure, and receive regular reports therein;
- (i) to approve delegated authority for expenditure, lending, and other risk exposures;
- (j) to consider emerging issues which may be material to the business and affairs of Tune Protect and ensure that Tune Protect has a proper succession plan for its senior management and executive Directors;
- (k) to keep under review and maintain Tune Protect’s capital and liquidity positions as well as ensure that Tune Protect’s strategies promote sustainability;

- Role, Responsibilities and Powers : (l) to review and approve proposals for the allocation of capital and other resources within Tune Protect;
- (m) to review and approve Tune Protect's annual capital and revenue budgets (and any material changes thereto);
- (n) to ensure that the Board has adequate procedures in place to receive reports periodically and/or on a timely basis from Tune Protect's management that would provide the Board with a reasonable basis to make proper judgement on an ongoing basis as to the financial position and business prospects of Tune Protect;
- (o) to approve Tune Protect's annual reports and unaudited periodic financial statements as required by the applicable stock exchange, including but not limited to other published financial statements and material and significant statements issued to shareholders;
- (p) to review the adequacy and integrity of Tune Protect's internal control system and management information systems, including systems for complying with applicable laws, regulations, rules, directives and guidelines;
- (q) to set up an internal audit department staffed with qualified personnel to perform internal audit functions, covering financial and management audit as well as regulatory compliance, that reports directly to the Company's Audit & Risk Committee.

- Role, Responsibilities and Powers : (r) to establish procedures to assess any related party transactions or conflict of interest situations that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (s) to establish and ensure the effective functioning and monitoring of the Audit & Risk, Nomination & Remuneration and Employee Share Option Scheme Committees, and any other committees as deemed necessary by the Board, and to delegate appropriate authority and terms of reference to such committees established by the Board;
- (t) to prepare an Audit & Risk Committee report at the end of each financial year that will be clearly set out in the annual report of Tune Protect;
- (u) to look at and to address their mind to major and/or material litigation situations against the Group as and when they arise;
- (v) to ensure that Tune Protect has a beneficial influence on the economic well-being of its community;
- (w) to ensure that Tune Protect has in place a policy and/or procedures to enable effective communication with, and appropriate disclosure to, its shareholders and other stakeholders; and that its shareholders have access to information about Tune Protect;
- (x) to receive and consider high level reports on matters material to Tune Protect, in particular:

Role, Responsibilities
and Powers

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- (i) relations with regulatory authorities;
- (ii) health and safety;
- (iii) insurance cover;
- (iv) disaster recovery;
- (v) litigation and claims;
- (vi) premises; and
- (vii) public relations.

(y) to receive the minutes of and/or reports from the committees established by the Board;

(z) to review and agree to changes in the terms of reference of Tune Protect's Board and committees established by the Board;

(aa) to strive to achieve an optimum balance and dynamic mix of competent and diverse skill sets amongst the Board members;

(bb) to ensure adequate training of members of the Board;

(cc) to undertake an assessment of the independence of its independent directors annually in accordance with the assessment criteria to be developed by the Nomination & Remuneration Committee;

Role, Responsibilities and Powers : (dd) to conduct a Board evaluation through Nomination & Remuneration Committee, which comprises a Board Assessment and an Individual (Self & Peer) Assessment. The assessment of the Board is based on specific criteria, covering areas such as the Board composition and structure, principal responsibilities of the Board, the Board process, the Chief Executive Officer's performance, succession planning and Board governance. For Individual (Self & Peer) Assessment, the assessment criteria include contribution to interaction, role and duties, knowledge and integrity and assessment of independence;

(ee) to undertake a proper process for Directors' selection through Nomination & Remuneration Committee; and

(ff) to establish formal and transparent remuneration policies and procedures to attract and retain directors through Nomination & Remuneration Committee.

Matter reserved for the Board : The following are matters which are specifically reserved for the Board:

(a) Approval of corporate plans and programmes;

(b) Approval of annual budgets, including major capital commitments;

(c) Approval of new ventures;

(d) Approval of material acquisitions and disposals of undertakings and properties;

(e) Changes to the management and control structure within the Company and its subsidiaries, including key policies, delegated authority limits; and

(f) Any other matters which are required to be approved by the Board pursuant to the applicable rules, laws and regulations.

Members : The Board shall strive to achieve an optimum balance and dynamic mix of competencies and diverse skill sets amongst its Board members.

The appointment of members of the Board shall take place annually at Tune Protect's annual general meeting by rotation in accordance with the Articles of Association of Tune Protect.

All members of the Board shall be required to submit themselves for re-election at regular intervals of not more than three (3) years in accordance with the Company's Articles of Association.

The Board shall comprise of at least two (2) members and (unless otherwise determined by ordinary resolution) not more than twelve (12) members, to be nominated by the Nomination & Remuneration Committee. At least two (2) of the total Board members or one-third of the Board (whichever is higher)¹ must be independent and non-executive directors. Where the Chairman of the Board is not an independent director, the Board shall comprise a majority of independent directors.

The executive director (or in the absence of an executive director, the Chief Executive Officer) whose responsibilities include, but are not limited to the following:

- (i) to ensure the efficient and effective day-to-day management of Tune Protect with all powers, discretions and delegations authorised by the Board;
- (ii) to establish and implement the strategic direction of Tune Protect as approved by the Board;
- (iii) to make recommendations to the Board relating to the business and operations of Tune Protect; and
- (iv) to identify and to ensure all material matters affecting Tune Protect are brought to the attention of the Board.

Each appointed Board member shall hold office until the earlier of (i) such time as the Board determines to terminate his/her appointment or (ii) the Board member ceases to be a member of the Board.

¹Under Section 15.02 of the MMLR, at least 2 directors or 1/3 of the Board (whichever is higher), must be independent directors

Members : The tenure of an independent director should not exceed a cumulative term of nine (9). Upon completion of the nine (9), an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director. The board must justify and seek shareholders' approval in the event it intends to retain as an independent director, a person who has served in that capacity for more than nine years.

Chairman : The Chairman of the Board shall be appointed by the Board and may hold any executive office with the Company. However, the position of the Chairman and CEO must be held by different individuals. In the absence of the Chairman and/or an appointed deputy in any meeting, the remaining members present shall elect one of themselves to chair the meeting in accordance with the provisions set out in the Articles of Association of Tune Protect.

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

- (i) to oversee the Board in the effective discharge of its role;
- (ii) to monitor the workings of the Board and conduct of the Board meeting;
- (iii) to ensure all relevant issues for the effective running of Tune Protect's business are on the agenda for Board meetings;
- (iv) to ensure that quality information to facilitate decision-making is delivered to Board members on a timely basis;
- (v) to encourage all directors to play an active role in Board activities;
- (vi) to chair general meetings of shareholders; and
- (vii) to liaise with the Chief Executive Officer and Company Secretary on the agenda for Board meetings.

Limit on Directorships : The limit on the number of directorships that may be held at any one time by members of the Board are five (5) for any listed companies including the position on the board of Tune Protect as a board member or such other requirements as prescribed or approved by the MMLR.

Quorum : The quorum for meetings shall be two (2) members. A duly convened meeting of a Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion vested in or exercisable by the Board.

Frequency of meetings : The Board shall meet not less than once every three (3) months. Meetings of the Board shall be called by the Secretary of the Board at the request of the Chairman. 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 Board no later than seven (7) calendar days before the date of the meeting. Reasonable time should be given for Board members and to other attendees as appropriate, to consider all relevant papers and materials prior to the Board meeting.

Each member of the Board is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes of the Board shall be the decision of the Board.

In the event of an equality of votes, the Chairman of the Board shall be entitled to a second or casting vote. The Chairman shall not have a casting vote if there are only two (2) Directors (being competent to vote) forming the quorum of a meeting.

Attendance : At least two (2) members.

The Chief Executive Officer and Chief Financial Officer of the Company shall normally be invited to attend the meetings to assist in the

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Approval of minutes/resolutions : By majority.

The Secretary of the Board shall minute the proceedings and resolutions of all Board meetings, including the names of those present and in attendance.

The minutes of the Board, when approved by the Board should be circulated to all members of the Board.

Directors' Circular Resolutions : A resolution in writing signed by a majority of all Directors shall be valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. All such resolutions shall be described as "Directors' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the Company's Minutes Book.

Any such resolution may consist of several documents in the like form, each signed by one (1) or more Directors. A signed Directors' Circular Resolution transmitted by facsimile (fax) or any other electronic means shall be deemed to be an original.

Secretary : Company Secretary of Tune Protect.

Continuous Education : The Board shall evaluate the continuous training needs of its members in order to enhance his/her contribution to the Board and to effectively discharge their duties as a Board member.

Each member of the Board shall also ensure that he/she attends such training programs as may be prescribed by the stock exchange from time to time.

Review of the Board Charter : The Board Charter has been adopted by the Board on 30 August 2012 and any subsequent amendment to the Charter can only be approved by the Board.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.