



TUNE PROTECT GROUP BERHAD

REGISTRATION NO. 201101020320 (948454-K)

BOARD CHARTER

As at 24 May 2024

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1. APPLICABLE LAWS/REGULATIONS/GUIDELINES

Including but not limited to:

- (a) Financial Services Act 2013 ("**FSA**");
- (b) Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad;
- (c) Capital Markets and Services Act 2007 of the Securities Commission Malaysia ("**SC**");
- (d) Companies Act, 2016 ("**CA**");
- (e) Malaysian Anti-Corruption Commission Act 2009 ("**MACCA**");
- (f) Malaysian Code on Corporate Governance ("**MCCG**") issued by the SC in 2021;
- (g) Corporate Governance Policy Document ("**CGP**") issued by Bank Negara Malaysia ("**BNM**");
- (h) Climate Risk Management and Scenario Analysis Policy Document issued by BNM ("**CRMSA**"); and
- (i) the provisions of the Constitution of Tune Protect Group Berhad ("**TPG**" or "**the Company**").

2. OBJECTIVES/PRINCIPLES

The Board Charter is designed to enable the Board of Directors ("**Board**") of the Company to actively oversee the conduct and direct the management of the business and affairs of TPG towards enhancing business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value and safeguarding the interests of stakeholders.

3. AUTHORITY

The Board derives its authorities to act from the Constitution of the Company, the CA, guidelines issued by BNM and other relevant regulatory requirements.

4. COMPOSITION AND BALANCE OF THE BOARD

The appointment or a removal of a Director of the Company shall be in accordance with the rules and regulations as set out in accordance with the FSA, MMLR, MCCG, CGP, CA and the provisions of the Constitution of TPG. The Board shall strive to achieve an optimum balance and dynamic mix of competencies and diverse skill sets amongst its Board members.

4.1 Size and Composition

The Board shall comprise at least two (2) members and (unless otherwise determined by ordinary resolution) not more than 12 members, to be nominated by the Nomination Committee ("NC"). The Board must have a majority of Independent Directors at all times.

*Constitution-106
BNM CGP-11.6
LR-15.02*

The Board must be of a size that encourages active participation of all Directors and promotes effective deliberation. The composition and size of the Board are reviewed from time to time to ensure its appropriateness.

4.2 Board Diversity

The Board should establish the approach to diversify the Board of the Company, which is in line with the recommendation of the MCCG to ensure the Board is adequately diversified in terms of skills, experience, age, cultural background and gender.

The Board comprise at least one (1) woman Director.

MMLR - 15.02(1)(b)

4.3 Appointment

The Company must not publicly announce the proposed appointment of a Director, unless the written approval of BNM has been obtained.

BNM CGP-10.11(a)

4.4 Re-election

The re-appointment of members of the Board shall also take place at TPG's Annual General Meeting annually by rotation in accordance with the Constitution of TPG.

*Constitution-
122 to 129*

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 Constitution.

4.5 Tenure of Director

A Director whose tenure has expired and is being proposed for re-appointment must immediately cease to hold office and act in such capacity, including by participating in Board meetings or holding himself/herself out as a director, unless the written approval of the BNM has been obtained.

*MCCG-Practice 5.3
BNM CGP-10.11(b)*

The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.

5. ROLES, RESPONSIBILITIES AND POWERS

5.1 Board Responsibilities

The Board has the overall responsibility for promoting the sustainable growth and financial soundness of the Company, and for ensuring reasonable standards of fair dealing, without undue influence from any party and the Board's oversight function towards a

BNM CGP-8.3

comprehensive and effective implementation of Fair Treatment of Financial Consumers in business and operations of the Company. This includes a consideration of the long-term implications of the Board's decisions on the Company and its customers, officers and the general public as well as the economic, environmental and social factors underpinning sustainability. In fulfilling this role, the Board's roles, responsibilities and powers include:

- (i) to review and approve strategies, business plans, risk appetite, initiatives and significant policies for TPG which would, singularly or cumulatively, have a material impact on TPG's risk profile and monitor Management's performance in implementing them; *BNM CGP-8.3(a)*
- (ii) to set corporate values and clear lines of responsibility and accountability, including governance systems and processes that are communicated throughout TPG;
- (iii) to oversee the implementation of TPG's governance and internal control frameworks, and periodically review whether these remain appropriate in light of material changes to the size, nature and complexity of TPG's operations; *BNM CGP-8.3(c)*
- (iv) to ensure full compliance and to carry out the duties of the Board in accordance with the relevant provisions of the FSA, MMLR, CMSA, CA, CRMSA, MCCG and all applicable laws, regulations and guidelines including but not limited to the director's duties contained in Subdivision 3 of the CA;
- (v) to oversee the selection, performance, remuneration and succession plans of the following persons considered as 'Key Senior Officers', such that the Board is satisfied with the collective competence of Key Senior Officers to effectively lead the operations of the Company: *BNM CGP-8.3(b)*
 - Senior Management Team (i.e. the Executive Committee);
 - Control Function Heads;
 - Appointed Actuary;
 - Company Secretary;
 - Other Material Risk Takers*; and
 - Any other positions required by the NC;

* As per BNM's CGP, "other material risk taker" refers to an officer who is not a member of senior management of a financial institution and who –

- can materially commit or control significant amounts of the financial institution's resources or whose actions are likely to have a significant impact on its risk profile; or
- is among the most highly remunerated officers in the financial institution.

- (vi) to ensure that there shall be unrestricted access to independent advice or expert advice at TPG's expense in

furtherance of the Board's duties (whether as a Board or a Director in his/her individual capacity);

- (vii) to formalise the ethical standards through a code of conduct which will be applicable throughout TPG and ensure the compliance of this code of conduct;
- (viii) to promote together with the Key Senior Officers and ensure that the operations of TPG are conducted prudently, ethically and professionally, and within the framework of relevant laws and regulations;
- (ix) to establish, approve, review, and monitor TPG's risk appetite and comprehensive risk management policies, processes and infrastructure, and receive regular reports therein;
- (x) to approve delegated authority for expenditure, lending, and other risk exposures;
- (xi) to oversee the conduct of TPG's business and consider emerging issues which may be material to the business and affairs of TPG;
- (xii) to keep under review and maintain TPG's capital and liquidity positions as well as ensure that the Company's strategies, business plans, major plans of action promote sustainability and that these sustainability strategies are communicated to the internal and external stakeholders;
- (xiii) to review and approve proposals for the allocation of capital and other resources within TPG;
- (xiv) to review and approve TPG's annual capital and revenue budgets (and any material changes thereto);
- (xv) to ensure that the Board has adequate procedures in place to receive reports periodically and/or on a timely basis from TPG'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 TPG;
- (xvi) to approve TPG's annual reports and unaudited periodic financial statements as required by Bursa Malaysia Securities Berhad, including but not limited to other published financial statements and material and significant statements issued to shareholders;
- (xvii) to review the adequacy and integrity of TPG's internal control system and management information systems, including systems for complying with applicable laws, regulations, rules, directives and guidelines;
- (xviii) to set up an internal audit department with qualified personnel to perform internal audit functions, covering financial and management audit as well as regulatory

BNM CGP-8.3(d)

*BNM CGP-8.3(e)
MCCG-Practice
4.1&4.2*

compliance that reports directly to the Company's Audit Committee ("**AC**");

- (xix) to establish procedures to assess any related party transactions or conflict of interest situations that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of Management integrity;
- (xx) to establish and ensure the effective functioning and monitoring of the AC, Risk Management Committee ("**RMC**"), NC, Remuneration Committee ("**RC**"), Investment Committee ("**IC**"), Employees' Share Option Scheme Committee/Long Term Incentive Plan ("**LTIP**") Committee 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;
- (xxi) to approve the AC reports at the end of each financial year that will be clearly set out in the annual report of TPG;
- (xxii) to review the significant and/or material litigation situations against the Group as and when they arise;
- (xxiii) to ensure that TPG has a beneficial influence on the economic well-being of its community;
- (xxiv) to oversee and approve the recovery and resolution as well as business continuity plans for TPG to restore its financial strength, and maintain or preserve critical operations and critical services when it comes under stress;
- (xxv) to ensure that TPG has in place a policy and/or procedure to enable effective communication with, and appropriate disclosure to, its shareholders and other stakeholders; and that its shareholders have access to information about TPG;
- (xxvi) to receive and consider high level reports on matters material to TPG, in particular:
 - relations with regulatory authorities;
 - health and safety;
 - insurance cover;
 - disaster recovery;
 - litigation and claims;
 - premises; and
 - public relations.
- (xxvii) to receive the minutes of and/or reports from the Board Committees established by the Board;
- (xxviii) to review and agree to changes in the Terms of Reference of TPG's Board Committees and Board Charter established by the Board;

- (xxix) to strive to achieve an optimum balance and dynamic mix of competent and diverse skill sets amongst the Board members;
- (xxx) to ensure adequate training of members of the Board such as identify its professional development needs concerning sustainability in order to stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities; *MCCG-Practice 4.3*
- (xxxi) to undertake an assessment of the independence of its Independent Directors annually in accordance with the assessment criteria to be developed by the NC;
- (xxxii) to conduct annual Board Effectiveness evaluation through the NC which includes a review of performance of the Board in addressing the Company's material sustainability risks and opportunities; *MCCG-Practice 4.4*
- (xxxiii) to undertake a proper process for Directors' selection through the NC. Directors appointed should be able to devote the required time to serve the Board effectively. The Board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided; *MCCG-Practice 5.5*
- (xxxiv) to consider and approve, upon recommendation from the NC, the proposed candidates for the appointment of directors of TPG's investee companies, namely its subsidiary, joint venture and associate companies, excluding Tune Insurance Malaysia Berhad ("**TPM**"), prior to the approvals by the respective Boards of TPG's investee companies. For joint venture and associate companies, only the nominee directors from TPG shall be assessed for this purpose. For the avoidance of doubt, the nominations and appointments of the directors of TPM shall be governed by the NC and the Board of TPM;
- (xxxv) to establish formal and transparent remuneration policies and procedures to attract and retain Directors through the RC;
- (xxxvi) to approve the appointment and removal of TPG's Company Secretary;
- (xxxvii) to assume ultimate responsibility to ensure compliance with the provision of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 and MACCA;
- (xxxviii) to approve, promote and have oversight of the Anti-Bribery and Corruption System ("**ABCS**"), including having the responsibility to:
 - (a) promote within the Company to a culture of integrity and zero-tolerance towards bribery and corruption;

- (b) receive and review information, including audit and risks reports on the operation and enforcement of the ABCS at planned intervals and to consider appropriate recommendations and actions to be taken from the relevant stakeholders and/or committees;
 - (c) encourage the use of the whistleblowing channel as a confidential reporting channel for any suspected and/or real incidents of bribery and corruption or any inadequacies of the ABCS; and
 - (d) ensure that there are adequate and appropriate resources for the Compliance function to function with sufficient competence and independence.
- (xxxix) to review and approve the Company's disclosures and strategic direction in relation to sustainability matters include, but are not limited to review and approve the Company's climate-related disclosures to promote credible as well as high-quality disclosures. The Board is accountable for the sustainability strategy and performance of the Company;
- (xxxx) to discuss and remain up to date on climate-related developments including develop a clear understanding of the distinctive elements and transmission channels of climate related risks; and
- (xxxxi) to evaluate the risks and opportunities arising from climate change on a periodic basis, mitigate the risks of greenwashing and consider these risks and opportunities in assessing and approving the Company's strategies and business plan.

5.2 Responsibilities of the Chairman

The Chairman of the Board must not be an Executive and must not have served as a Group CEO of the Company in the past five (5) years. He must also not be the Chairman of the other Committees of the Company. 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 Constitution of TPG.

*BNM CGP-
11.3&12.4
MCCG-Practice 1.3*

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 TPG's business are on the agenda for Board meetings;
- (iv) to ensure that all matters relating to the ABCS and anti-bribery and corruption are on the agenda for Board meetings;

- (v) to ensure that quality information to facilitate decision-making is delivered to Board members on a timely basis;
- (vi) to encourage all Directors to play an active role in Board activities;
- (vii) to chair general meetings of shareholders; and
- (viii) to liaise with the Group CEO and Company Secretary on the agenda for Board meetings.

5.3 Responsibilities of the Non-Executive Director

The responsibilities of the Non-Executive Director include, but are not limited to the following:

- (i) to provide independent and objective assessment and suggestions on deliberations by the Board; and
- (ii) to provide relevant checks and balance, focussing on stakeholders' interests and ensure that high standards of corporate governance are applied.

5.4 Responsibilities of Senior Independent Director

The responsibilities of the Senior Independent Director include, but are not limited to the following:

- (i) act as a sounding board for the Chairman;
- (ii) act as an intermediary for other Directors when necessary; and
- (iii) be the point of contact for shareholders and other stakeholders for areas that cannot be resolved through the normal channels of contact with the Chairman, Executive Director or Group CEO.

5.5 Responsibilities of the Executive Director

The Executive Director (or in the absence of an Executive Director, the Group CEO) whose responsibilities include, but are not limited to the following:

- (i) to ensure the efficient and effective day-to-day management of TPG with all powers, discretions and delegations authorised by the Board;
- (ii) to establish and implement the strategic direction of TPG as approved by the Board;
- (iii) to make recommendations to the Board relating to the business and operations of TPG; and

- (iv) to identify and to ensure all material matters affecting TPG 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 or (iii) his/her resignation as a member of the Board.

5.6 Responsibilities of the Group CEO

In the event of in addition to the above, the Group CEO's responsibilities include, but are not limited to the following:

- (i) to meet immediate performance targets without neglecting longer term growth opportunities of the Company;
- (ii) to ensure all Board decisions and policies set by the Board are implemented effectively and in a timely manner;
- (iii) to keep the Board updated of salient issues and concerns regarding the Company's operations;
- (iv) to ensure all relevant and important management reports are submitted to the Board for deliberation and decision making in a timely and systematic manner and not assume a position of responsibility outside of TPG that creates conflict of interest; and
- (v) a Group CEO must devote the whole of his/her professional time to the service of the Company unless BNM approves otherwise in writing.

BNM CGP-17.4

6. PROCEDURES OF BOARD

6.1 Board Meetings

The Board shall meet at a minimum of six (6) times a year. Meetings of the Board shall be called by the Secretary of the Board at the request of the Chairman or a Director. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be circulated to each member of the Board by the Secretary. 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.

Constitution-138

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.

Constitution-141

The Secretary shall be entrusted to record all proceedings of all meetings of the Board and to circulate the minutes to Board members. The minutes of the meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting. The Secretary shall be responsible for keeping the minutes and to produce the minutes for inspection when necessary.

The Board will be guided by this Board Charter and Terms of Reference of Board Committees.

Reserved matters, all strategic decisions and investments decisions are made at Board of Directors' Meetings after due processes, discussions and deliberations.

6.2 Quorum

The quorum for meetings shall be at least half (50%) of the Board 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.

BNM CGP-9.5

6.3 Attendance

A Director must attend at least 75% of the Board meetings held in each financial year and must not appoint another person to attend or participate in a Board meeting on his/her behalf.

BNM CGP-9.3

The Group CEO and Group Chief Financial Officer of the Company shall normally be invited to attend the meetings to assist in the deliberations and resolution of matters raised. Where their expertise is required, TPG personnel or any other external professionals may also be invited to attend the Board meetings.

6.4 Written Resolution via Circulation

- (i) In between the Board of Directors' meetings, approvals on urgent or important business matters requiring the sanction of the Board could be made by way of Written Resolution enclosing all relevant information to enable the Board to make informed decisions. A signed or an approved Directors' Written Resolution in writing transmitted by facsimile, electronic mail or other form of electronic means by a simple majority of the Board members entitled to receive notice of a meeting of the Board, shall be valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- (ii) All such resolutions shall be described as "Directors' Written Resolutions" and may consist of several documents in the like form each signed by one (1) or more members. The signed resolution shall be forwarded or otherwise delivered to the Secretary without delay and shall be recorded by the Secretary in the minutes book.

Constitution-148

6.5 Company Secretary

- (i) The Company Secretary shall be responsible, with the concurrence of the Chairman of the Board, for drawing up and circulating the agenda and the notice of meetings to the Board members prior to each meeting.
- (ii) The Company Secretary shall be entrusted to record all proceedings of all meetings of the Board and to circulate the minutes to Board members. The minutes of the meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting. The Company Secretary shall be responsible for keeping the minutes and to produce the minutes for inspection when necessary.
- (iii) Apart from the above, the roles and responsibilities of the Company Secretary also include the following: *MCCG Guidance 1.5*
 - (a) to advise the Board on its roles and responsibilities;
 - (b) to facilitate the orientation of new Directors and assist in director training and development;
 - (c) to manage processes pertaining to the general meetings of shareholders;
 - (d) to monitor corporate governance developments and assist the Board in applying corporate governance practices to meet the Board's needs and stakeholders' expectations; and
 - (e) to serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

6.6 Meeting using Communication Technology

The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit by means of any communication technology by which all persons participating in the meeting are able to hear, be heard and/or to participate, and in addition for the Board members, to vote, without the need for the meeting participants to be physically present in the meeting, from more than one venue within or outside Malaysia. The Board members participating in any such meeting shall be counted in the quorum for such meeting.

Constitution-147

6.7 Independent Advice

The Board may seek independent advice and information in the furtherance of their duties at the Company's expense, so as to ensure the Directors are able to make independent and informed decisions.

7. BOARD COMMITTEES

The Board has established the following Board Committees whose compositions, responsibilities, functions, and authority delegated by the Board to the Board Committees are set out in the respective Board Committees' Terms of Reference:

- (i) AC;
- (ii) RMC;
- (iii) NC;
- (iv) RC;
- (v) IC; and
- (vi) LTIP.

The Board Committees shall report, update and keep the Board informed on the recommendations, significant issues, key deliberations and decision on delegated matters.

8. SENIOR MANAGEMENT APPOINTMENTS AND REMOVALS

All Key Senior Officer appointments must be assessed against the minimum requirements of Section 59(1) of the FSA and for fit and proper requirements.

BNM CGP-17.2

A substantial shareholder must not hold a senior management position.

BNM CGP-17.3

9. MATTERS RESERVED FOR THE BOARD

The following are matters specifically reserved for the Board:

- (a) The Company's strategy, corporate objectives and plans;
- (b) The Company's capital structure;
- (c) Operating and capital budgets;
- (d) Significant changes to accounting policies and practices;
- (e) Financial results and reporting;
- (f) Dividend policy and proposals for dividend payments;
- (g) New ventures;
- (h) Major acquisitions, disposals of undertaking and properties and other transactions outside delegated limits;
- (i) The Group's overall risk appetite;
- (j) Review of the Group's overall corporate governance arrangements;
- (k) Maintenance and review of the systems of risk management and internal control;

- (l) Changes to the structure, size and composition of the Board, including new appointments;
- (m) Succession plans for the Board and senior management;
- (n) Changes to the Management and control structure within the Company and its subsidiaries, including key policies, delegated authority limits; and
- (o) Annual review of its own performance and that of its Board Committees.

10. LIMIT ON DIRECTORSHIP

The limit on the number of directorships that may be held at any one time by members of the Board is five (5) for any listed companies including the position on the Board of TPG as a Board member.

MMLR-15.06(1)

11. REVIEW OF THE BOARD CHARTER

The Board Charter shall 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.