

# TT VISION HOLDINGS BERHAD

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## **1. Introduction**

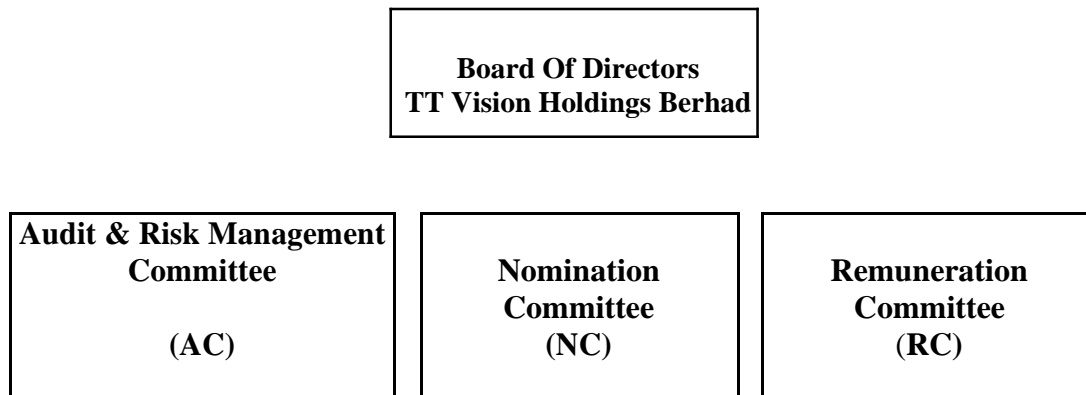
- 1.1** The Board Charter sets out the Board’s strategic intent and outlines the roles and powers that the Board specifically reserves for itself, and those which it delegates to the Management and in so doing, also sets the guidance of the various Board Committees.
  
- 1.2** This Board Charter is subject to the provisions of the Companies Act 2016 (“Companies Act”), the Constitution of TT Vision Holdings Berhad (“TTVHB”), the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa”), the Malaysian Code on Corporate Governance 2021 (“MCCG”) and any other applicable law or regulatory requirements.

## **2 Purpose**

The role of the Board is to promote and protect the interests of the TTVHB and its subsidiary companies (“Group”). The Board shoulders the ultimate responsibility of determining the direction of the Group, thereby ensuring the long-term success of the Group and the delivery of sustainable value to its shareholders. The Board provides leadership and advice in fine-tuning corporate strategies, promoting good governance and ethical practices, and oversee the effective execution of these strategies.

### 3 Board Structure and Composition

#### 3.1 The Governance Structure of the Board is as follows:



#### 3.2 Composition

3.2.1 The Constitution of TT Vision Holdings Berhad provides for a minimum of two (2) Directors and a maximum of ten (10) Directors. At any one time, at least half of the Board comprises Independent Directors.

3.2.2 The Board consists of qualified individuals with a diverse set of skills, knowledge, professional/industry experience, age, gender, cultural and educational background, ethnicity and length of service that ensure sufficient diversity and independence so as to effectively discharge the Board's roles and responsibilities for the benefit of the Company and its business.

##### 3.2.2 Independence

3.2.2.1 In accordance with Bursa Guidance Note 9: Requirements for Directors and Signatory of Statutory Declaration for Accounts.

3.2.2.2 The Board may consider a Director as independent if he/she has no relationship with the Company, its related companies (*note 1*) or its officers that could interfere, or be reasonably perceived to interfere with his exercise of independent business judgement in carrying out his functions as a member of the Nomination and Remuneration Committee ("NRC").

*(Note 1: A related company in relation to a corporation includes its subsidiary, fellow subsidiary or parent company.)*

3.2.2.3 On appointment and thereafter, on an annual basis, every member shall complete a return as to his/her independence. The Board shall review the return to decide if a Director is to be considered independent.

- 3.2.2.4 An Independent Director shall immediately notify the Board of Directors and the Company Secretary of any change in circumstances that may result in him/her not being able to meet the criteria for independence.
- 3.2.2.5 The Board may, after considering the change in circumstances, require the resignation of the Director, in compliance with provisions of the Companies Act and the NRC terms of reference.
- 3.2.2.6 The tenure of an Independent Non-Executive Director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Non-Executive Director may continue to serve on the Board as a Non-Independent Non-Executive Director. If the Board intends to retain an Independent Non-Executive Director beyond nine (9) years, it shall justify and seek annual shareholders' approval through a two-tier voting process. Under the two-tier voting process, shareholders' votes will be cast in the following manner at the same shareholders' meeting:
- a) Tier 1: Only the Large Shareholder(s) of the Company votes.
  - b) Tier 2: Shareholders other than Large Shareholder(s) votes.
- 3.2.2.7 Large Shareholder means a person who:
- a) is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company; or
  - b) is the largest shareholder of voting shares in the Company; or
  - c) has the power to appoint or cause to be appointed a majority of the Directors of the Company; or
  - d) has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give effect to such decisions or cause them to be given effect to.
- 3.2.2.8 The decision for the resolution is determined based on the vote of Tier 1 and a simple majority of Tier 2. If there is more than one Large Shareholder, a simple majority of votes determine the outcome of the Tier 1 vote.
- a) The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution.
  - b) However, the resolution is deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

### 3.2.3 **Competency**

Members of the Board should possess the relevant knowledge, skills, competencies, functional and management experience, characteristics and mind-set to contribute effectively to the Board. The Board shall also regularly review its membership to ensure the Board remains relevant and should formalise its succession planning practices.

### 3.2.4 **Retirement and Resignation**

3.2.4.1 Directors may relinquish their membership on the Board in writing to the Company, subject to compliance with the provisions of the Companies Act, AMLR and the Company's Constitution.

3.2.4.2 If for any reason, the total number of board members shall fall below three (3), the Board shall within three (3) months, or on such occurrence, appoint such number of new members so that the total number of members is at least three (3) and re-constitute the Board before the next scheduled meeting.

### 3.2.5 **Other Directorships / Consultancy**

A director may accept outside appointments to other public companies' boards, provided that such director must notify the Board before accepting any new directorship and provide an indication of time expected to be spent on the new appointment.

#### **4 Authorities Of the Board**

The Board is authorised to do the following at the cost of the Group:

- 4.1 Be given necessary resources in order to perform its duties.
- 4.2 Have direct access to the Key Management team and the external auditors.
- 4.3 Have direct communication channels and access to the Company Secretary, with full and unrestricted access to information, records, properties and personnel of the Group in performing their duties.
- 4.4 Obtain external, legal or independent professional advice as deemed necessary.
- 4.5 Convene meetings with the external auditors without the attendance of any executive and where appropriate, the Group Secretary as deemed necessary.
- 4.6 Have immediate access to reports on fraud or irregularities from the various key departments such as Finance.
- 4.7 Authorize investigations into fraud, illegal acts or suspected violations of Group policies involving Management or Directors.

## **5 Roles And Responsibilities Of The Board, The Chairman, Directors and Chief Executive Officer (“CEO”)**

### **5.1 Principal Responsibilities of the Board**

The Board is principally responsible for:

- 5.1.1 Reviewing and adopting a strategic plan for the Group
- a) Review, challenge and approve Management’s proposal on a strategic plan for the Group by bringing objectivity and breadth of judgment to the strategic planning process;
  - b) Ensure that the strategic plan for the Group supports long-term value creation and includes strategies on economic, environmental, safety & health, social and governance considerations underpinning sustainability; and
  - c) Monitor the implementation of the strategic plan by Management.
- 5.1.2 Promoting together with Key Management, good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- 5.1.3 Overseeing the conduct of the Group’s business:
- a) Oversee the conduct of the Group’s business, including the formulation of strategy and performance objectives, control and accountability systems, corporate governance framework, risk management practices and human capital management;
  - b) Approve and monitor progress of major capital expenditure, fund-raising, acquisitions and divestitures;
  - c) Supervise and assess the performance of Management to determine whether the business is being properly managed and ensure that appropriate measures are in place against which Management’s performance can be assessed;
  - d) Review, challenge and decide on Management’s proposals for the Group and monitor its implementation by Management;
  - e) Monitor compliance with established policies and procedures; and
  - f) oversee and monitor the sustainability practices of the Group, including setting sustainability strategies, priorities and targets risks and ensure that sustainability considerations are incorporated in the Group’s businesses and strategies so as to create value for its businesses and stakeholders in the longer terms as well as to support business continuity and competitiveness over the longer term.
- 5.1.4 Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures:
- a) Understand the principal risks of the Group business and recognise that business decisions involve the taking of appropriate risks;
  - b) Fulfill statutory and fiduciary responsibilities by monitoring the operational, financial and risk management processes of the Group and ensuring that internal control procedures are in place;
  - c) Set the risk appetite within which the Board expects Management to operate and ensure that there is a sound risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks; and



- d) Comply with environment, safety and health legislation by understanding the operations being carried out by employees and the hazards and risks associated with such operations.

#### 5.1.5 **Succession Planning:**

- a) Ensure Key Management has the necessary skills and experience; and
- b) Ensure measures are in place to provide for orderly succession planning, including appointing, training, fixing the compensation of and, where appropriate, replacing Key Management.

#### 5.1.6 Overseeing the development and implementation of a stakeholder communications policy for the Group.

- a) Ensure that the Group has in place a policy to enable effective communication with its stakeholders.
- b) This policy should include how feedback received from its stakeholders is considered by the Group when making business and other decisions.

#### 5.1.7 Reviewing the adequacy and the integrity of the management information and internal control systems of the Group.

- a) Ensure that there is a sound framework of reporting on internal controls and regulatory compliance;
- b) Review the efficiency and quality of the Group's financial reporting process and systems of accounting and internal controls; and
- c) Ensure the integrity of the Group's financial and non-financial reporting.

### 5.2 **Role of the Board Chairman**

The position of the Chairman of the Board and the CEO shall be assumed by different persons with a clear division of power and responsibilities to ensure a balance of power and authority as well as a clear demarcation of power between strategy and policy making process and the day-to-day management of the Company.

The Board Chairman shall not assume any role in any of the Board Committees in order to maintain his/her objectivity.

The Board Chairman presides over meetings of Directors and is responsible for instilling good corporate governance practices, leadership and the effectiveness of the Board. The duties of the Board Chairman include the following:

5.2.1 Managing Board meetings to ensure robust decision-making by:

- a) setting the agenda for each Board meeting together with the Group Secretary and the CEO. Other Directors and key members of Management may also be consulted;
- b) ensuring the provision of accurate, complete, timely and clear information to the Directors;
- c) leading Board meetings and discussions;
- d) managing Boardroom dynamics by promoting a culture of openness and debate; encouraging active participation and allowing dissenting views to be freely expressed; and
- e) ensuring all Directors are properly briefed on issues arising at Board meetings in a timely manner.

5.2.2 Building a high performance Board by:

- a) providing leadership for the Board so that the Board can perform its responsibilities effectively and in developing corporate strategies for the Group;
- b) taking a leading role in establishing an effective corporate governance system and practices, including Board and Committee Charters, a Committee structure and ensuring that induction as well as ongoing education programmes for Directors are in place;
- c) arranging the regular evaluation of the performance of the Board, its Committees and individual Directors and discussing the performance assessment with individual Directors and Committee Chairmen;
- d) ensuring that prior to new appointments to the Board, an assessment is undertaken on the candidate, which may include a competency and behavioral analysis of the candidate; and
- e) ensuring that the Board and key executive succession planning is considered on an ongoing basis.

5.2.3 Managing Board - Management interface by:

- a) acting as the conduit between Management and the Board, although all Directors shall have the opportunity to get to know key members of the Management team;
- b) developing a positive relationship with the CEO, acting as a confidant and advisor; and
- c) facilitating the selection and appointment of a successor to the current CEO.

5.2.4 Being the public face by:

- a) acting as a spokesperson for the Board; and
- b) representing TTVHB at shareholders' meetings as well as promoting an effective communication between the Company, shareholders and all stakeholders and on other occasions when actions are taken or statements are made in the name of the Group, both domestically and/or abroad.

5.2.5 Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole.

5.3 **Role of Individual Directors**

5.3.1 Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their fiduciary responsibilities as Directors. Broadly these include:

- a) acting in good faith and in the best interests of the Group;
- b) demonstrating good stewardship and acting in a professional manner with sound mind;
- c) acting with reasonable care, skill and diligence subject to the business judgment rule;
- d) avoiding conflicts of interest with the Group in a personal or professional capacity, including improper use of the property, information, opportunity of the Group or as a Director or officer of the Group or engaging in business which is in competition with the Group;
- e) ensuring Board information, discussions, deliberations and decisions that are not publicly known are not used for personal interest, or their employers' interest;
- f) disclosure of and abstaining from voting on matters of material personal interest;
- g) exercising greater vigilance and professional skepticism in understanding and shaping the strategic direction of the Company and/or Group; and
- h) compliance with the Companies Act, securities legislation and the AMLR.

5.3.2 Every Director shall devote sufficient time to prepare for and attend Board and Board Committee meetings, attend Directors' continuous training programme and briefings.

5.3.3 Every Director must attend at least fifty (50) percent of the Board meetings held in each financial year.

5.3.4 Every Director must keep abreast of his responsibilities as a Director and of the conduct, business activities and development of the Group.

5.3.5 Every Board member should ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including whether any Director abstained from voting or deliberating on a particular matter.

#### **5.4 Role of the Senior Independent Non-Executive Director**

The duties of the Senior Independent Non-Executive Director shall include acting as a sounding board for the Chairman, an intermediary for other Directors when necessary, and the point of contact for shareholders and other stakeholders with concerns which have failed to be resolved or would not be appropriate to be communicated through the normal channels of the Chairman and/or CEO.

#### **5.5 Role of the Chief Executive Officer**

5.5.1 The CEO assumes the overall responsibilities for the execution of the Group's strategies in line with the Board's direction, oversees the Group's operations and drives the Group's businesses and performance towards achieving the Group's vision and goals. The key roles of the CEO include, among others:

- a) displaying ethical behaviour while overseeing the day-to-day business operations, implementing Board policies and strategies, and making operational decisions;
- b) serving as the conduit between the Board and Management in ensuring the success of the Group's governance and management functions;
- c) ensuring that all Board decisions reflect its environment, safety and health intentions as articulated in the environment, safety and health policy statement;
- d) ensuring effective relationships and communication with Management, and between the Board, shareholders and relevant stakeholders;
- e) providing strong leadership by effectively communicating the vision, management philosophy, business strategy and environment, safety and health policy to employees;
- f) keeping the Board informed of salient aspects and issues concerning the Group's operations, including those related to environment, safety and health;
- g) developing and implementing long term and short-term business plans to achieve the Group's objectives in terms of growth and profitability aimed at building sustainable value for shareholders and stakeholders;
- h) ensuring the efficiency and effectiveness of the operations, and adequacy of internal controls as well as risk management systems of the Group;
- i) assessing any business opportunities and investments with potential benefits and within the Group's objectives;
- j) driving the strategic management of material sustainability matters of the Group; and
- k) ensuring that the Group complies with relevant laws and regulations; and any other duties and responsibilities as may be delegated by the Board.

## **6 Matters Reserved for The Board**

In addition to those matters that are required by law or Listing Requirements of Bursa to be approved by the Board, the following matters, which are non-exhaustive, are reserved for the Board:

- 6.1 Appointment of Chairman of the Board, independent director, CEO, Head of Finance and Company secretary;
- 6.2 Determination of the remuneration and terms and conditions of service of the CEO, Executive Directors, including incentives;
- 6.3 Approval of the strategic plans and consolidated annual budget prepared by the Management;
- 6.4 Approval of quarterly financial reports, annual report (which includes, among others, financial statements, directors' reports, management discussion and analysis, sustainability statement, corporate governance overview statement, audit and risk management committee statement, and statement of risk management and internal control) and corporate governance report, with advice from the NRC, Audit Committee and Risk Management Committee ("ARMC") as appropriate;
- 6.5 Approval of notice of meeting and proxy form for the Annual General Meeting ("AGM") and other members' meetings;
- 6.6 Approval of disclosure of information (including issuance of statements or press releases) that contains financial and / or operational projections, or changes to the Group's strategy;
- 6.7 Approve delegations of authority to the CEO and authorize expenditure in excess of the approval limits delegated to the CEO ;
- 6.8 Authorise any single unbudgeted expenditure above an amount as established by the Board from time to time;
- 6.9 Approval of proposals for the material investments, material divestments, mergers and acquisition, new ventures, establishment, corporate restructuring, disposal or cessation of any significant business of the Company or significant changes to organisational structure;
- 6.10 Authorise the issue of shares, options or other equity-based securities including the documentation in relation to such;
- 6.11 Approval of borrowings and the granting of security over, or interests in the Company or any of its material assets including the documentation in relation thereto;
- 6.12 Determine membership and approve the terms of reference of Board Committees and monitor the effectiveness of the Company's corporate governance practices;
- 6.13 Appointment of Directors, and where required for election by shareholders at the next Annual General Meeting;

- 6.14 Approval of remuneration policies including the authorisation of key performance indicators for CEO / Managing Director;
- 6.15 If deemed appropriate, endorse AC recommendation and seek shareholders' approval for the appointment of the external auditor;
- 6.16 Approve corporate policies of Company-wide or general application;
- 6.17 Review and approve issuance of corporate guarantees and parental guarantees by the Group;
- 6.18 Approve the Management structure and the threshold/authority limits delegated to the Management for day-to day business operations;
- 6.19 Approve appointment, resignation/termination of directors and the CEO (based on recommendation of the NRC)
- 6.20 Approve any related party transactions;
- 6.21 Review and approve internal and external audit plans;
- 6.22 Approve interim dividends and recommendation of final dividend for shareholders' approval;
- 6.23 Review and approve establishment of board committee and delegation of authorities to such committee to carry out certain functions and responsibilities on behalf of the Board; and
- 6.24 Review and approve any other matters that the Board may deem necessary from time to time.

## **7 Board Meetings**

### **7.1 Frequency**

The Board shall meet at least four (4) times in a financial year, with additional meetings to be convened as and when necessary.

### **7.2 Notice and Agenda**

Notices and agenda of meetings duly endorsed by the Chairman together with the relevant Board papers shall be distributed at least five (5) working days prior to the Board meetings.

### **7.3 Quorum**

The quorum necessary for the transaction of the business of the Directors shall be at least half of the Board members, provided not fewer than two (2) Directors, and a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or the Constitution vested in or exercisable by the Directors generally.

The Board may invite Senior Management, Company's auditors and any other external advisors to attend the Board meeting, where necessary, to furnish the Board with the information, clarification and advice needed to assist the Board for deliberation and any decision making.

### **7.4 Meeting Mode**

7.4.1 A meeting shall normally be conducted face-to-face to enable effective discussion; however, meetings may also be conducted via telephone conferencing, video conferencing or other appropriate means as determined by the Board.

7.4.2 The Board may from time to time and if deemed appropriate, consider and approve and/or recommend relevant matters via a resolution in writing, in lieu of formally convening a meeting.

- a) A written resolution in writing signed or approved by a majority of the Directors shall be as valid and effectual as if it has been passed by a meeting of the Board duly convened.
- b) Approval of the Board on the resolution can be through email and/or other means of electronic communications.
- c) Any such resolution may consist of several documents, including facsimile or other means of communications, in like form, each signed by one or more Directors.

## **7.5 Voting**

- 7.5.1 All resolutions of the Board shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the Board shall have a second or casting vote. However, in the case of an equality of votes and where two (2) Directors form a quorum, the Chairman of a meeting at which only such a quorum is present or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote.
- 7.5.2 A Board member is required to abstain from deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.

## **7.6 Meeting Minutes**

- 7.6.1 The minutes of the meeting shall be action oriented, and record the deliberations and decisions of the Board. The minutes shall include compiled Board instructions as Matters Arising for discussion at each Board meeting to ensure proper follow through.
- 7.6.2 Minutes shall be distributed to Board members and shall be approved by the Chairman of the meeting at which the proceedings are held or by the Chairman of the next succeeding meeting.

## **7.7 Secretary**

- 7.7.1 The Secretary to the Board shall be the Company Secretary or a person recommended by the Company Secretary and approved by the Board.
- 7.7.2 The Secretary shall organise and provide assistance at Board and Board Committee meetings and have the key responsibilities as set out in Section 13.3 herein:



## **8 Board Effectiveness Evaluation**

- 8.1 To remain relevant, the effectiveness of the Board, its Committees and each individual Director should be annually reviewed and disclosed in the annual report as prescribed under the AMLR and the MCCG. The Board should engage professional, experienced and independent party(ies) periodically to facilitate objective and candid board evaluation.
- 8.2 The Board via the NRC shall establish a set of criteria for the assessment of all Directors including Independent Directors. In establishing these criteria, attention shall be given to the values, principles and skills required for the Group. These criteria will serve as a source of reference for prospective and incumbent Directors for the Board's annual assessment and shall be reviewed regularly to maintain their relevance.
- 8.3 The evaluation shall cover the performance of the Board, the various Board Committees and each individual Director.
- 8.4 The Board should disclose how it has conducted such assessment and its outcome in the annual report including the identity of the third party if the assessment is conducted by an independent third party.
- 8.5 The Board, in assessing a Director's independence should focus not only on whether a Director's background and current activities qualify him or her as independent but also whether the Director can act independently of Management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company.

## **9 Directors' Orientation and Continuous Education Training**

### **9.1 Induction of Newly Appointed Directors**

- 9.1.1 All newly appointed Board members shall undergo a formal induction and continuous education programme to ensure that they understand:
- a) their roles and responsibilities;
  - b) the Board's expectations in terms of their knowledge contribution;
  - c) the nature of the Group's business;
  - d) current issues faced; and
  - e) strategies adopted by the Group.

### **9.2 Directors' Training and Development**

All Directors shall ensure that they keep abreast of regulatory changes, other developments and broad business trends. The Board must evaluate the training needs of its Directors on a continuous basis and ensure all Directors have access to appropriate continuing education programmes.

## **10 Board Committees**

The Board has delegated some of its powers and functions to each of the following Board Committees to assist it in carrying out its responsibilities:

### **10.1 Audit and Risk Management Committee (“ARMC”)**

10.1.1 The ARMC assists and supports the Board’s responsibility of overseeing the Group’s operations by providing a means for reviewing the Group’s processes for producing financial data, its internal controls, and policies and procedures to assess the suitability, objectivity and independence of the Group’s external auditor and internal audit (GCA) function.

10.1.2 The ARMC of the Company shall have at least three (3) members comprising independent Directors of the Company. All ARMC members must not hold any executive position in the Group and meet the criteria as set out in the ACE Market Listing Requirements of Bursa Securities. At least one of the members of the ARMC must be a member of the Malaysian Institute of Accountants (“MIA”).

10.1.3 The ARMC is to assist the Board in fulfilling its responsibilities relating to the Group's financial reporting and internal control systems. The ARMC reviews the annual financial statements, quarterly unaudited financial results, audit reports, the related party transactions, assess the independence of internal and external auditors, as well as the effectiveness of internal control systems of the Group.

10.1.4 In addition, the ARMC also assist the Board in overseeing the risk management activities of Group and approving appropriate risk management procedures and methodologies across the Group, including overseeing the compliance management system relating to the anti-bribery and anti-corruption. In addition, ARMC is also responsible to oversee sustainability-related strategies and risks and ensure that sustainability considerations are incorporated in the Group’s businesses and strategies.

10.1.5 A former partner of an audit firm acting as the external auditors of the Company or its subsidiary companies would be required to observe a cooling-off period of at least three (3) years before being eligible to be appointed as a member of the ARMC.

### **10.2 NRC**

10.2.1 The NRC oversees matters related to the nomination of new Directors and composition of the Board, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as undertakes the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director;

10.2.2 The NRC is also primarily responsible for recommending to the Board the remuneration framework for Directors, reviewing the remuneration package for Executive Directors and Key Management as well as the remuneration framework of employees of the Group; and

10.2.3 The NRC is also responsible for overseeing the implementation and administration of the Performance-Based Employee Share Option Scheme for the Eligible Employees (including Executive Directors) of TTVHB and its Subsidiaries (excluding Subsidiaries which are Dormant) subject to the By-Laws governing the Scheme if any.

## **11 Code Of Conduct and Ethics**

11.1 The Board shall formalise and maintain a set of ethical standards of behaviour expected of all Directors, Management, employees and, where applicable, counterparts and business partners through the Group's Code of Conduct and Ethics and together with Management, implement its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

11.2 The policies of the Group's Code of Conduct and Ethics should be integrated into group-wide management practices.

### **11.3 Duty of Care and Diligence**

All Directors shall at all times exercise their power for proper purpose and in good faith in the best interest of the Group. He shall exercise reasonable care, skill and diligence with the knowledge, skill and experience which may reasonably be expected of a Director having the same responsibilities; and any additional knowledge, skill and experience which he in fact has.

Directors ought to discharge their duty of care, skill and diligence in a conscientious manner and may be guided as follows:

- a) ensure that the Group has established an effective governance system and process;
- b) refrain from rushing into decision-making and allow adequate time for deliberations and evaluations of transactional and financial matters;
- c) require sufficient notice and distribution of board papers and explanatory appendices in advance of meetings;
- d) convene supplemental meetings in response to requests for further information before the final decision; and
- e) make informed decisions based on the information provided and analysis and recommendations of the Company's independent advisers.

Directors ought to discharge their duty of care, skill and diligence in a conscientious manner and may be guided as follows:

- a) ensure that there is no undue pressure from dominant personalities or nominees of significant shareholders;
- b) ensure proper record of key decision-making deliberations;
- c) base reliance on others where there is a sound basis for doing so; and

- d) periodically test internal control and risk assessment systems set up for integrity and soundness.

#### 11.4 Business Judgement

A Director who makes a business judgement is deemed to meet the requirements of the duty as aforesaid and the equivalent duties under the law if he:-

- a) makes the business judgement in good faith for a proper purpose;
- b) does not have a material personal interest in the subject matter of the business judgement;
- c) is informed about the subject matter of the business judgment to the extent the Director reasonably believes to be appropriate under the circumstances; and
- d) reasonably believes that the business judgment is in the best interests of the Company.

#### 11.5 Insider Trading

Directors who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose. All non-public information about the Group and/or its business should be treated as confidential information. To use non-public information for personal financial benefit or to “tip” others who might make an investment decision based on such information is not only unethical but is also illegal.

#### 11.6 Conflict of Interest

Directors shall disclose their shareholdings and interest in the Company and the Group as well as interest in any contract or proposed contract in accordance with the relevant requirements of the Companies Act, the Company's Constitution and the AMLR, where applicable.

Every director who is interested directly or indirectly in any contract or arrangement or proposed contract or arrangement shall declare his/her interest to the Board as soon as he/she becomes aware of such contract or arrangement and such director shall not participate in deliberations concerning such contract or arrangement nor shall he/she cast his/her vote in respect of any matter arising therefrom. The declaration made by the Director will be recorded in the Minutes of the Board Meeting.

#### 11.7 Bribes and Corruption

No director shall offer, give, solicit or accept, directly or indirectly (within or outside the country) bribes, whether in cash or in kind in order to achieve business or personal advantages for themselves, the Group and/or others. Directors shall not engage in any transaction that can be construed as having contravened the anti-corruption laws of Malaysia or the respective country of operations and applicable laws.

11.8 Protection of Assets and Funds

Directors must protect the assets and funds of the Group to ensure its availability for legitimate business purposes and that no property, information or position belonging to the Group or opportunity arising from these assets and funds be used for personal gain.

11.9 Business Records and Control

Accurate, timely and reliable records are necessary to meet the Group's legal and financial obligations and to manage the affairs of the Group. All books, records and accounts should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations.

11.20 Compliance with the Law

The Group shall comply with all applicable laws, rules and regulations of governmental agencies and authorities in jurisdictions within which the Group operates.

## **12 Whistleblower Policy**

- 12.1 The Board should establish, review and together with Management implement appropriate policies and procedures on whistleblowing.
- 12.2 The overseeing of the whistleblowing function is under the purview of the of the ARMC who shall ensure that all reported violations are properly investigated. ARMC is also responsible for reviewing the effectiveness of the actions taken in response to all concerns raised.



### **13 Company Secretary**

**13.1** The Board shall ensure that it is supported by a suitably qualified and competent Company Secretary, who plays an important advisory role and fulfills the functions for which he/she has been appointed by the Board.

**13.2** The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to sound governance and compliance with laws, rules, procedures and regulations and advocates adoption of corporate governance best practices affecting the Group.

**13.3** The roles and responsibilities of the Company Secretary shall include, but are not limited to the following:

- a) Advising the Board on its roles and responsibilities;
  - i. draft the schedule of Board activities for the financial year;
  - ii. ensure meetings are arranged and held accordingly;
  - iii. assist the Chairman in planning the Board's activities;
  - iv. draw up meeting agendas in consultation with the Board Chairman and maintain the minutes;
  - v. ensure structured communication channels between the Board and Board Committees;
  - vi. attend Board and Board Committee meetings and ensure the proceedings of meetings are recorded and the minutes circulated in a timely manner;
  - vii. ensure the presence of a quorum at the meeting; and
  - viii. ensure Board Committees' recommendations presented to the Board are supported by papers that explain the rationale for the Committees' recommendations.
- b) Facilitating the orientation of new Directors and assist in Directors training and development;
- c) Advising the Directors on corporate disclosures and compliance with Company and securities regulations and listing requirements including:
  - i. disclosure of interests in securities;
  - ii. disclosure of any conflict of interest in a transaction involving the Group;
  - iii. prohibition of dealing in securities; and
  - iv. restrictions on disclosure of price-sensitive information.
- d) Managing processes pertaining to the annual shareholders' meeting;
- e) Monitoring corporate governance development and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and

- f) Serving as a focal point for stakeholders' communication and engagement on corporate governance issues.
- g) The Company Secretary must keep abreast of and inform the Board of current governance practices. The Company Secretary should undertake continuous professional development.

## 14 **Investor Relations, Shareholder and Stakeholders' Communication**

The Board shall ensure effective, transparent and regular communication with its stakeholders to facilitate mutual understanding of each other's objectives and expectations.

The Board also recognises the importance of having good and effective communication with the shareholders, investors and the general public, to ensure they have access to the information disclosed by the Company and to ensure the shareholders are well informed of all material developments and matters affecting the Group. The Board shall strive to maintain high standards of transparency and accountability in its communication to shareholders, as well as to potential investors, analysts and other stakeholders.

The following shall be established and implemented by the Company towards creating an effective communication with the shareholders, investors and the general public:

- a) convening AGM of the Company serving as principal forums of communication with its shareholders during which the shareholders are encouraged to participate in the question and answer session as well as to provide constructive feedback. Extraordinary General Meetings (“EGM”) may also be held during the year for any material transactions requiring shareholders' approval;
- b) holding press conference after AGM or EGM of the Company, where necessary;
- c) releasing financial results (including Annual Reports and Quarterly Financial Reports) and other corporate announcements to Bursa Securities to provide the shareholders and the investing public with timely information of the Group's performance and operations and material information affecting the Group;
- d) maintaining regular communication between the Company and its shareholders, investors and the media via the Group's corporate communication and investor relations activities;
- e) conducting regular briefings with financial analysts and fund managers from time to time as a means of maintaining and improving investor relationship;
- f) providing up-to-date information on investor relations via the Company's website; and
- g) participating in investors road shows/conferences held in Malaysia and overseas.

## 15 **General Meeting**

All Directors and the Chairs of Board Committees to attend General Meetings to allow shareholders to raise questions and receive meaningful response to questions raised by them.

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

The Company should leverage technology to facilitate:

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

The Company should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

The Chairman of the Board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

The Board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the Board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Key matters including results of the general meeting should be made available to shareholders no later than 30 business days after the general meeting.

## **16 Financial Reporting and External Auditors**

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual audited financial statements, interim financial results to shareholders and other stakeholders of the Company.

The annual audited financial statements are prepared so as to give a true and fair view of the state of affairs of the Group and the Company in accordance with the Companies Act, 2016 and approved accounting standards in Malaysia.

The Board has established a transparent and appropriate relationship with the Groups' external auditors in seeking professional assurance in respect of the financial statements of the Group and the Company in compliance with the accounting standards in Malaysia.

The Board shall review the scope and results of the audit and its cost effectiveness as well as the independence and objectivity of the external auditors throughout the conduct of the risk engagement in accordance with the requirements of all relevant professional and regulatory bodies.

The appointment of the external auditors is subject to the shareholders' approval at the general meeting of the Company. The external auditors have to retire during the AGM of the Company every year and their re-appointment must be approved by the shareholders for the ensuing year.

**Policy Statement on Health, Safety and Environment**

The Board Charter should be read in conjunction with Group's Policy Statement on Health, Safety & Environment and Policy Statement on Drug, Alcohol & Substance Abuse which provide each director and employee with a safe and healthy work environment and ensures that the Group:-

- a) prevents all injurious, workplace accidents and occupational illnesses;
- b) work with zero damage to assets and the environment;
- c) creates a safe and healthy work place;
- d) creates a culture of safe, healthy and environmentally friendly work practices; and
- e) subscribes to a working environment free of drug and substance abuse, alcohol and smoke.

## **18 Review Of the Board Charter**

The Board Charter has been adopted by the Board on 19 May 2022. Any subsequent amendments to the Board Charter are subject to the approval by the Board.

This Charter and the Terms of Reference of each Committee established by the Board shall be periodically reviewed and updated by the Board taking into consideration the needs of the Group as well as any development in rules and regulations that may have an impact on the discharge of the Board's duties and responsibilities.