TSR CAPITAL BERHAD

Registration No. 200101005393 (541149-W)
(Incorporated in Malaysia)

BOARD CHARTER

Introduction
It is the policy of the Company to manage the affairs of the Group in accordance with the appropriate standards for good corporate governance. The Board of Directors ("Board") of TSR Capital Berhad ("TSR") has overall responsibility for the proper conduct of the Company's business and assumes responsibility of effective stewardship and control of the Company.

Purpose
This Board Charter sets out the authority, role, functions, composition and responsibilities of the Board to assist the Board members to be aware of their duties and responsibilities.

Authority
The Board derives its authority to act from the Constitution of the Company and the prevailing laws and regulations governing companies in Malaysia.

Composition, Appointment and Re-Election
The Constitution of the Company provide for a minimum of two (2) Directors and a maximum of sixteen (16) Directors. The Board is made up of Eight (8) members, One (1) Independent Non-Executive Chairman, One (1) Deputy Executive Chairman, Three (3) Executive Directors, One (1) Senior Independent Non-Executive Director, One (1) Independent Non-Executive Director and One (1) Non-Independent Non-Executive Director. The Board should comprise suitably qualified individuals with diverse set of skills, knowledge, expertise and experience.

On an annual basis, the Board reviews the composition in terms of size, the balance between executive, non-executive and independent Directors and mix of skills. The Board considers the appointment of new director upon the recommendation from the Nomination Committee. In making these recommendations, the Nomination Committee will consider the skills, knowledge, expertise and experience, professionalism, integrity and in the case for the position of independent non-executive directors, their ability to discharge such responsibilities/functions as expected from independent non-executive directors.

The Constitution of the Company provide that one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) are subject to retirement by rotation at each Annual General Meeting and that all the Directors shall retire once in every three (3) years. A retiring Director is eligible for re-election. The Constitution also provide that any director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The Board's gender diversity is to have at least one female Director. The Board will endeavour to meet the target of at least 30% women directors. Considerations will be based on merits and effective blend of skills, experience and knowledge in areas identified, the size of the Board and the needs of the Company.

Independence of Directors
The Board assesses the independence of each Independent Director as part of the annual Board evaluation process, through the Assessment of Independence of Independent Directors. The assessment is based on the independence criteria prescribed under the Main

Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad and the Corporate Governance Guide.

For the financial year under review, none of the Independent Directors disclosed any relationship or transaction that could materially interfere with their independent judgment or decision-making. The Board was therefore satisfied with the level of independence demonstrated by all Independent Directors.

To promote Board quality and enhance independence, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director.

The Board has adopted a policy limiting the tenure of an Independent Director to a cumulative term of not more than nine (9) years, without further extension. Accordingly, the Board shall not seek shareholders' approval to retain an Independent Director in that capacity beyond a cumulative term of nine (9) years.

The Board shall continue to assess the independence of each Independent Director annually based on the applicable independence criteria under the Main Market Listing Requirements and relevant corporate governance guidance.

In compliance with the MMLR, at least two (2) Directors or one-third (1/3) of the Board members, whichever is higher, shall at all times comprise Independent Directors.

Committees Established by the Board

The Board has delegated certain functions to the Committees it established to assist in the execution of its responsibilities. The Committees operate under clearly defined terms of reference. The Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their terms of reference. The Chairman of the respective Committees report to the Board the outcome of the Committee meetings and such reports are included in the Board papers.

The Board reserve the right to establish Committees from time to time in the discharge of its duties and responsibilities. The Board Committees of the Company are as follows:

(a) Audit Committee ("AC")
(b) Nomination Committee ("NC")
(c) Remuneration Committee ("RC")

The Board Committees operate within clearly defined Terms of Reference ("TOR") approved by the Board. The AC is primarily responsible for reviewing and monitoring the integrity of TSR and its subsidiaries' ("TSR Group") financial reporting process, accounting records, risk management framework, system of internal controls, sustainability-related risks and disclosures, and overall risk profile. The Nomination Committee ("NC") is primarily responsible for determining and assessing the composition of the Board, recommending the appointment of new Directors, and evaluating the effectiveness of the Board, its Committees, and Senior Management. The Remuneration Committee ("RC") is primarily responsible for reviewing the remuneration framework, including the remuneration packages of the Executive Directors and the Top Five (5) Senior Management personnel, as well as the fees and benefits payable to Non-Executive Directors.

Although the Board has granted discretionary authority to the Board Committees to deliberate and decide on certain operational matters as set out in their respective TOR, the ultimate responsibility for final decision on all matters lies with the Board.

Details of the membership and a summary of the TOR of each Committee appointed by the Board are also published in the Company's website at www.tsrcapital.com.my.

New Directorships
All the Board members shall notify the Chairman of the Board at least one (1) week before accepting any new directorships in public and public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The Chairman of the Board shall notify all the Board members at least one (1) week before accepting any new directorships in public and public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The notification should include an indication of the time that will be spent on the new appointment.

Role of the Chairman
The Chairman carries out a leadership role in conducting and ensuring effectiveness of the Board and its relations to shareholders and other stakeholders. The Chairman is primarily responsible for:

- Acting as the principal representative of the Board in its engagement with shareholders.
- Ensuring the integrity of the governance process;
- Maintaining regular dialogue with the Executive Directors ("ED") over all operational matters and consulting with the remainder of the Board promptly over any matters that gives him/her cause for major concern;
- Functioning as a facilitator at meetings of the Board to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussions takes place and that relevant opinions among members is forthcoming. The Chairman will ensure that discussions result in logical and understandable outcomes;
- Ensuring that all Directors are enabled and encouraged to participate in its activities. This includes ensuring that all relevant issues are on the agenda and that all Directors receive timely, relevant information tailored to their needs and that they are properly briefed on issues arising at Board meetings;
- Ensuring that Executive Directors look beyond their executive function and accept their full share of responsibilities of governance;
- Guiding and mediating Board actions with respect to organisational priorities and governance concerns;
- Undertaking the primary responsibility for organising information necessary for the Board to deal with items on the agenda and for providing this information to Directors on a timely basis; and
- Performing other responsibilities assigned by the Board from time to time.

Role of the Deputy Executive Chairman
The Deputy Executive Chairman assists the Chairman in ensuring the effective functioning of the Board and, in an executive capacity, is responsible for the overall management of the Group's business operations, including the execution of strategies and policies approved by the Board. The Deputy Executive Chairman is primarily responsible for:

- Supporting the Chairman in promoting a culture of good corporate governance and ensuring that appropriate procedures are in place to govern the Board's operations;
- Leading the Management team to drive operational efficiency, implement strategic initiatives and deliver sustainable and profitable growth;
- Overseeing, together with the Executive Directors, the execution of the Group's strategies and business plans as approved by the Board, with Executive Management reporting directly to the Deputy Executive Chairman and the Executive Directors at Group level;
- Ensuring that Management executes corporate plans, monitors performance against objectives and institutes appropriate measures to ensure compliance with applicable laws, regulations and governance requirements;
- Providing assurance to the Board, together with the officer responsible for the Group's finance function, on whether the Group's risk management and internal control system is operating adequately and effectively in all material respects;
- Facilitating effective communication between the Board, Management and stakeholders, and fostering relationships with government agencies, business partners and industry participants in support of the Group's strategic direction and business development;
- Ensuring that material matters affecting the Group's operations and performance are brought to the attention of the Board in a timely manner; and
- Undertaking such other responsibilities as may be delegated by the Board or the Chairman from time to time.

The positions of the Chairman and the Deputy Executive Chairman are held by different individuals with a clear division of responsibilities, to ensure an appropriate balance of power, authority and accountability within the Group.

Role of the Executive Directors ("EDs")

The Executive Directors are responsible for providing strategic leadership and direction to the Group and overseeing the management and operations of the Company and its subsidiaries within their respective areas of responsibility.

The Executive Directors shall, among others:

- provide strategic leadership and direction for the Group's business, operations and affairs;
- oversee the implementation of strategies, business plans, budgets and policies approved by the Board;
- oversee the day-to-day operations and business performance of the Group;
- monitor the operational and financial performance of the Group and report material matters to the Board;
- ensure that the Group's business and operations are conducted in accordance with the strategies, policies and objectives approved by the Board;
- identify and manage significant operational, commercial and business risks and ensure that appropriate measures are implemented;
- oversee the effective utilisation of the Group's resources;
- provide guidance and direction to Management and ensure effective coordination between Management and the Board;
- ensure that material developments and matters requiring the Board's attention are promptly brought to the Board; and

- perform such other duties and responsibilities as may be delegated or assigned by the Board from time to time.

Role of the Senior Independent Director
The Board shall identify a Senior Independent Director ("SID") who serves as the point of contact between the Independent Directors and the Chairman of the Board on sensitive issues and acts as a designated contact to whom shareholders' concerns or queries may be raised.

Apart from the above, the responsibilities of the SID shall include the following:

- to receive report(s) made by employees or external parties for the purpose of whistleblowing as prescribed under the Whistleblowing Policy and Procedures of the TSR Group; and

- to ensure that all Independent Directors have the opportunity to provide input on the agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by Management that is necessary or appropriate for the Independent Directors to perform their duties effectively.

Role of the Independent Director
Independent Directors play a crucial role in ensuring that the Board's decisions are made objectively, in the best interests of the Company, shareholders, and stakeholders as a whole. Their responsibilities include, but are not limited to:
- Bringing independent judgment, experience, and objectivity to Board deliberations;
- Constructively challenging and contributing to the development of strategy, business plans, and policies;
- Ensuring that key issues, risks, and opportunities are subjected to impartial consideration;
- Safeguarding the interests of minority shareholders and ensuring that decisions are not unduly influenced by any one group or individual;
- Providing checks and balances by scrutinising the performance of Management in meeting agreed goals and objectives;
- Ensuring that the Company maintains high standards of financial integrity, ethical conduct, and compliance with laws, regulations, and internal policies;
- Devoting sufficient time to understand the Company's business and contributing actively to Board and Committee meetings; and
- Exercising independent care, skill, and diligence in carrying out their duties as Directors.

Roles and Responsibility
The Board assumes, among others, the following roles and responsibilities in order to discharge its fiduciary duties and obligations in respect of the Group:
- Review and approve the Group's strategic direction and business plans**,** taking into consideration long-term value creation and sustainability.
- Oversee and evaluate the conduct and performance of the Group's businesses.
- Identify and oversee the management of the Group's principal risks, including material sustainability and climate-related risks and opportunities**.**
- Oversee and approve the Group's sustainability strategy, material sustainability matters, targets and performance**,** and ensure sustainability considerations are integrated into the Group's business and decision-making processes.

- Ensure appropriate systems, processes and internal controls are in place to support effective risk management, appropriate mitigation measures, governance and sustainability management.
- Establish an appropriate succession plan for senior management and oversee the development of talent and leadership capabilities.
- Oversee the development and implementation of effective shareholder and stakeholder communication and engagement.
- Review the adequacy and integrity of the Group's management information, internal controls and sustainability-related disclosures.
- Formulate and approve corporate policies and strategies that support good governance, responsible business practices and sustainable value creation.
- Approve key matters, including financial results, major investments and divestments, major acquisitions and disposals, major capital expenditure and material projects, in accordance with the applicable limits of authority.
- Monitor the Group's operating, financial, risk and sustainability performance and ensure appropriate remedial actions are taken where necessary.
- Considers and deliberates on key matters relating to the Group, including strategic direction, annual operating plans, capital expenditure, material transactions, significant risk matters and sustainability matters, as and when required.
- related party transactions and recurrent related party transactions requiring Board consideration or approval;
- declarations of dividends, where applicable;
- convening of general meetings and matters requiring shareholders' approval; and
- any other matters specifically reserved for the Board under applicable laws, regulations, the Constitution, the Main Market Listing Requirements, or the Group's approved limits of authority.

The Board may delegate certain matters to Board Committees or Management, provided that such delegation is clearly documented and does not relieve the Board of its ultimate responsibility for the proper conduct and oversight of the Group.

Financial Reporting

In presenting the annual financial statements and quarterly announcements to the shareholders including reports submitted to the regulators, the Board aims to present a clear and balanced assessment of the TSR Group's financial position and prospects.

The Board ensures that the financial statements of the TSR Group are prepared in accordance with applicable accounting reporting standards and the provisions of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the TSR Group.

Annual Board Evaluation

The Board, through the Nomination Committee ("NC"), conducts an annual evaluation of the effectiveness of the Board as a whole, individual Directors, Board Committees and the independence of the Independent Directors.

The evaluation shall include, where appropriate, assessment of the Board as a whole, Board Committees, individual Directors, Self and Peer Assessments, the independence of Independent Directors, Board composition, skills, experience, competencies and diversity,

as well as the effectiveness of the Board and Senior Management in overseeing and managing material sustainability risks and opportunities.

The findings of the evaluation are deliberated by the NC and subsequently reported to the Board for its consideration. Where appropriate, the Board may engage a suitably qualified external party to facilitate or conduct the evaluation.

Directors' Fit and Proper Policy
The Board has adopted a Directors' Fit and Proper Policy to ensure that all Directors possess the necessary character, integrity, competence, and time commitment to discharge their responsibilities effectively.

Code of Conduct and Ethics
The Board observes the Directors' Code of Conduct and Ethics issued by the Companies Commission of Malaysia, as well as the Company's own Code of Ethics. Directors are expected to uphold the highest standards of integrity and ethical conduct in discharging their duties.

Directors' Training and Continuing Education
In addition to the mandatory programmes required by Bursa Malaysia Securities Berhad, Directors are encouraged to attend relevant training and professional development programmes including sustainability and climate-related matters relevant to the Group conducted by reputable and competent professionals to enhance their knowledge and keep abreast of developments relating to the Company's business, industry, and regulatory environment.

The Nomination Committee shall periodically assess the training needs of Directors and ensure that they are provided with appropriate access to continuing education programmes to support them in effectively discharging their duties.

The Board shall disclose in the Company's Annual Report the training programmes attended by each Director during the financial year, in line with the requirements of Bursa Malaysia Securities Berhad.

Board Meetings
The Board shall convene at least four (4) scheduled meetings annually, with additional meetings held as and when necessary. Notices of meetings, together with the agenda and the relevant Board papers, shall be circulated to all Directors at least seven (7) days prior to the meeting to allow sufficient time for review, the request of additional information, or clarification on matters to be deliberated. As a matter of policy, any Director who wishes to seek independent professional advice in the discharge of his or her duties may do so at the Company's expense. Directors shall also have unrestricted access to all information, records, and employees of the Company.

Annual General Meeting ("AGM")
The Company regards the AGM as an important event in its corporate calendar, at which all Directors and key senior executives are expected to attend. The AGM serves as the principal forum for dialogue with shareholders and provides an opportunity for effective communication and constructive feedback.

In line with the Malaysian Code on Corporate Governance ("MCCG"), notice of the AGM shall be circulated to shareholders at least twenty-eight (28) days prior to the meeting, which is earlier than the statutory minimum requirement, to allow shareholders sufficient time to consider the resolutions to be tabled. The notice of AGM and accompanying documents shall also be published on the Company's website to enhance accessibility for shareholders.

The Chairman shall encourage active shareholder participation at the AGM. During the AGM, the Chairman and, where appropriate, the Deputy Executive Chairman or Executive Directors ("EDs"), shall respond to shareholders' queries. Where a significant question cannot be answered immediately, the Chairman shall undertake to provide a written response thereafter.

In compliance with the Main Market Listing Requirements ("MMLR"), all resolutions set out in the notice of the general meeting shall be determined by way of poll voting, thereby ensuring that the principle of "one share, one vote" is upheld and that the voting outcome accurately reflects the shareholders' intentions.

Extraordinary General Meeting ("EGM")
The Board will consider requisitions by shareholders to convene an EGM or any other urgent matters requiring immediate attention of the Company.

Investor Relations and Shareholder Communication
The Board recognises the importance of keeping shareholders informed of all material business matters affecting the Group. Accordingly, the Board adopts an open and transparent approach in its relationship and communication with shareholders and investors. The Board ensures the timely release of the Group's financial results on a quarterly basis, providing shareholders and analysts with an overview of the Group's financial performance and operations. This is supplemented by relevant announcements and disclosures made throughout the year.

The Group's website, www.tsrcapital.com.my, provides shareholders, investors and other stakeholders with convenient access to corporate information relating to the Group and its activities. The website is regularly updated to ensure that relevant information is made readily available.

Relationship with Other Stakeholders
In pursuing the vision and mission of the Group, the Board recognises that the long-term success of the Group depends not only on maximising value for shareholders, but also on taking into consideration the needs, interests and expectations of its other stakeholders.

The Board is responsible for:

- ensuring that the Group's strategies promote long-term sustainability and responsible business practices;
- ensuring that the rights and legitimate interests of other stakeholders are respected and not compromised;
- ensuring that the Group has in place effective policies and channels of communication with shareholders and other stakeholders;

- establishing policies governing the Group's relationships with its stakeholders and the broader community; and
- establishing and maintaining appropriate policies relating to environmental matters, employment practices, and occupational health and safety.

Company Secretary(ies)

The Company shall appoint suitably qualified Company Secretary(ies) in accordance with applicable statutory requirements. The Company Secretary(ies) shall provide professional advice and support to the Board, including on the Constitution, Board policies and procedures, corporate governance, regulatory requirements and applicable laws and listing requirements. All Directors shall have direct and unrestricted access to the advice and services of the Company Secretary(ies).

The key role of the Company Secretary(ies) is to provide unhindered advice and services to the Directors as and when required, to support the effective functioning of the Board and to ensure compliance with applicable regulatory requirements. The Company Secretary(ies)'s primary responsibilities include:

- Supporting the Board on matters relating to the Constitution, Board policies, regulatory requirements and governance framework, and ensuring that the Directors have access to the necessary advice and services;
- Maintaining proper records of the Board and ensuring the effective management and safekeeping of the organisation's records;
- Preparing comprehensive minutes of Board proceedings and ensuring that decisions and deliberations are accurately and adequately recorded;
- Assisting in facilitating effective communication between the Board and Management; and
- Carrying out such other functions and responsibilities as may be deemed appropriate by the Board from time to time.

Review of the Board Charter

The Board Charter shall be reviewed and may be amended by the Board as and when it deems appropriate, to ensure that it remains consistent with the Board's objectives, applicable laws, regulations, and corporate governance best practices. Any amendments to the Charter shall be approved by the Board.

Publication of the Board Charter

Key features of this Board Charter shall be disclosed in the Company's Annual Report in accordance with the MCCG. A copy of the full Charter shall be published and made available on the Company's website for reference by shareholders, investors, and other stakeholders.