

**RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE (“RMSC”)  
TERMS OF REFERENCE**

*(as approved by the Board of Directors on 29 February 2024)*

---

1. **OBJECTIVES**

The RMSC’s objective is to review the adequacy, integrity and implementation of the appropriate systems for risk management, and sustainability.

2. **COMPOSITION AND QUORUM**

- (i) The Committee shall comprise of three (3) Non-Executive Directors and shall appoint one of its Non-Executive members as Chairman of the Committee.
- (ii) A quorum shall consist of two (2) Non-Executive Directors.

3. **AUTHORITY AND SCOPE**

The Committee has been delegated authority from the Board (“Board”) for conducting, identifying and reviewing all risk management and sustainability activities undertaken by the Group including compliance with the risk management and sustainability strategy. The Committee should report to the Board.

4. **DUTIES AND RESPONSIBILITIES**

4.1 The Committee is responsible for the following risk management functions:

- (i) To set up a risk management structure;
- (ii) To review and recommend risk management strategies, policies and framework for identifying, measuring, monitoring and controlling risks;
- (iii) To develop and implement internal compliance and control systems and procedures to manage risk;
- (iv) To ensure adequate infrastructure, resources and systems are in place for effective risk management;
- (v) To have the authority to seek any information it requires from any employee of the Company and its subsidiary companies and such employees shall be required to respond to such enquiries;

**RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE (“RMSC”)  
TERMS OF REFERENCE**  
*(as approved by the Board of Directors on 29 February 2024)*

---

- (vi) To communicate and monitor risk assessment results to the board;
- (vii) To authorise to take such independent professional advice as it considers necessary.

4.2 In addition, the Committee is responsible for the following sustainability functions:

- (a) To advise and recommend business strategies related to sustainability to the Board, which includes, but is not limited to Environmental, Social and Governance (“ESG”);
- (b) To monitor the implementation of sustainability strategies as approved by the Board;
- (c) To provide recommendation to the Board on sustainability-related policies for adoption and monitoring the implementation of the policies;
- (d) To review sustainability issues which highlight from independent audits and assurance reports, if any, and matters related to sustainability highlighted by regulators or relevant consultants;
- (e) To endorse and recommend material sustainability matters as reported by the Management to the Board for approval;
- (f) To oversee the management of sustainability matters, focusing primarily on issues material to the Company and its subsidiaries;
- (g) To receive updates from Management on the progress towards achieving the Group’s sustainability targets;
- (h) To review and recommend the sustainability statement for annual report to the Board for approval to ensure that the Group’s sustainability initiatives and outcomes are effectively communicated to investors and other stakeholders. This includes ensuring compliance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the applicable code on corporate governance in force at the material time; and
- (i) To recommend for the sustainability disclosures as required by laws and/or rules, for the Board’s approval.

**RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE (“RMSC”)  
TERMS OF REFERENCE**

*(as approved by the Board of Directors on 29 February 2024)*

---

**5. MEETINGS**

The Committee shall meet as and when the need arises subject to at least one (1) meeting per year.

**Resolution in Writing**

In the event that a formal meeting of the Committee cannot be convened due to unavailability of members and the urgency of a matter for resolution, then, a resolution in writing signed and approved by a majority of the Committee and who are sufficient to form a quorum shall be as valid and effective as if it had been passed at a Meeting of the Committee duly called and constituted.

**Meeting via Telecommunication Device**

- (i) A member shall be deemed to be present at a meeting of the Committee if he participates by instantaneous telecommunication device and all members of the Committee are able to hear each other and recognise each other’s voice, and for this purpose, participation constitutes prima facie proof of recognition.

For the purposes of recording attendance, the Chairman or Secretary of the Committee shall mark on the attendance sheet that the member was present and participating by instantaneous telecommunication device.

- (ii) A member may not leave the meeting by disconnecting his instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the meeting and a member will be conclusively presumed to have been present and to have formed part of the quorum at all times during the committee meeting by instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the meeting to leave the meeting.
- (iii) Minutes of the proceedings at a committee meeting by instantaneous telecommunication device will be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as correct minutes by the Chairman of the meeting.