

Terms of Reference of Sustainability & Risk Management Committee

1. CONSTITUTION

The Board of Directors (“Board”) hereby resolves to establish a Committee of the Board to be known as the Sustainability and Risk Management Committee (the “Committee”) with the following Terms of Reference.

2. COMPOSITION OF SUSTAINABILITY & RISK MANAGEMENT COMMITTEE

The Committee shall be appointed by the Board from among its members and shall consist of not less than three (3) members, all of whom shall be Non-Executive Directors, with a majority of them being Independent Directors.

The Chairman of the Board shall not be the Chairman of the Committee. The Chairman of the Committee shall be a Non-Executive Director appointed by the Board based on the recommendation of the Nomination and Remuneration Committee.

No alternate Director shall be appointed as a member of the Committee.

In the event that a member of the Sustainability & Risk Management Committee (including Chairman) resigns, dies or for any other reason ceases to be a member, with the result that the number of members is reduced to below three, the Board shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

The Board must via Nomination and Remuneration Committee (NRC) review the terms of office and performance of the Committee members annually.

In the event of any vacancy in the Committee (including Chairman) resulting from non-compliance with the above, the Board shall upon the recommendation of the NRC fill the vacancy within three (3) months of that event.

3. MEETINGS

The Committee shall meet at least four (4) times a year. In addition, the Chairman shall convene a meeting of the Committee, if requested, to do so by any member(s) or the Management to consider any matter within the scope and responsibilities of the Committee.

The Committee meetings shall be governed by the provisions of the Company’s Articles of Association relating to Board meetings unless otherwise provided for in this Terms of Reference. The Committee may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.

A member of the Committee may participate in a meeting by means of telephone conference or video conference or any other means of audio visual communications and the member(s) shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

The notice and agenda for each Committee meeting shall be sent to all members of the Committee and any other person(s) who may be required to attend the meeting within a reasonable period prior to the meeting.

The Chairman shall submit an annual report to the Board, summarizing the Committee's activities during the year.

4. QUORUM

A quorum shall consist of a majority of Committee members present at the meeting who are Independent Directors. In the absence of the Chairman, the members present at the meeting shall elect a Chairman for the meeting from amongst the members present.

5. ATTENDANCE AT MEETINGS

The Chief Governance Officer and the Company Secretaries shall attend the meetings. However, the Committee shall invite any person to be in attendance to assist in its deliberations.

Non-member Director(s) shall not attend unless are specifically invited by the Committee.

All papers presented to the Board Committees must be approved by the Managing Director and related Deputy Managing Director.

The Committee may deal with matters by way of circular reports and resolutions in lieu of convening a formal meeting, if necessary. A resolution in writing signed by all members in lieu of convening a formal meeting shall be as valid and effectual as it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members.

6. SECRETARY TO SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

The Company Secretaries shall be the Secretary of the Committee and shall be responsible for drawing up the agenda in consultation with the Chairperson. The agenda together with the relevant explanatory papers and documents shall be circulated to the Committee members and any other person(s) who may be required to attend the meeting within a reasonable period prior to the meeting.

The Secretary shall be responsible for recording attendance of all members and invitee(s), keeping minutes of the meeting of the Committee, circulating them to the Committee members and to the other members of the Board and for ensuring compliance with Bursa Securities' requirements (if any).

The minutes of the Committee meetings shall be properly produced and kept at the registered office of the Company. The minutes shall be opened for inspection by the Board. Any request by Management or other person(s) to inspect the minutes shall be subject to the approval of the Committee, if required.

7. REPORTING PROCEDURES

The Committee shall prepare an annual report to the Board that provides a summary of the activities of the Committee for inclusion in the Company's Annual Report.

8. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee shall be:

i) Risk Management

- To review the adequacy of Company's risk management framework and assess the resources of the Management and employees involved in the risk management process;
- To review and further monitor principal risks that may affect the Company directly or indirectly and if deemed necessary, review and recommend corrective measures undertaken to remedy failings and/or weaknesses or recommend additional course of actions to mitigate such risks;
- Communicate, monitor and routine update the Board on key risk areas, risk assessment results including Company's risk appetite and whistleblowing report and steps taken to address it;
- Ensure effective implementation of whistleblowing practices and appropriate structures, resources and systems are in place;
- To review whistleblowing report, discuss and recommend appropriate actions; and
- The Chairman of the Committee should attend the Annual General Meeting to answer any shareholder's questions related to the Committee's activities, roles and responsibilities.

ii) ESG/Sustainability

- Review the implementation of procedures for identifying, assessing, monitoring, and managing ESG and/or sustainability risks related to the company's business.
- Review the integration of ESG and/or sustainability policies, practices, and goals into its business strategy and decision-making.
- Monitor and ensure ESG and/or sustainability risks are adequately addressed with actions and measures, aligning with the strategies and corporate objectives of the Company.

iii) Anti-corruption / Integrity

- Review the organization's corruption risk assessment on an annual basis.
- To ensure that the management has established, maintain, and review its policies and standard operating procedure(s) in relation to its anti-bribery and anti-corruption, whistleblowing, integrity manual, and code of ethics.
- Monitor the whistleblowing case(s) updates and progress reporting.
- To ensure management develops an organizational anti-corruption plan (OACP) to ensure long-term anti-corruption / integrity initiatives and measures to curb and prevent corruption at the workplace.
- Review and discuss management's plan and measures for preventing corruption at the workplace are aligned to the TRUST principles.

9. REVISION OF TERMS OF REFERENCE

Any revision or amendment to this Terms of Reference, as proposed by the Sustainability and Risk Management Committee or any third party, shall first be presented to the Board for its approval. Upon the Board's approval, the said revision or amendment shall form parts of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

These Terms of Reference shall be reviewed as and when necessary. A copy of this Terms of Reference is uploaded onto the Company's website.

Revised on 15 May 2024