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## TERMS OF REFERENCE OF THE BOARD RISK & SUSTAINABILITY COMMITTEE

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### 1. Objective

The objectives of the Board Risk & Sustainability Committee (“BRSC”) are:

- (i) To ensure that the enterprise risk management framework is consistently adopted throughout the group and is within the parameters established by the Board;
- (ii) To ensure that risk management is embedded in the business operations; and
- (iii) To ensure compliance with external requirements such as the Bursa Malaysia Securities Berhad’s Statement on Risk Management & Internal Control and Securities Commission Malaysia’s Malaysian Code on Corporate Governance.

### 2. Authority and Scope

The BRSC has delegated authority from the Board with a remit that encompasses Risk Management Policy and risk management activities within the Group including compliance with the risk management policy. The BRSC reports to the Board.

### 3. Composition

The BRSC comprises a majority of Independent Directors.

### 4. Frequency of Meeting

- (i) The BRSC shall meet on a quarterly basis. However, additional meetings may be called at any time at the BRSC Chairman’s discretion.
- (ii) A quorum shall consist of two (2) members and the majority of members present must be Independent Directors. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the independent members present.

### 4. Roles and Responsibilities

- Ensure implementation of the Risk Management Policy.
- Determine that there is a robust process in place for identifying, managing, monitoring and reporting of critical risks including corruption risk assessment and review; oversee execution of the process; and ensure it is continuously improved as the business environment changes.
- Oversee the Company’s Anti-Bribery & Corruption Policy and Whistleblowing Policy & Procedures and regularly monitoring compliance with those procedures.
- Ensures risk assessment on corruption is carried out regularly, at least annually.
- Provide timely input to management on critical risk issues.

- Engage management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise.
- Oversee the conduct and review the results of company-wide risk management, including the identification and reporting of critical risks.
- Oversee the management of certain risks, with regard to the complexity and significance of these risk exposures.
- Provide advice to the Board on risk strategies and coordinate the activities of the various standing Board Committees for risk oversight.
- Promote a healthy risk awareness culture and watch for dysfunctional behaviour that could undermine the effectiveness of the risk management process.
- Provide assurance to the Board to support the statement on risk management and internal control in the Company's Annual Report.
- Evaluation of risks for proposed investments or expansion into new markets e.g. overseas, new geographical area etc. before submission to the Board.
- Evaluate investment / divestment proposals not under the normal operational decision-making process.
- Review proposals / feasibility studies / sensitivity analysis prepared by project sponsor to ensure all risks are considered.
- Reviews annually and approves the outcome of materiality assessment.

## **5. Secretary**

The Company Secretary shall be the Secretary for the BRSC.

*Revised and approved by the Board on 26 April 2023.*