GADANG HOLDINGS BERHAD

Registration No. 199301023376 (278114-K)

TERMS OF REFERENCE OF THE BOARD RISK & SUSTAINABILITY COMMITTEE

1. Objective

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

(i) To ensure that the enterprise risk management framework that is benchmarked against the ISO 31000: 2018 Risk Management – Guidelines, 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 (“Bursa Malaysia”) Statement on Risk Management & Internal Control, Securities Commission Malaysia’s Malaysian Code on Corporate Governance April 2021, Bursa Malaysia’s Sustainability Reporting Guide and Bursa Malaysia’s amendments to the Main Market Listing Requirements.

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 shall be appointed by the Board of Directors from amongst the directors and shall compose of not fewer than three (3) members. All the BRSC members should be Non-Executive Directors with a majority of them being Independent Directors. The Board shall appoint an independent Non-Executive director from amongst one of these members as the Chairman of the Committee.

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.

5. Roles and Responsibilities

a) Oversee and ensure effective implementation of the Risk Management Policy.

b) 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.

c) Oversee the Company's Anti-Bribery & Corruption Policy and Whistleblowing Policy & Procedures and regularly monitoring compliance with those procedures.

d) Ensures risk assessment on corruption is carried out regularly, at least annually.

e) Provide guidance to management on critical risk issues.

f) Engage management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise.

g) Oversee the conduct and review the results of company-wide risk management, including the identification and reporting of critical risks.

h) Oversee the management of significant and material risks, including sustainability and climate-related risks, and ensure appropriate governance and reporting mechanisms are in place having regard to the complexity and significance of such exposures.

i) Provide advice to the Board on risk strategies and coordinate the activities of the various standing Board Committees for risk oversight.

j) Promote a healthy risk awareness culture and watch for dysfunctional behaviour that could undermine the effectiveness of the risk management process.

k) Provide assurance to the Board to support the statement on risk management and internal control in the Company's Annual Report.

l) Evaluation of risks for proposed investments or expansion into new markets e.g. overseas, new geographical area etc. before submission to the Board.

m) Evaluate investment / divestment proposals not under the normal operational decision-making process.

n) Review proposals / feasibility studies / sensitivity analysis prepared by project sponsor to ensure all risks are considered.

o) Reviews and approves the outcome of materiality assessment once in every two (2) years or more frequent if there is a major change in business activity or business environment.

6. Secretary

The Company Secretary shall be the Secretary for the BRSC.

Revised and approved by the Board on 16 April 2026.