

RISK & SUSTAINABILITY COMMITTEE (“RSC”)

Terms of Reference

1. Objective

- a) To ensure effectiveness of the Group’s internal risk management system and control by identifying, quantifying and mitigating any risk to an acceptable level that affects the Group’s business and business strategy.
- b) To initiate and implement the Group’s sustainability strategies, policies, related framework, priorities, targets and practices as approved by the Board so as to ensure they align with the interest of stakeholders including customers, employees, shareholder and communities.

2. Composition

The RSC consists of Top Management and Management personnel from various Divisions/Departments including Subsidiary Companies who are responsible for the day-to-day operation of the Group’s businesses.

3. Meetings

The RSC shall meet at least three (3) times a year and shall sit on regular basis and as frequent as required.

4. Duties & Responsibilities

The duties and responsibilities of the RSC shall include but are not limited to the followings:

4.1 Risk Management

- (a) To develop Group Risk Policy and Guidelines.
- (b) To develop framework and policies for risk governance and overall risk management, covering all major risks such as credit risk, market risk, operational risk and compliance risk, IT, Cyber, strategic and reputational risks and etc.
- (c) To conduct risk identification and evaluation, monitor and formulate mitigation strategies and/or action plans.
- (d) To implement the agreed mitigation strategies and/or action plans.
- (e) To periodically review overall risk management processes and policies to ensure they remain relevant and effective.

4.2 Sustainability

- (a) To develop Group Sustainability Policy.
- (b) To conduct materiality assessment by identifying and assessing the material sustainability matters which are relevant and important to the Group.
- (c) To develop relevant activities and programs as part of embedding sustainability within the Group.
- (d) To organize activities to be socially responsible as a Corporate Citizen.
- (e) To identify sustainability initiatives that will have business impact on economy, environment, society and governance.
- (f) To strengthen and disclose Sustainability Statement in the Annual Report to be performed in accordance with recognized assurance standards where applicable.

4.3 To submit a yearly report to the Audit Committee on the overall Risk Management and Sustainability processes and effectiveness of the Group's Risk Management and Sustainability through MANCO.

4.4 To take instructions from and report to the MANCO who shall report to the Audit Committee and Board of Directors thereafter.

This Terms of Reference is reviewed and approved by the Audit Committee by way of Audit Committee's Circular Resolution dated 1 September 2023

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