



1. OBJECTIVE

The Board of Directors (“**the Board**”) has the overall responsibility for risk oversight and risk management within the Group. However, as a committee of the Board, the Risk Management Committee (“**RMC**”) shall lead the strategic direction in the management of the business risks, including oversight on the establishment and implementation of a risk management framework and reviewing the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but not limited to ensuring the adequacy of risk management policy and infrastructure to facilitate the implementation of action plans for risk management.

The objectives of the framework are to ensure the provision of quality product and services and monitor the risk culture and processes throughout the Group to take advantage of opportunities while managing risks that may adversely affect the reputation and achievement of business objectives.

2. COMPOSITION

The Committee shall comprise at least three (3) members, two (2) of whom must be independent non-executive directors and one (1) member must be a Managing/Executive Director. The Chairman shall be an independent non-executive director appointed by the Board.

The RMC members shall have a mixture of expertise and experience, including sufficient understanding of the industries in which the Group operates in order to challenge and facilitate robust discussions on the management of the Group’s key risk areas with the ability to anticipate, assess and mitigate potential future risks to the Group.

The RMC members may relinquish their membership in the RMC with prior written notice to the Company Secretary. In the event of any vacancies arising in the RMC resulting in the number of members of the RMC falling below three (3), the vacancy shall be filled as soon as possible, but not later than three (3) months from any arising vacancies.

3. AUTHORITY

The RMC is authorised by the Board and at the expense of the Group to perform the following:

- a) The RMC shall have the authority to make decision on matters which fall within the purpose and responsibilities of the RMC;
- b) The RMC shall also have the authority to seek information and have unrestricted access to information pertaining to the Group and the Management, to fulfil its primary purpose and responsibilities;
- c) The attendance of any particular RMC meeting by other Directors and employees of the Company shall be at the invitation and discretion of RMC and must be specific to the relevant meeting; and



- d) Appoint an independent party to conduct or to assist in conducting any investigation, upon the terms of appointment to be approved by the Board.

4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the RMC shall undertake, amongst others, the following duties and responsibilities :

- a) To oversee and recommend the risk management policies and procedures of the Group;
- b) To review and recommend changes as needed to ensure that the Group has in place at all times a risk management policy which addresses the strategic, operational, financial and compliance risks;
- c) To implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the Group's business risks;
- d) To set reporting guidelines for management to report to the committee on the effectiveness of the Group's management of its business risks;
- e) To review the risk profile of the Group including all the subsidiaries and to evaluate the measures taken to mitigate the business risks; and
- f) To review the adequacy of management response to issues identified in risk registers, ensuring that the risks are managed within the Group's risk appetite.

5. SECRETARY AND MINUTES

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the RMC. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the RMC and ensure that the minutes are properly kept and produced for inspection if required.

6. MEETINGS OF THE COMMITTEE

The RMC shall meet at least once a year and as frequently as considered necessary by the Chairman of the RMC. Each member of the RMC is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the RMC. In the event of an equality of votes, the Chairman of the RMC shall be entitled to a casting vote.

The meeting of the RMC may be conducted via face-to-face or by means of a telephone conference, video conference or any communication technology, which allows all members of the RMC participating in the meeting to communicate simultaneously with each other, or other appropriate means as determined by the RMC.

Other senior management team may attend the meeting upon the invitation of the Committee.



7. QUORUM

The quorum for a meeting of the RMC shall consist of two (2) members, at least one (1) member present must be Independent Non-Executive Director. In the absence of a quorum, the meeting shall be adjourned to such other date and at such other time and venue as the Committee may determine.

In the absence of the Chairman, the members present shall elect a Chairman from amongst themselves to Chair the meeting.

8. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than seven (7) days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

9. CIRCULAR RESOLUTION

A resolution in writing, signed or approved by letter, telegram, telex, telefax or electronic means by a majority of the RMC members present in Malaysia for the time being entitled to receive notice of a meeting of the RMC, shall be as valid and effectual as if it had been passed at a meeting of the RMC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the RMC.

10. REVISION AND UPDATES

Where necessary, this Terms of Reference will be reviewed and updated to ensure it remains consistent with the RMC's objectives and responsibilities.

END.