MN HOLDINGS BERHAD

Registration No. 202001038774 (1395095-M)
(Incorporated in Malaysia)

TERMS AND REFERENCE FOR RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

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 and Sustainability Committee (**"RMSC"**) 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 RMSC shall also assist the Board in overseeing the Group's environmental, social and governance ("**ESG**") and sustainability matters, including the integration of material ESG risks and opportunities into the Group's strategy, risk management framework, decision-making and reporting processes.

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 RMSC 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 RMSC members may relinquish their membership in the RMSC with prior written notice to the Company Secretary. In the event of any vacancies arising in the RMSC resulting in the number of members of the RMSC 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 RMSC is authorised by the Board and at the expense of the Group to perform the following:

a) The RMSC shall have the authority to make decision on matters which fall within the purpose and responsibilities of the RMSC;

b) The RMSC 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 RMSC meeting by other Directors and employees of the Company shall be at the invitation and discretion of RMSC 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 RMSC shall undertakes, amongst others, the following duties and responsibilities:

a) Provide oversight, direction and counsel to the Group's risk management process which includes the following:
   - Establish the Group's Risk Management Framework;
   - Conduct an annual review and periodic testing of the Group's risk management framework. This should include any insights it has gained from the review and any changes made to its risk management framework arising from the review;
   - Monitor the Group and Divisional level risk exposures and management of the significant financial and non-financial risks identified;
   - Review the Group Risk Profile and ensure that significant risks that are outside tolerable ranges are being responded with appropriate actions taken in a timely manner;
   - Review the status of the implementation of management action plans in mitigating significant risks identified; and
   - Review and recommend the Group's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets.

b) Establish and periodically review the Group risk management guidelines and policies and ensure implementation of the objectives outlined in the policies and compliance with them.

c) Recommend for the Board's approval the Group's risk management framework, policies, strategies, key risk indicators and risk tolerance levels, and any proposed changes thereto.

d) Evaluate the effectiveness of the risk management structure, processes and support system to identify, assess, monitor and manage the Group's key risks.

e) Review the statement on risk management and internal control in the Group's Annual Report to ensure that relevant information as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is disclosed. Disclosure in the annual report should include a discussion on how key risk areas such as finance, operations, regulatory compliance, reputation, cyber security and sustainability were evaluated and the controls in place for the Group to mitigate and manage those risks.

f) Oversee the Group's ESG and sustainability governance, including the following:
- Review and recommend to the Board the Group's ESG and sustainability framework, policies, strategies, priorities, material sustainability matters, commitments, targets and key performance indicators, and any proposed changes thereto;
- Monitor material ESG risks and opportunities, including climate-related risks and opportunities where relevant, and ensure that they are appropriately integrated into the Group's risk register, strategy, business planning and decision-making processes;
- Review the implementation and effectiveness of ESG and sustainability initiatives, including progress against approved targets and key performance indicators, and require Management to formulate and implement appropriate corrective or improvement actions where necessary;
- Oversee the adequacy and reliability of the processes, systems, internal controls and data governance supporting the collection, verification and reporting of sustainability information;
- Review the Group's Sustainability Statement or Report and other material ESG disclosures before recommending them to the Board for approval, and ensure that such disclosures comply with applicable laws, regulations, listing requirements and recognised reporting frameworks adopted by the Group;
- Ensure that clear roles, responsibilities and accountability for ESG and sustainability matters are established within Management and across the Group, and that Management provides timely and sufficient information to enable effective oversight;
- Report material ESG and sustainability matters, significant gaps, emerging issues and the status of agreed action plans to the Board, together with the RMSC's recommendations; and
- Review periodically the adequacy of the Group's ESG and sustainability governance arrangements and recommend enhancements to the Board, where appropriate.

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 RMSC. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the RMSC and ensure that the minutes are properly kept and produced for inspection if required.

6. MEETINGS OF THE COMMITTEE

The RMSC shall meet quarterly and as frequently as considered necessary by the Chairman of the RMSC. In the event the elected Chairman is not able to attend a meeting, a member of the RMSC shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non-Executive Director.

Subject to the notice and quorum requirements as provided in the Terms of Reference, meeting of the RMSC may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each

other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

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

7. QUORUM

The quorum for a meeting of the RMSC shall consist of two (2) members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

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 RMSC members present in Malaysia for the time being entitled to receive notice of a meeting of the RMSC, shall be as valid and effectual as if it had been passed at a meeting of the RMSC 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 RMSC.

10. REVISION AND UPDATES

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

Revision Record Table

Date	Brief Description of Changes	Approval Date	Effective Date
30 May 2022	Adoption	30 May 2022	30 May 2022
22 October 2024	Review and refinement	24 October 2024	24 October 2024
28 May 2026	Incorporation of ESG and sustainability oversight responsibilities	28 May 2026	28 May 2026
26 October 2026	Change of name to Risk Management and Sustainability Committee	27 October 2026	27 October 2026