

TERMS OF REFERENCE FOR BOARD RISK MANAGEMENT COMMITTEE

1. COMPOSITION

The Board Risk Management Committee shall consist of three (3) members and shall exclusively comprise Non-Executive Directors with a majority of Independent Directors.

Members of the Board Risk Management Committee shall be appointed by the Directors amongst their number at a Board Meeting or via a Directors' Circular Resolution in writing.

Members of the Board Risk Management Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as Director of the Company.

The Board Risk Management Committee is set up on 18 September 2017.

2. QUORUM

The quorum for each meeting shall be a majority of members present.

3. CHAIRMAN

Members of the Board Risk Management Committee shall elect a Chairman from among their number who shall be an Independent Director.

4. MEETINGS

Meetings of the Board Risk Management Committee shall be held at least twice a year and at such other time (s) as it deems necessary to fulfil its responsibilities. A member may at any time and the Secretary shall on the requisition of a Director/member, summon a meeting of the Board Risk Management Committee. The Committee may invite any personnel and/or independent parties to attend the meeting.

Questions arising at any meeting of the Board Risk Management Committee shall be decided by a majority of votes. A determination by a majority of members shall for all purposes be deemed a determination of the Board Risk Management Committee. Where necessary and appropriate, any decision of the Board Risk Management Committee can also be made or passed by all members by way of a written circular resolution.

In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote PROVIDED THAT where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two members are competent to vote on the question at issue, shall not have a casting vote.

A meeting may be convened using telephone and/or the contemporaneous linking together by telephone, other media telecommunication or such other electronic communication media of a number of the Committee members being not less than the quorum shall be deemed to constitute a meeting of the Committee wherever in the world they are, as long as

- a. the quorum of Committee is met;
- b. at the commencement of the meeting each Committee member acknowledges his presence thereof to all the other members taking part and such participation shall be deemed to be his presence in person;
- c. each of the Committee members taking part is able to be heard and hear each of the other members subject as hereinafter mentioned throughout the meeting; and
- d. the Committee members present at the commencement of the meeting do not leave the meeting by disconnecting the telephone, but the meeting shall be deemed to have been conducted validly notwithstanding that the telephone or electronic communication media is accidentally disconnected during the meeting and provided that no discussions or decisions should be made in respect of matters by the members during the disconnection and that if the telephone or electronic communication media cannot be re-connected at all, the meeting shall then be adjourned.

The Company Secretary shall be the Secretary of the Board Risk Management Committee. The Secretary is responsible for sending out notices of and preparing and keeping minutes of meetings. The minutes of the Committee meeting shall be extended to all the Directors. The Committee shall record its conclusions in discharging its duties and responsibilities.

5. CIRCULAR RESOLUTION

A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the Risk management Committee. All such resolutions shall be described as “Board RMC Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one or more members. The expressions “in writing” or “signed” include approval by legible confirmed transmission by facsimile, telex, cable, telegram, email, or other forms of electronic communications.

6. OBJECTIVES

The primary objectives of the Board Risk Management Committee are as follows:-

- a. to oversee the Company and its subsidiaries’ risk management matters including but not limiting to framework, policies and procedures.
- b. to review 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.

7. RESPONSIBILITIES

To do the followings and report the same to the Board of Directors: -

- a. Define and recommend the principles, framework and process for managing risks within the Group, for consideration and approval by the Board.
- b. Review and approve the inclusion of revisions to the risk management principles, framework and process arising from the Risk Management Committee or the Board’s decision to ensure that they remain relevant for use.
- c. Review and recommend the annual Risk Profile which specifies key risks for approval by the Board.
- d. Review, monitor and assess the effectiveness of risk treatment/mitigation action plan(s) for the management and control of risks.
- e. Review new project/product and ensure the appropriate and relevant risks have been adequately addressed before submission to the Board for approval on any proposed new project/product launch.
- f. Review if necessary together with other committees, management, internal auditors, external auditors and other parties any significant risks that could affect the Group and assess the steps that the Management has taken to manage such risks.
- g. Review the annual risk management report on adequacy and effectiveness of risk management within the Group.
- h. Review in ethical matters of the Company in accordance with Code of Conduct Ethics.

8. POWER

In carrying out its duties and responsibilities, the Board Risk Management Committee will in principle have full, free and unrestricted access to the Company’s records, properties and personnel. The Board Risk Management Committee may use the services of professional firms to carry out certain functions or seek independent professional advice. The Board Risk Management Committee shall make recommendations to the Board in respect of risk related matters which warrants the attention of the Board.

9. REVIEW

The terms of reference shall be reviewed from time to time to ensure that it reflects current best practice in corporate governance and risk management. Board’s approval is required for any changes in the term of reference.