

	<b>TERMS OF REFERENCE RISK MANAGEMENT COMMITTEE</b>	Doc. No. : CG-07
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## 1. OBJECTIVES

The principal objective of the Risk Management Committee is to assist the Board of Directors in their responsibilities to identify, assess and monitor key business risks to safeguard shareholders' investments and the company's assets.

## 2. COMPOSITION

The Board of Directors shall delegate the risk management function to the Risk Management Committee of which the members are comprises of a majority of Independent Directors.

No alternate director shall be appointed as a member of the Risk Management Committee.

## 3. AUTHORITY

The Risk Management Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company, have authority to make decisions on whether the Company has acted in good faith in relation to its contracts and make recommendations to the Board in an advisory capacity.

## 4. MEETINGS

The Risk Management Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman's discretion. Notice of Risk Management Committee Meetings shall be given by the secretary to all the Risk Management Committee members at least three (3) days prior to each meeting unless the Risk Management Committee waives such requirement. In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the Meeting.

The minutes of each meeting shall be kept at the registered office and distributed to each member of the Risk Management Committee and also to other members of the Board for notation. The minutes of the Risk Management Committee meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

A quorum shall consist of two (2) members.

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## 5. FUNCTIONS

The function of the Risk Management Committee are as follows:-

- a) Review and monitor Group's risk management framework and activities;
- b) Report to the Board regarding the Group's risk exposures, including review risk assessment model used to monitor the risk exposures and Management's views on the acceptable and appropriate level of risks faced by Group;
- c) To review and discuss with Top Management and Internal Auditor, on an annual basis or as and when deemed necessary particularly on:-
  - the key guidelines and policies governing the Group's significant processes for risk assessment and risk management;
  - the validity of the identified risks and ensuring that appropriate actions are taken to mitigate the risks;
  - the adequacy of infrastructure, resources and system for risk management, the staff responsible for implementing risk management system perform those duties efficiently and effectively; and
  - the periodical risk rating report and risk management activities.

## 6. REVIEW OF THE TERMS OF REFERENCE

The Terms of Reference of Risk Management Committee shall be reviewed by the Board annually to ensure it remains consistent with the Company's objectives and Board's responsibilities and in line with the relevant laws and legislations.