




A member of **UEM** 

PLUS MALAYSIA BERHAD

Company No.: 201001039714 (923639-A)
(Incorporated in Malaysia)

TERMS OF REFERENCE

OF THE

**BOARD GOVERNANCE, RISK AND
SUSTAINABILITY COMMITTEE**

(Revised and Adopted on 29 August 2024)

TABLE OF CONTENTS

1.	Introduction	1
2.	Objectives of the Committee	1
3.	Composition of the Committee	
3.1	Members	1
3.2	Chairman	2
3.3	Secretary	3
4.	Duties and Responsibilities of the Committee	3
5.	Authority of the Committee	6
6.	Committee Meetings	
6.1	Frequency of Meetings	6
6.2	Calling of Meetings	6
6.3	Notice	6
6.4	Quorum	7
6.5	Virtual Meeting	7
6.6	Attendance	7
6.7	Voting	8
6.8	Minutes of Meeting	8
7.	Committee's Written Resolutions	8
8.	Authentication of Documents	9
9.	Reporting	9
10.	Review of the Terms of Reference	9

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1. INTRODUCTION

- 1.1. This Terms of Reference ("TOR") sets out the purpose, composition, authority, procedures and the duties and responsibilities of the Board Governance, Risk and Sustainability Committee of PLUS Malaysia Berhad, as at the date hereof.
- 1.2. Unless otherwise stated the following applies:
- "PMB" or "Company" refers to PLUS Malaysia Berhad;
 - "PMB Group" or "Group" refers to PMB and its Group of Companies;
 - "Board" refers to the Board of Directors of PMB;
 - "BGRSC" or "Committee" refers to the Board Governance, Risk and Sustainability Committee of PMB; and
 - "Senior Management" refers to the Managing Director, other Executive Directors (if any), Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, employees at job grade of UT2 and above and senior management employees in pivotal positions as may be identified and determined from time to time by the Managing Director.

2. OBJECTIVES OF THE COMMITTEE

- 2.1. The objectives of the BGRSC are to assist the Board of PMB Group in:
- 2.1.1. Providing oversight over risk management, resilience and sustainability to safeguard the organization; and
- 2.1.2. Providing oversight on all corporate governance, compliance and integrity matters in line with good practices and applicable laws and regulations, including but not limited to, the Malaysian Anti-Corruption Commission Act ("MACC Act") 2009.

3. COMPOSITION OF THE COMMITTEE

3.1. Members

- 3.1.1. The BGRSC members shall be appointed by the Board from amongst the directors of the Company and its subsidiary companies;
- 3.1.2. The composition of the BGRSC must not be less than three (3) members;
- 3.1.3. No alternate director shall be appointed as a member of the BGRSC;
- 3.1.4. In the event of any vacancy in the BGRSC, the Board must fill the vacancy within three (3) months from the date of the vacancy; and
- 3.1.5. Members of the BGRSC, including the Chairman, will hold office only so long as they serve as Directors of PMB and its subsidiary companies.

3.1.6. Each BGRSC member is expected to:

- (i) Provide individual external independent opinions to the fact-finding, analysis and decision-making process of the BGRSC, based on his/her experience and knowledge;
- (ii) Consider viewpoints from the other BGRSC members;
- (iii) Make decisions and recommendations for the best interests of the Board collectively; and
- (iv) Keep abreast of the latest risk, integrity, governance and compliance guidelines.

3.2. **Chairman**

3.2.1. The appointment of the Chairman of the BGRSC shall be approved by the Board. In the absence of the Chairman of the BGRSC at any Committee meeting, the other BGRSC members present shall amongst themselves elect a Chairman to chair the meeting. The Chairman of BGRSC shall be a Non-Executive Director.

3.2.2. The following are the main duties and responsibilities of the Chairman of the BGRSC:

- (i) Assists the BGRSC to fulfill the goals it sets by assigning specific tasks to members of the BGRSC and identifies guidelines for the conduct of the members and ensures that each member is making a significant contribution;
- (ii) Engages with the Secretary(ies) of the BGRSC on matters related to its TOR and its responsibilities under the rules and regulations to which it is subject to and how those responsibilities should be discharged;
- (iii) Provides a reasonable time for discussion at the meeting. Organises and presents the agenda for regular or special BGRSC meetings based on input from members and ensures that all relevant issues are on the agenda. In addition, the Chairman should encourage discussion on matters before the BGRSC;
- (iv) Provides leadership to the BGRSC and ensures proper flow of information to the BGRSC, reviewing the adequacy and timing of documentation;
- (v) Ensures that members look beyond their BGRSC functions and accept their full share of responsibilities in ensuring good corporate governance in support of Management's proposals.
- (vi) Manages the processes and workings of the BGRSC and ensures that the BGRSC discharges its responsibilities in accordance with the TOR. Appropriate procedures may involve the BGRSC meeting on a regular basis without the presence of the Management.

- (vii) Ensures that every BGRSC resolution is put to a vote to ensure that it is the will of the majority that prevails; and
- (viii) Notifies the Chairman of the Board if there is a whistleblowing received that impacts a Director or Senior Management as he/she deems appropriate.

3.3. **Secretary**

- 3.3.1. The Company Secretary(ies) of PMB shall be the Secretary(ies) of the BGRSC.
- 3.3.2. The Secretary(ies) of the Committee or, with the approval of the Committee, their representative shall be present to record proceedings of the Committee meetings.
- 3.3.3. The Secretary(ies) of the Committee shall have the following responsibilities:
 - (i) ensuring meetings are arranged and held accordingly;
 - (ii) assisting the Chairman of the Committee in planning the Committee's activities for the financial year;
 - (iii) drawing up meeting agenda in consultation with the Chairman of the Committee, and circulate the agenda, together with the relevant papers, at least three (3) business days prior to each of the Committee meeting;
 - (iv) ensuring proceedings of meetings are properly minuted; and
 - (v) ensuring the Committee's recommendations presented to the Board are supported by explanatory papers, including report of the Committee or minutes that explains the rationale of the Committee's recommendations.

4. **DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

- 4.1. The following are the main duties and responsibilities of the BGRSC collectively:

4.1.1. **Compliance and Corporate Governance**

- (i) Review and recommend appropriate organisation-wide compliance and corporate governance related frameworks, guided by applicable laws and regulations for the Board's approval.
- (ii) Review compliance-related reports, including significant compliance findings/areas for non-compliance as and when required.
- (iii) Commission, where required, special assignments to investigate, develop or report on specific aspects of processes in order to minimize the exposure of compliance risk.

4.1.2. Integrity

The BGRSC shall assist the Board in carrying out its responsibilities towards ensuring that PMB Group is an organization free from corruption, with integrity and good governance, in addition to overseeing the achievements of integrity objectives. The BGRSC has the authority of, and acts on behalf of the Board for the following:

- (i) Ensure the establishment and maintenance of an independent integrity function, directly answerable to the BGRSC;
- (ii) Provide oversight over integrity, anti-bribery and corruption matters within PMB Group, as and when required;
- (iii) Review the adequacy of the scope, functions, competency and resources for the unit carrying out integrity functions and that it has appropriate standing within PMB Group to undertake its activities independently and objectively and monitor its performance accordingly;
- (iv) Review, approve and monitor the integrity related strategy, implementing activities to ensure timeliness, expertise and efficiency in the managing of integrity, anti-bribery and corruption matters within PMB Group;
- (v) Recommend appropriate policies and frameworks for approval of the Board to ensure PMB Group's ongoing compliance with relevant legal and regulatory requirements on integrity, anti-bribery and corruption matters;
- (vi) Oversee and monitor complaints management for PMB Group, through a dedicated whistleblowing mechanism;
- (vii) Commission and appoint, where required, relevant experts (internal or external) to investigate and report on any aspect of the whistleblowing cases;
- (viii) Deliberate and recommend appropriate course of actions upon completion of the whistleblowing investigation;
- (ix) Evaluate and review the findings of the reports in relation to integrity, anti-bribery and corruption matters and to ensure appropriate actions are taken, when required;
- (x) Evaluate anti-bribery and corruption risks and breaches, as well as recommend actions taken to address those breaches and establish necessary disciplinary actions, if any; and
- (xi) Promote, together with Management, a sound governance and integrity culture within PMB which emphasises high standards of ethical behaviours that create and support good governance and corruption-free environment.

4.1.3. Risk Management

- (i) Provide guidance on the overall risk strategy and ensure that principles to manage risks are consistently adopted.
- (ii) Review and recommend risk management strategies, policies and frameworks for the Board's approval.
- (iii) Periodically review and evaluate the adequacy and effectiveness of such policies and frameworks to identify, assess, respond, monitor and report risks in a regular and timely manner that will allow the PMB Group to minimise losses and maximise opportunities.
- (iv) Review principal risks (including emerging risks), escalate emerging risks to the Board and ensure the adequacy of existing controls and action plans to manage them.
- (v) Review and approve the quarterly risk profile and any other reports.
- (vi) Commission, where required, special assignments to investigate, develop or report on specific aspects of the risk management processes of the PMB Group.
- (vii) Recommend the risk appetite and tolerance levels of key risk exposures for the Board's approval and oversee that it is appropriately communicated throughout PMB Group.
- (viii) Provide oversight over risk management activities to promote risk culture throughout PMB Group.

4.1.4. Resilience

- (i) Provide oversight over policies and framework in relation to resilience and business continuity management.
- (ii) Provide oversight to ensure that PMB Group is resilient in responding to and managing crisis and disasters.

4.1.5. Sustainability

- (i) Review and recommend Sustainability policies, strategies, roadmaps and frameworks covering Environmental, Social and Governance factors to the Board for approval.
- (ii) Review and approve external communication and reporting of sustainability matters such as aspirations, progress and targets, where required.
- (iii) Provide oversight to ensure that good environmental, social and governance practices are promoted, in place and applied consistently.
- (iv) Provide oversight over sustainability efforts through effective management of significant and material economic, environment, social and governance matters impacting PMB Group.

- 4.2. The BGRSC shall also consider other sustainability, risk, resilience, compliance, integrity and corporate governance matters as defined by the Board. The role of the BGRSC is to assist the Board in achieving its strategic objectives, while ensuring proper governance, risk and compliance is in place.
- 4.3. The BGRSC shall not assume the functions of the Management, which remain the responsibility of the Managing Director and other members of the Senior Management.

5. AUTHORITY OF THE COMMITTEE

In carrying out its duties and responsibilities, the BGRSC will have the following rights:

- 5.1. The explicit authority to investigate any matter within its TOR and to appoint such investigator(s), as appropriate;
- 5.2. The resources that are required to perform its duties;
- 5.3. Full, free, and unrestricted access to any information, records, properties, and personnel of PMB and of any other company within its Group;
- 5.4. Be able to obtain independent professional or other advice and to invite outsiders with relevant expertise to attend the BGRSC's meetings (if required) and to brief the Committee; and
- 5.5. The attendance of any particular BGRSC meeting by other Directors and employees of the Company shall be at the Committee's invitation and discretion and must be specific to the relevant meeting.

6. COMMITTEE MEETINGS

6.1. Frequency of Meetings

The BGRSC is recommended to meet at least four (4) times a year and, in any event shall meet at least twice a year. Additional meetings may be called at any time, at the discretion of the BGRSC Chairman.

6.2. Calling of Meeting

- 6.2.1. Meetings of BGRSC shall be called by the Secretary at the request of the BGRSC Chairman or any member of the Committee.
- 6.2.2. A meeting of the BGRSC may be held fully virtual or hybrid at more than one venue using any technology or method. A member of the BGRSC or any invitees may participate in the meeting by means of telephone, video conference or telephone conference, or any other audio, or audio visual, or telecommunication facilities which permits all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present in person at such meeting and shall be counted in a quorum and be entitled to vote on the resolutions tabled at the meeting.

6.3. Notice

The Secretary, in consultation with the Chairman of the BGRSC, shall draw up an agenda of the meeting. Unless otherwise agreed, notice for calling the BGRSC meeting shall be given to all its members at least seven (7) days before the meeting or at shorter notice as

the BGRSC shall determine. An agenda of items to be discussed together with its supporting papers shall be sent to the BGRSC, as soon as reasonably practicable. The notice of each meeting shall be given and circulated to all BGRSC members by facsimile, electronic mail, or such other communication modes/equipment.

6.4. Quorum

The quorum for the BGRSC meeting shall be two (2) members.

6.5. Virtual Meeting

A virtual meeting shall be deemed to constitute a BGRSC meeting provided the following conditions are met:

- (i) all the BGRSC members for the time being entitled to receive notice of the BGRSC meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted by the Constitution of the Company; and
- (ii) BGRSC members may not leave a virtual meeting by disconnecting from the technology used unless he/she has previously expressly notified the BGRSC Chairman of his/her intention to leave the meeting and a BGRSC member shall be conclusively presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his/her leaving the meeting.

The main venue of the BGRSC meeting shall be the place where the Chairman is present at the BGRSC meeting.

6.6. Attendance

- 6.6.1. The Managing Director and other appropriate officers may be invited to attend where their presence is considered appropriate as determined by the BGRSC Chairman.
- 6.6.2. Other Board members, employees or representatives of service providers may also attend meetings upon the invitation of the BGRSC, as and when required.
- 6.6.3. The Secretary(ies) of the BGRSC and/or their representatives shall be in attendance at all BGRSC meetings and record the proceedings of the meeting thereat.
- 6.6.4. The internal and/or external auditors have the right to appear and be heard at any meeting of the BGRSC and are recommended to attend each BGRSC meeting. Upon the request of the auditor(s), the BGRSC Chairman shall also convene a meeting of the BGRSC to consider any matter the auditor(s) believes should be brought to the attention of the Board or the shareholders.
- 6.6.5. The BGRSC can choose to meet with external auditors without the presence of the executive board members and management whenever deemed necessary.

6.7. Voting

- 6.7.1. A resolution put to a vote at the meeting shall be decided by a majority of the votes. In the case of an equality of votes, the BGRSC Chairman shall be entitled to a second or casting vote except where two (2) members form a quorum, the chairperson of a meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue shall not have a casting vote and such matters shall be referred to the Board for decision.
- 6.7.2. A member of the BGRSC who has an interest or is involved directly or indirectly in any matter under consideration by the meeting, shall abstain from deliberating and voting.

6.8. Minutes of Meeting

- 6.8.1. The Secretary(ies) of the BGRSC and/or their representatives shall minute the proceedings and resolutions of all BGRSC meetings, including the names of those present and in attendance, in a clear, accurate (reflect the deliberations and decisions), consistent, complete and timely manner.
- 6.8.2. The minutes of each 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 and kept as part of the statutory records of the Company.
- 6.8.3. The minutes shall be kept by the Company at the Registered Office and/or the principal place of business in Malaysia of the Company, in compliance with the requirements of the relevant law and regulations, e.g. Companies Act, 2016 and Income Tax Act, 1967, and shall be open to the inspection of any member of the BGRSC without charge.
- 6.8.4. Reproduction of any part of the minutes can only be performed through and/or by the Company Secretary(ies) of PMB.

7. COMMITTEE'S WRITTEN RESOLUTIONS

A resolution in writing or written resolution of the BGRSC signed, approved or assented by all the BGRSC members who may at the time be present in Malaysia and who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting of the BGRSC duly called and constituted. All such resolutions shall be forwarded or otherwise delivered to the Secretary(ies) of the BGRSC without delay and shall be recorded by them in the Company's Minutes Book. A resolution in writing may consist of several documents in like form each signed, approved or assented by one or more of the BGRSC members and may be transmitted by facsimile or email transmission by or to the Secretary(ies) or by any form of electronic communication approved by the Board. Any such document may be accepted as sufficiently signed, approved or assented by a BGRSC member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature or electronic vote of the BGRSC member.

8. AUTHENTICATION OF DOCUMENTS

Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any resolutions passed by the BGRSC, and to certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the BGRSC which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minutes so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this Clause may be made by any electronic means approved by the Board from time to time for such purpose incorporating, if the Board deems necessary, the use of security procedures or devices approved by the Board.

9. REPORTING

- 9.1. The BGRSC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each BGRSC meeting, where required.
- 9.2. Recommendations of the BGRSC are to be submitted to the Board for approval. When presenting any recommendations to the Board, the BGRSC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

10. REVIEW OF TERMS OF REFERENCE

- 10.1. The TOR shall be reviewed periodically and accordingly updated, as and when required, in such manner as the BGRSC deems appropriate to ensure that it remains consistent with the BGRSC's objectives, role as a whole, the Company's Constitution, the direction or strategies of PMB and its Group and existing regulatory requirements and recommendations. Such a review shall be facilitated by the Company Secretary(ies) and the Chief Governance & Risk Officer ("CGRO") of the Company or any other officer of the Company with the same capacity as the CGRO.
- 10.2. All amendments to the TOR must be recommended by the BGRSC and approved by the Board, upon which the said revision or amendment shall form part of this TOR and it shall be considered duly revised or amended.

This revised TOR is reviewed and approved by the Board of Directors on 29 August 2024.

-End-