



**TERMS OF REFERENCE
RISK MANAGEMENT COMMITTEE
(VERSION 5.0)**

TABLE OF CONTENT

1.0	OBJECTIVE	3
2.0	COMPOSITION	3
3.0	QUORUM	3
4.0	CHAIRMAN	3
5.0	SECRETARY	3
6.0	AUTHORITY	3
7.0	SCOPE OF RESPONSIBILITY	4
8.0	MEETING	5
9.0	REVIEW OF THE TERMS OF REFERENCE	5

1. OBJECTIVE

- 1.1 To oversee the Company's risk management matters including but not limited to framework, policies and procedures.
- 1.2 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.

2. COMPOSITION

- 2.1 The Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise exclusively of Non-Executive Directors, majority of whom are independent.
- 2.2 The number of Committee Members shall be a minimum of three (3) with a majority of whom are independent directors.

3. QUORUM

- 3.1 Two (2) members shall form a quorum for meeting.

4. CHAIRMAN

- 4.1 The members of the Committee shall elect a Chairman from among the members who shall be an Independent Director. In the absence of the Chairman of the Risk Management Committee, the remaining members present shall elect one of the members as Chairman of the meeting.

5. SECRETARY

- 5.1 The Secretary of the Risk Management Committee shall be the Company Secretary or his representative.

6. AUTHORITY

- 6.1 The Committee shall, in accordance with the procedure determined by the Board and at the cost of the Company: -
 - (i) has the resources which required to perform its duties;
 - (ii) has full and unrestricted access to the Company's records, properties and personnel; and
 - (iii) be able to obtain other professional's advice or other advices.

7. SCOPE OF RESPONSIBILITY

The responsibility of the Risk Management Committee shall include the following: -

- 7.1 To define and recommend the principles, framework and process for managing risks within the Group for Board's consideration and approval.
- 7.2 To review and approve the inclusion or revisions of the risk management's principles, framework and process arising from the Risk Management Committee or the Board's decision to ensure the said principles, framework and process remain relevant for use.
- 7.3 To review and recommend the Annual Risk Profile which specifies key risks for Board's approval.
- 7.4 To review, monitor and assess the effectiveness of risk treatment or mitigation action plan for the management to control the risks.
- 7.5 To review new project or new product and to ensure the appropriate and relevant risks have been adequately addressed before submission to the Board for approval on any proposed new project or new product to be launched.
- 7.6 To 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.
- 7.7 To review the Annual Risk Management Report on adequacy and effectiveness of risk management within the Group.
- 7.8 To benchmark the risk management practices of the Group with international recognised standards.
- 7.9 To review the compliance framework, plan and the scopes of work of the compliance function.
- 7.10 To monitor the overall compliance of the internal policies, statutory and regulatory requirements as well as guidelines for the Group.
- 7.11 To oversee ethical and any other related matters of the Group and within the Employees.
- 7.12 To review, assess and oversee the management any matter in relation to the bribery and corruption risk affecting the business to ensure it is in line with the anti-bribery and anti-corruption commitment and risk appetite of the Board, towards achieving the Group's mission, vision, strategies and business objectives.
- 7.13 To report the overall sustainability progress carried out by Sustainability Steering Committee and provide recommendation on the sustainability strategy, initiatives and development related matters.
- 7.14 To review and approve policies, targets and market disclosures on sustainability matters and engage leadership to provides sustainability oversight and strategic guidance.

MEETING

- 8.1 Meeting of the Risk Management Committee shall be held at least twice a year and at such other times as it deems necessary to fulfil its responsibilities. A member may at any time and the Secretary shall on the requisition of the Director or the Member, summon a meeting of the Risk Management Committee. The Committee may invite any personnel and/or independent parties to attend the meeting.
- 8.2 Questions arising at any meeting of the 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 Risk Management Committee. Where necessary and appropriate, any decision of the Risk Management Committee can also be made or passed by all Members by way of a written circular resolution.
- 8.3 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.
- 8.4 The Secretary is responsible for sending out the notices and prepare and keep the minutes of meeting. The Secretary shall circulate minutes of the Committee meeting to all members of the Board. The Committee shall record its conclusions in discharging its duties and responsibilities.
- 8.5 A meeting may be convened using telephone and/or the contemporaneous linking together by telephone or such other electronic communication media of the Committee Members not less than the quorum shall deemed to constitute a meeting of the Committee wherever in the world, as long as-
- (i) the quorum is met;
 - (ii) at the commencement of the meeting, each Committee Member acknowledges his presence thereof to all the other members that takes part and such participation shall be deemed to be his presence in person;
 - (iii) each of the Committee Members that takes part able to be heard and hears other members' subject as mentioned throughout the meeting; and
 - (iv) the Committee Members present at the commencement of the meeting shall not leave the meeting by disconnecting the telephone and the meeting shall be deemed to have been conducted validity 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 disconnection and that if the telephone or electronic communication media cannot be re-connected at all, the meeting shall then be adjourned.

8. REVIEW OF THE TERMS OF REFERENCE

- 9.1 The Risk Management Committee shall recommend any changes to its Terms of Reference in such manner as the Risk Management Committee deems appropriate for the Board's approval. The Terms of Reference shall be assessed, reviewed and updated when necessary.



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