

CSH ALLIANCE BERHAD

[Registration No. 200001002113 (504718-U)]

(Incorporated in Malaysia)

TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE
(Updated on 18 October 2022)

1. Objectives

The principal objective of the Risk Management Committee is to assist the Board of Directors in their responsibilities to oversee the Company's risk management framework and policies, which includes identifying, analysing, evaluating, managing and monitoring potential and significant financial and non-financial risks.

2. Composition of members

The Board of Directors shall appoint the Risk Management Committee members, which shall comprise a majority of Independent Non-Executive Directors. The term of office of the Risk Management Committee shall be for such time as determined by the Board of Directors and members of the Risk Management Committee may be re-nominated and appointed by the Board of Directors from time to time.

3. Chairman

The Chairman of the Risk Management Committee shall be an Independent Non-Executive Director appointed by the Board of Directors from amongst the Risk Management Committee members. The Risk Management Committee Chairman shall chair all Risk Management Committee meetings but in the absence of the Chairman, the members of the Risk Management Committee can elect from amongst themselves the Chairman of the meeting.

4. Secretary

The Secretary(ies) of the Risk Management Committee shall be the Company Secretary(ies) of the Company.

5. Meetings

The Risk Management Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least twice a year or more frequently as deemed necessary.

Reasonable notice of Risk Management Committee meetings shall be given in writing to all the Risk Management Committee members unless the Risk Management Committee waives such requirement.

Questions arising at any meeting of the Risk Management Committee shall be decided on a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Meeting shall have a second or casting vote.

6. Quorum

A quorum shall consist of two (2) members.

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(Terms of Reference of Risk Management Committee - cont'd)

7. Minutes

Minutes of each Risk Management Committee 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. The Chairman of the Risk Management Committee meeting shall report on the proceedings of each meeting to the Board.

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 and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.

8. Circular Resolutions

A resolution in writing signed by a majority of the Risk Management Committee Members for the time being shall be as valid and effectual as if it had been passed at a Meeting of the Risk Management Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Risk Management Committee members. Any such document may be accepted as sufficiently signed by a Risk Management Committee Member if transmitted to the Company by any electrical or digital written message to include a signature of a Risk Management Committee member.

9. Reporting

The Risk Management Committee shall report to the Board of Directors, either formally in writing, or verbally, as it considers appropriate on the matters within its terms of reference at least twice a year, but more frequently if it so wishes.

The Risk Management Committee shall report to the Board of Directors on any specific matters referred to it by the Board.

10. 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,

- (a) review the Company's risk management framework and policies;
- (b) assists the Board in monitoring potential and significant financial and non-financial risks; and
- (c) be entitled to the services of the Company Secretary(ies).

11. Duties and Responsibilities

- (a) To assess and monitor all risks associated with the operations of the Group.

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(Terms of Reference of Risk Management Committee - cont'd)

- (b) To develop and implement internal compliance and control systems and procedures to manage risks.
- (c) To review and make recommendations to the Board on key risk policies and strategies for the Board's approval.
- (d) To recommend or advise the Board on significant proposed changes to risk management policies and strategies.
- (e) To review reports on compliance with risk management policies and recommend actions where necessary.
- (f) To consider and examine any matters as the Risk Management Committee considers appropriate.
- (g) To consider any other relevant matters as delegated by the Board.

This TOR is reviewed and updated by the Board of Directors of the Company on 18 October 2022.
