

RGT Berhad
(Company Registration No. 198101004909 (71024-T))
(Incorporated in Malaysia)

TERM OF REFERENCE OF RISK MANAGEMENT COMMITTEE

1. Purpose

The Risk Management Committee (“RMC”) is established as a committee of the RGT Berhad (“RGT”) Board of Directors (“the Board”). The RMC supports the Board by setting and overseeing the Risk Management Framework of the RGT group of companies (“Group”) and regularly assessing such Risk Management Framework to ascertain its adequacy and effectiveness. The RMC’s objectives are as follows:

- a) to set risk management policies and provide independent oversight of the risk appetite and the implementation and operations of the Group’s enterprise risk management framework;
- b) to review and recommend the Group’s risk management policies and strategies for the Board’s approval. This includes reviewing major investment business cases and Management’s assessment of the key associated risks, including funding options and costs, and investment returns prior to the Board’s approval
- c) to promote adequate awareness and understanding of risk and control by the Management and risk owners in order to safeguard stakeholders’ interests and add value to the Group;
- d) to provide oversight, direction and counsel to the risk management process and risk compliance framework in line with the Listing Requirements of Bursa Malaysia Securities Berhad, such as the Statement on Internal Control – Guidance for Directors of Public Listed Companies; and
- e) to incorporate value and strategies so as to create value for its business and stakeholders in the long run as well as to support business continuity and competitiveness over the longer term.

2. Composition and Appointment

- 2.1. The members shall be appointed by the Board and the members shall have a mixture of risk and business management knowledge and experience.
- 2.2. The RMC members shall be appointed by the Board from amongst their number and shall consist of not less than three (3) members.
- 2.3. The Chairman of the RMC shall be an Independent, Non-Executive Director appointed by the Board.

3. Duties

The duties of the RMC shall be as follows:

- a) To oversee the risk management activities of the Group and to assist the Board in fulfilling its responsibility for identifying significant risks and ensuring the implementation of appropriate systems to manage the overall risk exposure of the Group.
- b) Advises the Audit Committee (“AC”) and the Board on areas of high risk and the adequacy of compliance and control procedures throughout the organization.

4. Authority

The RMC is authorised:

- a) To seek any information, it requires from any employee of the Group in order to perform its duties.
- b) To obtain professional advice externally at the Company's expense on any matter within its terms of reference as it deems necessary or appropriate.
- c) Request any employee/ Executive Management to attend meetings of the Committee for discussion as and when required.

5. Administration

5.1. Meetings

- 5.1.1. The meetings of the RMC may be conducted by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as aforesaid.
- 5.1.2. The meeting shall be held at least once a year at appropriate times and otherwise as required.
- 5.1.3. The RMC shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.
- 5.1.4. The RMC shall appoint company secretary who shall attend all the meetings and minute the proceedings of all committee meetings, including the names of those present and in attendance. The minutes shall be confirmed by the Chairman of the meeting and circulated to all members of the RMC. A RMC Report will be prepared by the RMC and tabled to the Board of Directors on yearly basis.
- 5.1.5. The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion vested or exercisable by the Committee.

5.2. Notice

The notice of each meeting of the RMC, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the RMC at least seven (7) days prior to the date of the meeting.

6. General

The RMC's Terms of Reference may from time to time be amended as required, subject to the approval of the Board.

This Term of Reference of RMC has been updated and adopted by the Board on 29 August 2022.