



# **RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE**

## **I-Berhad**

### **RISK MANAGEMENT COMMITTEE -TERMS OF REFERENCE**

#### **1) OBJECTIVE**

The objectives of the Risk Management Committee (“RMC” or “the Committee”) are to assist the Board of Directors of the Company (“the Board”) in fulfilling its duties in the following areas:

- (i) to set risk management policies and provide independent oversight of the risk appetite and the implementation and operations of the Group’s enterprise wide risk management framework;
- (ii) 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
- (iii) 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;
- (iv) 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
- (v) 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**

The Committee shall be appointed by the Board amongst the Directors of the Company, comprising not fewer than three (3) members with a majority of them being Independent Directors of the Company.

The members of the Committee shall elect a Chairman from among themselves who shall be an Independent Director.

In the event of any vacancy in the Committee resulting in the number of the members being reduced to below three (3), the Board shall within three (3) months of that event fill the vacancy.

The terms of office and performance of the Committee and each of its members must be reviewed by the Nomination Committee annually to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

### **3) MEETINGS**

#### **Frequency**

Meetings shall be held not less than four (4) times a year. The Chairman may call for additional meetings and may invite appropriate officers of the Company or professional advisor to attend the meeting, at any time at the Chairman's discretion.

In the intervals between Committee meetings, for exceptional matters requiring urgent decisions, the Committee's approvals may be sought via circular resolutions to be supported with sufficient information required for an informed decision by the Committee.

#### **Quorum**

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

#### **Secretary**

The Company Secretary shall be the Secretary of the Committee or in his/her absence, another person authorised by the Chairman of the Committee.

#### **Minutes**

The Company Secretary shall maintain minutes of each meeting of the Committee and the minutes shall be circulated to each member of the Committee and also the members of the Board for notation.

#### **Reporting Procedure**

The Chairman of the Committee shall report the proceedings of each Committee's meeting to the Board.

### **4) RIGHTS AND AUTHORITY**

The Committee is empowered and granted the authority by the Board to:

- (i) have all the necessary resources required to perform its duties including direct communication with both Risk Management Team and Internal Audit Team, whenever deemed necessary;
- (ii) have authority to investigate any matter within its terms of reference;
- (iii) obtain relevant internal or other independent professional advice (after consultation with the Board) as it deemed necessary to assist the Committee to discharge its roles and duties; and
- (iv) have access to any information pertaining to the risk management activities of the I-Berhad Group.

## 5) DUTIES AND RESPONSIBILITIES

The Committee shall be assisted by an in-house Risk Management Team, which will support the Committee in discharging its duties and responsibilities.

The duties and responsibilities of the Committee are as follows:

- (i) to review the risk management policies of I-Berhad Group which addresses key elements of the enterprise wide risk management framework, risk appetite, strategy, processes and methodology and recommend any necessary changes relating thereto to the Board in line with the changing operating and economic environment, prevailing best practices in risk management and any relevant regulatory requirements;
- (ii) to oversee, evaluate and monitor the adequacy and effectiveness of the I-Berhad Group's risk management framework and the risk management system put in place by the Management are in tandem with the changing business circumstances to safeguard shareholders' interests and the Group's assets;
- (iii) To provide oversight, direction and counsel to the I-Berhad Group's risk management activities and discuss with the Management and Risk Management Team regarding:
  - the guidelines and policies governing the Group's significant processes for risk assessment and risk management;
  - the validity of the identified risks and ensuring appropriate actions are taken to mitigate the risks;
  - the adequacy of infrastructure, resources and systems that are available for an effective and efficient risk management process; and
  - the periodic reports on risk exposure, risk portfolio, composition and risk management activities.
- (iv) to report to the Board on the Group's major risk exposures, including the review on the risk assessment framework used to monitor the risk exposures and the Management's views on the acceptable and appropriate level of risks faced by respective business units/division of the Group.
- (v) to review and advise the Board on the potential risk strategies and, if deemed fit, to recommend to the Board of Directors of the Company to approve any acquisitions, investment and/or divestments of assets or properties, including any acquisition of landed properties via outright purchase and/or joint venture (but excluding any acquisitions and/or divestments of assets or properties in the ordinary course of business of the Group), the value of which exceeds RM5 million.
- (vi) to review the identified significant and material environmental, social and governance (ESG) risks and opportunities against existing sustainable business practices and reporting framework and ensuring the effective management of such ESG risks and opportunities impacting the principal businesses of the Group.
- (vii) To review the Statement on Risk Management and Internal Control, as well as other disclosure concerning the risk management activities of the I-Berhad Group, for inclusion in the Company's Annual Report and recommend the same for approval by the Board.