



TURIYA BERHAD

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(Registration No. 198001001793 (55576-A))

**TURIYA BERHAD
RISK MANAGEMENT AND SUSTAINABILITY
COMMITTEE
TERMS OF REFERENCE**

(Adopted 14 June 2024)

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(Registration No. 198001001793 (55576-A))
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TURIYA BERHAD RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

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The Risk Management and Sustainability Committee terms of reference are as follows:

- 1 Risk
 - 1.1 Provide oversight, direction and counsel to the risk management process which includes the following:-
 - a) establish an effective Group's risk management and internal control framework;
 - b) conduct an annual review and periodic testing of the Group's risk management framework. This should include insights it has gained from the review and any changes made to its risk management framework from the review.
 - c) monitor the risks exposures and management of the significant risks identified at Group and divisional levels;
 - d) evaluate new risks identified including the likelihood of the emerging risks happening in the future and to consider the need to put in place the appropriate controls;
 - e) review the Group's risk profile and ensure that significant risks that are outside tolerable ranges are being responded with appropriate actions taken in a timely manner;
 - f) review the status of the implementation of management action plans in mitigating significant risks identified; and
 - g) review the and recommend the Group's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets.
 - 1.2 Establish and periodically review the Group's risk management guidelines and policies and ensure implementation of the objectives outlined in the policies and compliance with the same.
 - 1.3 Recommend for the Board's approval the Group's risk management policies, strategies, key risk indicators and risk tolerance levels, and any proposed changes thereto.

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- 1.4 Evaluate the effectiveness of the Group's risk management structure, risk management processes and support system to identify, assess, monitor and manage the Group's key risks.
- 1.5 Review all major investment and project business cases in accordance with established thresholds in the approved Group Limits of Authority, focusing on the following:-
 - a) evaluate the risks associated with funding options and costs, and investment returns and make recommendation to the Board for approval of the investment or project;
 - b) advise the Board on potential risk response strategies needed to be adopted in relation to a decision to proceed with the investment or project;
 - c) monitor the execution/operationalisation of investments or projects, highlighting key risks to the Board as relevant;
 - d) review the effectiveness of risk mitigating actions post approval for major investments and projects based on risk management assessments, and report the same to the Board; and
 - e) review actual financial and operational performance of investments or projects against projected returns (i.e. return on investment, implementation timelines), and report the same to the Board.
- 1.6 Review to ensure that the relevant information is disclosed in the statement on risk management and internal control in the Company's Annual Report.
- 2 Sustainability
 - 2.1 Reviewing the adequacy of sustainability initiatives and processes of the Group;
 - 2.2 Reviewing and ensuring the adequacy and effectiveness of the Group's sustainability policy;
 - 2.3 Monitoring the implementation and performance of sustainability strategies, policies and initiatives, including action plans and key performance indicators, as approved by the Board; and
 - 2.4 Advising the Board on the Group's sustainability strategy and recommend policies for adoption.

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2.5 The sustainability roles and responsibility are as follows:-

WHO	SUSTAINABILITY ROLES & RESPONSIBILITY
Board of Directors	<ul style="list-style-type: none">• Deliberates and determines the Group's strategies and policies with a focus on ESG aspects.
Risk Management and Sustainability Committee	<ul style="list-style-type: none">• Has oversight over the structure and content of the Group's ESG & Sustainability reporting and validates that the overall approach is in line with the Group's strategy.
Senior Management	<ul style="list-style-type: none">• Oversees the overall strategy implementation and ensures alignment of sustainability goals with overall business objectives.• Review sustainability related information and present it to the Board for deliberation.
Heads of Departments / Project Leads	<ul style="list-style-type: none">• Operationalize the plan in the respective business units and divisions.• Collate sustainability related information against measurable indicators.
Working Level	<ul style="list-style-type: none">• Implement the plan in their respective job functions.