



TURIYA BERHAD

(Registration No. 198001001793 (55576-A))

SUSTAINABILITY COMMITTEE

TERMS OF REFERENCE

(Revised 18 June 2025)

SUSTAINABILITY COMMITTEE

TERMS OF REFERENCE

(Revised 18 June 2025)

Pursuant to the reorganisation of the former Risk Management & Sustainability Committee, and Audit Committee (currently known as the Audit & Risk Committee)

1. INTERPRETATION

For ease of reference:

- 1.1. References to the “*Group*” in these Terms of Reference (“*TOR*”) shall refer to the Turiya Group, consisting of Turiya Berhad and its subsidiaries as may be constituted and held from time to time.
- 1.2. References to the “*Company*” shall refer to Turiya Berhad.
- 1.3. References to the “*Board*” shall refer to the Board of Directors of Turiya Berhad, having Group oversight.
- 1.4. References to the “*Management*” shall refer to the executive management of the Company vis-à-vis the Group, including divisional heads, officers, or personnel responsible for implementing related strategies, policies, and reporting as may be delegated by the Board or its Committees from time to time.

2. MEMBERSHIP

- 2.1. The Sustainability Committee (“*Committee*”) shall comprise at least three (3) members, of which a majority shall comprise Independent / Non-Executive Directors.
- 2.2. The Chairperson of the Committee shall be an Independent / Non-Executive Director and shall not be the Chairperson of the Board.
- 2.3. The membership of the Committee, including the nomination of its Chairperson, shall be approved by the Board on recommendation of the Nomination & Remuneration Committee.
- 2.4. In the event of any vacancy resulting in the number of members being reduced to below three (3), the Board shall, within three (3) months, fill the vacancy.
- 2.5. Committee members may relinquish their membership in the Committee with prior written notice to the Company Secretary and the Chairperson of the Board, notwithstanding that they may continue to serve as a Director of the Company.
- 2.6. The Board shall have the discretion as it deems fit to rescind or revoke the appointment of any member of the Committee, whensoever changes in the composition of the Board may arise, or where the evolving circumstances of the Group may demand.
- 2.7. The removal of the Chairperson of the Committee shall require the prior review and recommendation of the Nomination & Remuneration Committee of the Company, and the approval of the Board, supported by appropriate justifications. Such removal is intended to be limited to occasions where it is reasonably determined that the Chairperson is no longer able, or willing, to undertake the responsibilities of the role.

3. MEETINGS

- 3.1. Sufficient quorum for a meeting of the Committee shall be a majority of the Committee members, with the Chairperson present. A meeting duly convened with quorum in attendance shall constitute a competent and fully empowered Committee, authorised to exercise all duties and powers conferred upon it under these Terms of Reference.
- 3.2. If the Chairperson is, for exigencies whatsoever, not present at a meeting of the Committee, and assuming sufficient majority in attendance, members present shall be authorised to elect any one of their number, provided an Independent / Non-Executive Director, to chair the meeting.
- 3.3. No business shall be transacted unless quorum is present either in person, or by video or telephone conferencing, throughout the proceedings of the meeting.
- 3.4. The Company Secretary shall act as the Secretary of the Committee. The Secretary shall issue and circulate notices of meeting to all Committee members and required attendees, confirming the venue, date, and time of a meeting, at least seven (7) working days prior to each meeting, or within a shorter period where unavoidable.
- 3.5. The Committee members shall meet at least once every quarter in a financial year. Additional meetings may be scheduled as deemed necessary by the Chairperson, or upon request by any member of the Committee.
- 3.6. The agenda and relevant documents for the consideration of any meeting shall be circulated at least seven (7) working days prior to each meeting, or within a shorter period where unavoidable. Matters to comprise any meeting agenda shall be aligned with the strategic objectives and sustainability goals of the Group for the upcoming quarter or relevant financial period.
- 3.7. In the interim period between meetings, if need arises, matters escalated for the Committee's deliberations may be resolved by way of circular resolutions. A circular resolution in writing, setting out the rationale and recommendation, and signed by at least a majority of the Committee members, shall be valid and effective as if it had been passed at a meeting duly convened and constituted.
- 3.8. The Committee may invite any Director who is not a member of the Committee, members of Management, or other employees of the Group to attend meetings, either generally or in relation to any specific agenda item, to assist in its deliberations.
- 3.9. The minutes of each meeting of the Committee shall be prepared and circulated to all Committee members for comment and confirmation. The minutes shall be approved by the Chairperson of the meeting at which the proceedings occurred, or by the Chairperson at the next meeting (if not one in the same), and may be tabled at the following Board meeting for notation where recommendations to the Board are involved.
- 3.10. The minutes of the Committee's meetings shall be made available for inspection by any member of the Committee or the Board, and shall be accessible to internal and external auditors of the Company for reference in the discharge of their respective responsibilities.

4. RIGHTS OF THE COMMITTEE

- 4.1. The Committee shall have the resources and full access to the records of the Group, including its associated properties, insofar as relevant to the Committee's activities and relevant oversight.
- 4.2. The Committee shall retain strategic oversight over all matters within its mandate but may delegate the implementation, execution, and day-to-day monitoring of sustainability-related activities, policies, and measures to the Management, or any designated functional leads within the Group. Where such delegation occurs, delegees shall be authorised to report progress, gaps, and risks to the Committee at such intervals to be determined by the Committee.
- 4.3. To promote informed and robust decision-making by the Committee, and for consolidating the recommendations of the Committee to the Board in a manner that complements and adds value to the business and prospects of the Group, the Committee shall, at reasonable cost to the Company, have the means and ability to seek independent third-party advice or information on risk implications as may arise in respect of any matter of the Committee's oversight, before coming to any conclusion or delivering any significant recommendations.

5. KEY RESPONSIBILITIES

- 5.1. The Committee is responsible for overseeing the Group's commitment to conducting its business in a responsible and sustainable manner, in accordance with applicable sustainability standards and Environmental, Social and Governance (ESG) frameworks as may be adopted or updated from time to time.
- 5.2. The Committee shall, with due cognisance of the Group's strategic context, operational realities, and ongoing corporate pursuits, and accountability to the Board for the overall effectiveness of sustainability governance strategies across the Group:
 - (a) Advise the Board on matters relating to Group sustainability, and recommend for the Board's approval appropriate strategies, policies, and frameworks that support the Group's commitment to ESG-aligned business conduct, including essential governance policies and sustainability-related codes of conduct or compliance standards;
 - (b) Keep the Board informed on sustainability and ESG issues relevant to the business(es) within the Group, including, but not limited to, operations-specific sustainability risks, emerging regulatory expectations, and ESG-alignment opportunities that may enhance the Group's long-term value;
 - (c) Review and recommend to the Board the Group's annual Materiality Matrix as shall be prepared by the Management, and assess its implications in the context of the Group's operations, risk profile, and strategic direction;
 - (d) Review the processes and measures adopted by the Management to support the Group's sustainability objectives and ESG goals, and evaluate their adequacy in achieving intended outcomes;
 - (e) Review the Group's approach to integrating ESG standards in operational policies and practices, including, but not limited to, procurements and supply chain management activities;

- (f) Review reporting from the Management on the adequacy of resources allocated for the fulfilment of the Group's sustainability objectives and ESG goals;
- (g) Advise on the general integration of ESG factors into the Group's investment decision-making frameworks, prioritising alignment with the expectations of relevant Group stakeholders, such as investors, employees, local authorities, regulators, customers, and communities;
- (h) Review the Group's stakeholder engagement efforts and evaluate their outcomes, including in ensuring that the Management have in place effective mechanisms for receiving, addressing, and resolving sustainability-related grievances;
- (i) Advise on the sustainability risk implications of significant corporate proposals undertaken by the Group, with particular attention to instances where opportunities to enhance the Group's ESG credibility may be overlooked or insufficiently addressed;
- (j) Advise on ESG alignment opportunities in capital projects, including in respect of any significant industrial operations or infrastructure upgrades, and considering the adequacy of performance indicators (linked to environmental and social risks) as may be reported by the Management to be material to the conduct and completion of such projects;
- (k) Consider business continuity and operational resilience as part of the Group's overall ESG risk posture, and review relevant reports as may be presented by the Management on sustainability risk management, material ESG exposures and Group value-chain disruptions accordingly;
- (l) Review the Group's approach to ESG capacity building, training and initiatives designed to embed ESG values and awareness across all frontline levels of the Group, and receive progress updates on initiatives implemented across the Group in such regard; and
- (m) Assess, review and recommend to the Board for approval the Company's annual sustainability report or statement, ensuring that it accurately reflects the Group's material ESG matters, performance, and alignment with applicable sustainability disclosure frameworks.

6. REVIEW OF TERMS OF REFERENCE

The Committee shall review the adequacy and continuing relevance of this Terms of Reference at least once annually, taking into account the Group's evolving sustainability priorities, applicable regulatory developments, and the expectations of key stakeholders. This review shall be led by the Chairperson of the Committee, and any recommended revisions shall be tabled to the Board for consideration and approval.

**** The remainder of this page is intentionally left blank ****

