



# **IJM CORPORATION BERHAD**

## **TERMS OF REFERENCE OF THE RISK MANAGEMENT & SUSTAINABILITY COMMITTEE**

### **Membership**

Members of the Risk Management & Sustainability Committee ("RMSC") shall be appointed by the Board of Directors from amongst the members of the Board and shall consist of not less than three (3) members, with a majority of them being Independent Directors. The members of the RMSC shall elect a Chairman from among their numbers, and who shall be an independent Director. An alternate Director shall not be appointed as a member of the RMSC.

### **Meetings and Minutes**

Meetings shall be held at least four (4) times a year or more as the RMSC deems necessary to fulfil its responsibilities. The quorum for the RMSC meeting shall be two (2).

The Company Secretary shall act as secretary to the RMSC. Minutes of each meeting shall be distributed to each Board member, and the Chairman of the RMSC shall report on key issues discussed at each meeting to the Board.

### **Authority**

The RMSC shall have the following authority as empowered by the Board:

- to provide oversight on matters which fall within the purpose and responsibilities of the RMSC, including operational and strategic risks, sustainability and climate change;
- to have access to information pertaining to the risk management and sustainability matters of the Group;
- to have direct communication channels with the risk management team, internal audit team, as well as sustainability team; and
- to obtain independent professional advice on any matters within its terms of reference.

### **Duties**

The following are the main duties and responsibilities of the RMSC collectively:

#### **Risk Management**

- 1) To review and recommend to the Board for approval an appropriate risk management framework and policies.



- 2) To oversee and monitor the adequacy and effectiveness of risk management system.
- 3) To ensure infrastructure, resources and systems are in place and adequate for risk management.
- 4) To receive and review the quarterly report focusing on risk profiles and/or areas of risk management of the Group which covers risk identification, assessment, impact, mitigation plans and/or controls of the risk management system .
- 5) To review the Statement on Risk Management and Internal Control as well as other disclosure concerning RMSC activities, for inclusion in the Company's Annual Report and recommend the Statement for approval of the Board.

#### Anti-Bribery and Corruption

- 1) To review the integrity, adequacy and effectiveness of the anti-bribery and corruption system ("ABCS") and the reports from the compliance officer in relation to the ABCS, and/or anti bribery and corruption practices implemented.

#### Sustainability Management

- 1) To provide guidance and oversight of the Group's Environmental, Social and Governance ("ESG") framework and strategy including targets, policies and practices which are aligned with the Group's commitment towards sustainability practices.
- 2) To oversee and monitor the execution of the ESG framework and strategy, and the Group's progress on its long-term sustainability and climate goals and targets.
- 3) To ensure infrastructure, resources and systems are in place and adequate for implementation or achievement of sustainability strategy or goals.
- 4) To receive and review half yearly report or as and when required on ESG matters, including the progress of implementation and performance of the ESG framework and strategy.
- 5) To review the Company's Sustainability Statement/Report as well as other disclosure concerning sustainability, for inclusion in the Company's Annual Report and recommend the Statement/Report for approval of the Board.