

**MAXLAND BERHAD**  
Registration No. 199601026940 (399292-V)  
(Incorporated in Malaysia)

**TERMS OF REFERENCE FOR THE RISK MANAGEMENT COMMITTEE**

**1. OBJECTIVE**

The primary objective of the Risk Management Committee ("Committee") is to assist the Board of Directors ("Board") in fulfilling its responsibility in identifying significant risks and ensuring the implementation of appropriate systems to manage the overall risk exposure of Maxland Berhad and its subsidiary companies ("Group").

**2. COMPOSITION**

The Committee shall be appointed by the Board and shall comprise of at least three (3) members. The Chairman of the Risk Management Committee shall be elected from amongst the Committee members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present. The Chairman of the Committee shall not be the Chairman of the Board.

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

If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new member(s) as may be required to make up the minimum number of three (3) members.

The term of appointment of the members of Committee shall be determined by the Board.

**3. AUTHORITY**

- i) The Committee is authorised to seek an information it requires from management of the Company in order to perform its duties;
- ii) The Committee is authorised to call for any appropriate person or persons to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities;
- iii) The Committee is authorised by the Board to obtain, at the Company's expense, external legal or other professional advice on any matters within its Terms of Reference; and
- iv) The Committee shall not have delegated powers from the Board to implement its recommendations but should be obliged to report its recommendations back to the Board for approval.

#### **4. Accountability, Roles and Responsibilities for Risk Management**

In fulfilling its primary objectives, the Committee shall undertake, amongst others, the following duties and responsibilities:

##### **4.1 Risk Management Matters**

- 1) Review and recommend appropriate risk management strategies, policies, and risk tolerances in line with Group's business objectives for the Board's approval;
- 2) Ensure the implementation of risk management framework conforms to the Practice 9.2 of the Malaysian Code on Corporate Governance 2017 by establishing and maintaining a Group's risk register;
- 3) Review the adequacy of the Group's risk register and the integrity of the register is in compliance from the aspect of risks identification, risk assessment and risk management method;
- 4) Discuss with the management on actions taken to improve risk management framework based on the risk identified;
- 5) Consider and evaluate other risky matters as judged appropriate by the Committee or as authorised by the Board;
- 6) All recommendations and findings of the Committee shall be submitted to the Board for approval and endorsement;
- 7) reviewing the Group's risk philosophy / policy;
- 8) reviewing the extent to which management has established an effective enterprise risk management framework;
- 9) reviewing the Group's risk management framework and assessing the resources and knowledge of management and staff involved in the risk management process;
- 10) reviewing the Group's risk profile and risk tolerance;

### **Risk Management Working Committee (“RMWC”)**

The RMWC, comprises of three (3) members, assists the Board and the RMC with the overall responsibility for overseeing the risk management activities of the Group and approving appropriate risk management procedures and measurement methodologies across the Group.

The principal roles and functions of the RMWC are summarized as follows:

- Developing and implementing the risk management philosophy / policy
- Developing and maintaining risk management procedures and measurement methodologies of the various departments
- Reporting the significant risks affecting the Group and recommending the mitigation plans
- Monitoring the progress of risk mitigation plans
- Reporting to the AC on the risk management framework and the Group’s risk profile
- Creating risk awareness within the organization

### **5. Risk Management Philosophy**

The Group will always act prudently to ensure that risks, which can prevent the Group from achieving its objectives, are adequately identified, assessed and effectively managed.

It is recognized that not all risks can be eradicated. Nevertheless, the Group is committed to the development of an adequate and effective enterprise risk management framework, which is capable of facilitating the identification, assessment and prioritization of all risks confronting the Group and development of effective measures to mitigate the risks. The Group is to continuously review the enterprise risk management framework to ensure it is operating as intended.

**6. Risk Owner**

Risk owners comprise heads of business units. They perform the operational risk assessment, management, monitoring and reporting risk exposures in their areas / activities within their control.

**7. Staff**

Staff should be aware of operational risks, undertaking risks in a careful and conscientious manner that reflects – but no limited to – the Group policies. They are to report any new or escalating risks identified to the Risk Owners.

**8. Internal Audit (“IA”)**

The IA conducts periodic reviews on high-risk operational areas to ensure that appropriate internal control systems are in place to manage such risks.

**9. MEETINGS**

**9.1 Frequency of Meetings**

The Committee shall meet at least once a year during a financial year and as frequently as may be required.

Committee shall conduct face to face meetings, however, subject to the notice and quorum requirements as provided in the Terms of Reference, meetings of the Committee may be held and conducted through telephone conferencing or any communication equipment which allows all persons participating in the meeting to hear each other.

In addition, the Committee may take action by unanimous written consent of its members, including dealing with matters by way of circular resolutions in lieu of convening a formal meeting.

## **9.2 Quorum**

The quorum for a meeting of the Committee shall consist of not less than two (2) members. In the absence of a quorum, the meeting shall be adjourned to such other date and at such other time and venue as the Committee may determine.

In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting.

## **9.3 Notice of Meeting and Supporting Papers**

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, at least seven (7) days before the date of the meeting. Supporting Papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **9.4 Voting**

All resolutions of the Committee shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the Committee shall have a second or casting vote.

## **9.5 Secretary and Minutes of Meetings**

The Secretary or his nominee or such other persons nominated by the Committee shall act as the Secretary of the Committee. The Secretary shall record, prepare and circulate the minutes of the meetings of the Committee and ensure that the minutes are properly kept and produced for inspection if required.

The Secretary shall distribute copies of the minutes of Committee meetings to all its members at next meeting.

The minutes of meetings must be reviewed by the Chairman of Committee before circulation to the members of Committee.

Minutes of meetings shall be tabled to the Board of the Company for information.

The minutes of meetings and conclusions of the meetings should be entered into the Minutes Book kept by the Company Secretary of the Company. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated.

## **9.6 Circular Resolution**

A resolution in writing, signed by a majority of the Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Committee, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the Committee. The expressions “in writing” and “signed” include approval by telefax, telex, cable or telegram and text messages by any such member of the Committee.

## **10. PARTICIPATION IN MEETING BY TELE-CONFERENCING**

A member may participate in a Committee meeting by means of a conference telephone or any communication equipment which allows all persons participating at the meeting to hear and speak with each other and shall be deemed as present at such meeting.

## **11. ANNUAL GENERAL MEETING**

A member of the Committee shall attend the Annual General Meeting (including extraordinary general meeting) to answer any shareholder questions on Committee’s activities.

## **12. REVISION AND UPDATES**

This Terms of Reference will be reviewed and updated at least once every financial year by the Committee for the Board’s approval to ensure it remains consistent with the Committee’s objectives and responsibilities.

END.

APPROVED BY THE BOARD OF DIRECTORS ON 20 AUGUST 2025.