CONFIDENTIAL

SARAWAK CONSOLIDATED INDUSTRIES BERHAD

[Registration No. 197501003884 (25583-W)]

(Incorporated in Malaysia)

TERMS OF REFERENCE FOR

RISK MANAGEMENT & SUSTAINABILITY COMMITTEE ("RMSC")

Reviewed by:

SALIHIN CONSULTING GROUP SDN BHD (661008-P)

26 FEBRUARY 2025

THE CONTENT

1. PURPOSE

The Risk Management Committee has been established to assist the Board of Directors in overseeing the assessment, management, control of the Group's principal risks. Effective February 2025, the Board has formally assigned responsibility for sustainability matters to this committee, which has now been renamed as Risk Management & Sustainability Committee ("RMSC" or "the Committee").

This Terms Of Reference ("TOR") is prepared for SCIB.

2. APPOINTMENT/COMPOSITION

The Committee shall be appointed by the Board and consist of at least three (3) members, all of whom shall be Non-Executive Directors, with the majority being Independent Directors.

An Alternate Director shall not be appointed as a member of the Committee.

The members of the Committee shall elect a Chairman from amongst their number who shall be an Independent Director and the Chairman of the Committee shall be approved by the Board and shall be an independent Non-Executive Director.

In the absence of the Chairman at any meeting, the members present may choose any one amongst the members to chair the meeting.

The Committee may invite any relevant persons to attend any particular RMSC meeting.

3. AUTHORITY

The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of SCIB:

- Have the authority to investigate any activity within its TOR;
- Have the resources which are required to perform its duties;
- Have full and unrestricted access to any information pertaining to SCIB;
- Be able to obtain independent professional or other advice; and
- To engage third party audit / consultant at the expense of the Company if the needs arises.

4. ROLES AND RESPONSIBILITIES

The Committee's primary roles and responsibilities are as follows:

- Identify, analyze, assess, treat, and monitor the principal business risks of SCIB Group.
- Continuously review the risk management practices of SCIB Group;

- Advise Management on the resources and internal controls necessary for risk management;
- Review related party transactions and conflict of interest situations that may arise within SCIB Group, including any transaction, procedure or course that raises questions of Management integrity;
- Obtain Board approval for SCIB Group's risk management reviews and plans;
- Report to the Audit Committee on the status of approved risk management practices;
- Provide guidance to the oversight of the Board of Directors, the committees, and the working group in the implementation and execution of the Group's sustainability practices and monitoring of performances against the metrics and targets in relation to sustainability-related risks and opportunities ("SROs");
- Review the materiality assessments performed, identify and prioritize risk and opportunity areas, and determine the SROs material matters that guide sustainability efforts and initiatives from both the Company and stakeholders' perspectives;
- Monitor the progress of SROs and report to the Board on the status of sustainability-related matters;
- To oversee the preparation of sustainability disclosures as required by laws and/or rules, and recommend it to the Board for approval;
- To approve the appointment, review of committee structure and composition, and roles and duties of the management – level RMSC committee / working group; and
- To perform other duties as delegated by the Board of Directors or other regulatory requirements.

5. MEETING FREQUENCY AND ATTENDANCE

- The Committee shall hold at least four (4) regular meetings a year and such additional meetings as the Chairman shall decide in order to dischargetheir duties. The Committee may invite any person to any particular RMC meeting, specific to the relevant meeting.
- The Committee shall update the result of the quarterly risk assessment and its mitigation, in particular of corruption risk, which shall elaborate on the risk rating of initially identified risks, to signify improvement of the risk measure, which shall also be incorporated in the Risk Management Framework.
- Conduct Materiality assessment at least once in two (2) years to identify and prioritise material sustainability matters.

- A quorum shall consist of two (2) members, with the majority being Independent Directors.
- The Chairman may at any time at the requisition of the Committee members or when the need arises, summon for a meeting of the RMSC.
- The Company Secretary shall act as the Secretary of the Committee.
- Minutes of each meeting shall be tabled at the Board Meeting of SCIB.

6. NOTICE OF MEETINGS

Unless otherwise agreed, a notice outlining the venue, time, date, and agenda of each meeting shall be sent to every RMSC member at least five (5) days before the scheduled meeting date.

7. **MINUTES OF MEETING**

The Secretary of the RMSC shall minute all meetings' proceedings and resolutions. The Minutes of the Meeting shall be circulated to all members of the RMSC and all members of the Board.

8. CIRCULAR RESOLUTION

A circular resolution in writing shall be valid and effectual if it is approved and signed by a majority of members of the RMSC as if it had been passed at a meeting of the RMSC. All such resolutions shall be described as "Risk Management and Sustainability Committee Members Circular Resolution(s)". Any such resolution may consist of several documents in like form, each signed by one or more RMSC members.

9. REVIEW

The Terms of Reference shall be periodically reviewed and updated by the RMSC, taking into consideration the needs of the Group and any developments in rules and regulations that may affect the roles and responsibilities of the Board, and to submit the Terms of Reference to the Board of Directors for approval.