

TERMS OF REFERENCE RISK MANAGEMENT COMMITTEE

Adoption date:

1. OBJECTIVES

The principal objective of the Risk Management Committee is to assist the Board of Directors in their responsibilities to identify, assess and monitor key business risks to safeguard shareholders' investments and the company's assets.

2. COMPOSITION

The Board of Directors shall delegate the risk management function to the Risk Management Committee of which the members are comprised of a majority of Independent Directors.

No alternate director shall be appointed as a member of the Risk Management Committee.

3. AUTHORITY

The Risk Management Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company, have authority to make decisions on whether the Company has acted in good faith in relation to its contracts and make recommendations to the Board in an advisory capacity.

4. FUNCTIONS

The function of the Risk Management Committee are as follows: -

- a) Review and monitor Group's risk management framework and activities.
- b) Report to the Board regarding the Group's risk exposures, including review risk assessment model used to monitor the risk exposures and Management's views on the acceptable and appropriate level of risks faced by Group.
- c) To review and discuss with Top Management and Internal Auditor, on an annual basis or as and when deemed necessary particularly on:
 - the key guidelines and policies governing the Group's significant processes for risk assessment and risk management.
 - the validity of the identified risks and ensuring that appropriate actions are taken to mitigate the risks.
 - the adequacy of infrastructure, resources and system for risk management, the staff responsible for implementing risk management system perform those duties efficiently and effectively; and
 - the periodical risk rating report and risk management activities.

5. MEETINGS OF THE COMMITTEE

The Risk Management Committee may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary.

The Chairman may call for additional meetings at any time at the Chairman's discretion. Notice of Risk Management Committee Meetings shall be given by the secretary to all the Risk Management Committee members at least three (3) days prior to each meeting unless the Risk Management Committee waives such requirement. In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the Meeting.

6. QUORUM

The quorum for a meeting of the Committee shall consist of not less than two (2) members, of which at least one (1) shall be an Independent Non-Executive Director.

7. NOTICE OF MEETINGS

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, any other person required to attend and all other non-executive directors, no later than 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.

8. SECRETARY AND MINUTES

The Company Secretary or his nominee or such other persons authorized by the Board shall act as the Secretary of the Committee. The Company 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.

9. CIRCULAR RESOLUTION

A resolution in writing, signed or approved by letter, telegram, telex, telefax or electronic means 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.

10. REVISION AND UPDATES

The Terms of Reference for the Risk Management Committee shall be reviewed by the Board annually to ensure it remains consistent with the Company's objectives and Board's responsibilities and in line with the relevant laws and legislations.