



**TERMS OF REFERENCE OF THE BOARD COMMITTEES
RENEUCO BERHAD**

(Formerly known as KPower Berhad)
(Registration No. 199701003731 (419227-X))

DULY APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF
RENEUCO BERHAD (FORMERLY KNOWN AS KPOWER BERHAD) ON 09
SEPTEMBER 2022



(Formerly Known as KPower Berhad)
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TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. AUDIT COMMITTEE

1.1. Policy

The policy of the Audit Committee is to ensure that internal and external audit functions are properly conducted and that audit recommendations are being carried out effectively by the Group.

1.2. Objectives

The objectives of this policy are:-

- 1.2.1. to assure the shareholders of the Company that the Directors of the Company have complied with Malaysian financial standards and required disclosure policies developed and administered by Bursa Malaysia Securities Berhad ("**Bursa Securities**");
- 1.2.2. to ensure consistency with Bursa Securities' commitment to encourage high standards of corporate disclosure and to adopt best practices aimed at maintaining appropriate standards of corporate responsibility, integrity and accountability to all the Company's shareholders; and
- 1.2.3. to relieve the full Board of Directors from detailed involvement in the review of the results of internal and external audit activities and yet ensure that audit findings are brought to the highest level for consideration.

1.3. Membership

- 1.3.1. The Audit Committee shall be appointed by the Board from amongst the directors of the Company and shall be composed exclusively of Non-Executive Directors of not fewer than three (3) members, of whom the majority shall be independent.
- 1.3.2. The Audit Committee shall include at least one person who is a member of the Malaysian Institute of Accountants or alternatively a person who must have at least three (3) years' working experience and have passed the examinations specified in Part 1 of the First Schedule of the Accountants Act 1967 or is a member of one of the associations of accountants specified in Part II of the said Schedule or alternatively

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a person who has fulfilled such other requirements as prescribed or approved by Bursa Securities.

- 1.3.3. No alternate director shall be appointed as a member of the Audit Committee.
- 1.3.4. The appointment of an Audit Committee member terminates when the member ceases to be a Director.
- 1.3.5. If one or more members of the Audit Committee resign, demise or for any other reason cease to be a member, and the vacancy causes a breach of the Listing Requirements of Bursa Securities, the Board shall, within three (3) months of the event, appoint such number of new members as may be required to comply with the Listing Requirements.
- 1.3.6. The Board shall review the term of office of Audit Committee members annually.
- 1.3.7. No former audit partner shall be appointed to the Audit Committee unless he/she has observed a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.
- 1.3.8. The term of office, the effectiveness and performance of the Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the Committee and its members have carried out their duties in accordance with this terms of reference.

1.4 Chairman

- 1.4.1 The Chairman of the Audit Committee shall be an Independent Non-Executive Director and shall be appointed by the Board.
- 1.4.2 In the absence of the Chairman of the Audit Committee, the other members of the Committee shall amongst themselves elect a Chairman who must be an Independent Non-Executive Director to chair the meeting.

1.5 Secretary

The Company Secretary or other appropriate senior management shall be the Secretary of the Audit Committee. He/She shall record the attendance of all members and invitees and take minutes to record the proceedings of every meeting of the Audit Committee. All minutes of meetings shall be circulated to every member of the Committee and the Board.

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1.6 Authority

The Audit Committee is authorised by the Board, in accordance with the procedures to be determined by the Board (if any) and at the cost of the Company, to: -

- 1.6.1 enquire/ investigate any matter within the Audit Committee's terms of reference;
- 1.6.2 have resources that reasonably required to enable it to perform its duties;
- 1.6.3 have full and unrestricted access to any information which is required to perform its duties as well as to the internal and external auditors and management of the Group pertaining to the Company or the Group;
- 1.6.4 have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
- 1.6.5 obtain independent professional or other advice as necessary and invite persons with relevant experience to attend its meeting; and
- 1.6.6 convene meetings with the external auditors, internal auditors or both, excluding the attendance of the other directors and employees of the Company, whenever deemed necessary.

1.7 Roles and Responsibilities

The principal roles and responsibilities of the Audit Committee shall be, amongst others, to review the following and report the same to the Board: -

1.7.1 External Auditors

- (i) with the external auditors, the nature and scope of the audit and the audit plan;
- (ii) with the external auditors, their evaluation of the system of internal controls;
- (iii) with the external auditors, their management letter and the management's response;

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- (iv) with the external auditors, their audit report;
- (v) the assistance given by the employees to the external auditors;
- (vi) recommendation, evaluation, assessment and monitoring on the suitability, independence, nomination, appointment, replacement or re-appointment of the external auditors and their audit fees (audit and non-audit) as well as matters pertaining to resignation or dismissal or change of the external auditors; and
- (vii) the determination of the scope and fee (audit and non-audit) of the external audit and ensures that the audit is comprehensive.

1.7.2 Financial Reporting

- (i) Review the quarterly results and year-end financial statements, prior to the approval by the Board, focusing particularly on: -
 - a. any changes in or implementation of major accounting policy and practices changes;
 - b. significant adjustments arising from the audit;
 - c. significant and unusual events;
 - d. the going concern assumption; and
 - e. compliance with accounting standards and other legal requirements;
- (ii) Review and provide advice on whether the financial statements are taken as a whole provide a true and fair view of the Company's financial position and performance.
- (iii) Ask probing questions to ascertain whether the financial statements are consistent with the operation and other information is known, where there are significant matters requiring judgement.

1.7.3 Overseeing the Internal Audit Function

- (i) The Audit Committee shall establish an internal audit function which is independent of the activities it audits.

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- (ii) The internal auditors shall report directly to the Audit Committee and shall have direct access to the Chairman of the Audit Committee.
- (iii) All proposals by Management regarding the appointment, transfer or dismissal of the internal auditors shall require the prior approval of the Audit Committee.
- (iv) To review the following and report the same to the Board: -
 - a. the determination of the internal audit plan and review of the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - b. the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - c. review the appraisal or assessment of the performance of the internal audit function on an annual basis; and
 - d. review any special audit that the Committee deems necessary.

1.7.4 Related Party Transactions (“RPT”) and Recurrent RPT (“RRPT”)

Monitor, review and report to the Board any RPT, RRPT and conflict of interest situation that may arise within the Company or Group, including any transaction, procedures or course of conduct that raises the question on management integrity.

1.7.5 Others

Carry out any other functions that may be mutually agreed upon by the Committee and the Board.

1.8 Quorum for Meetings

The quorum of the meeting shall be two (2) members present, both of whom shall be Independent Directors.

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1.9 Attendance at Meetings

The Group Chief Executive Officer, Group Chief Financial Officer and the Head of Finance shall normally attend meetings together with the Audit Committee. Other Board members, employees, internal and external auditors may attend any particular meeting at the Audit Committee's invitation, specific to the relevant meeting. However, at least twice a year the Audit Committee shall meet with the external auditors without any Executive Directors, Management or employees present.

1.10 Frequency of Meetings

The Chairman shall call for meetings to be held not less than four (4) times a year. The Chairman may request for additional meetings if he consider it necessary.

1.11 Proceedings of Meetings

- 1.11.1 A member may at any time and the Secretary shall on the requisition of a member summon a meeting of the Audit Committee by giving the members at least five (5) business days' notice thereof unless such requirement is waived.
- 1.11.2 A resolution put to vote shall be decided by a majority of votes of the members present, each member having one vote.
- 1.11.3 The members of the Audit Committee may participate in a meeting by means of conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.
- 1.11.4 A resolution in writing signed and approved by a majority of the Audit Committee and who are sufficient to form a quorum shall be as valid and effective as if it had been passed at a meeting of the Audit Committee duly called and constituted.
- 1.11.5 The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by facsimile or other electrical or digital written messages, which include a signature of the said Committee member.

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- 1.11.6 A member of the Audit Committee who has an interest or is involved directly or indirectly in any matter under consideration by the meeting, shall abstain from deliberating and voting.

1.12 Minutes

- 1.12.1 The Company shall cause minutes of all proceedings of the Audit Committee meeting to be entered in books for that purpose. Minutes of each meeting shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 1.12.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any Committee member or Board member if required.
- 1.12.3 The minutes of each Committee meeting shall be distributed to the Board members for notation.

1.13 Reporting Procedures

- 1.13.1 The Audit Committee shall prepare an annual report to the Board as established by Paragraph 15.15 of the Listing Requirements for inclusion in the Company's annual report.
- 1.13.2 The Audit Committee shall assist the Board in reviewing the following for publication in the Company's annual report:-
- a. Statement on Corporate Governance pursuant to Paragraph 15.25 of the Listing Requirements;
 - b. Statement on the Board's responsibility for preparing the annual audited financial statements; and
 - c. Statement about the state of internal control of the Group.
- 1.13.3 The Audit Committee may report any breaches of the Listing Requirements, which have not been satisfactorily resolved, to the Bursa Securities.
- 1.13.4 The Committee, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each Committee meeting. When presenting any recommendations to the Board for approval, the Committee will provide such background and

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supporting information as may be necessary for the Board to make an informed decision.

1.14 Policies and Guidelines

- 1.14.1 The Audit Committee is responsible for making recommendations to the Board on the appointment, removal and remuneration of the External Auditors.
- 1.14.2 The Audit Committee has established a Policy on External Auditors which regulates the appointments, removal, remuneration and re-appointment of external audit firm as recommended by the Malaysian Code on Corporate Governance (“**MCCG**”).

The Policy regarding the External Audit that setting out the guidelines of appointment, removal, remuneration and re-appointment of External Auditors are set out in ***Appendix 1 of the Terms of Reference***.

1.15 Review of the Written Terms of Reference

Any amendments to this terms of reference to be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Committee’s responsibilities.

1.16 Published on the Website

The written terms of reference will be made to the public on the Company’s website.

Policy on External Auditors (as referred to in Section 1.14 of Audit Committee Terms of Reference)

1. INTRODUCTION

- 1.1 The Board of Directors including the Audit Committee of the Company is dedicated in ensuring the suitability, fairness and independence as well as the good performance of the external auditors. Therefore, in accordance with its terms of reference, the Audit Committee has set up the guidelines and procedures to be undertaken by the Audit Committee in discharging this responsibility.
- 1.2 The objective of the Policy on External Auditors (“this Policy”) is to outline guidelines and procedures for the Audit Committee to assess and monitor the external auditors in order to preserve the integrity and credibility of the external audit process.

2. APPOINTMENT AND REMOVAL OF EXTERNAL AUDITORS

- 2.1 Section 271 of the Companies Act 2016 provides that the Company shall at each annual general meeting appoint or re-appoint External Auditors, and the External Auditors so appointed or reappointed shall hold office until the conclusion of the next annual general meeting.
- 2.2 The Audit Committee has been assigned with the responsibility of recommending the appointment, re-appointment, remuneration and removal of the external auditor for the consideration of the Board prior to being tabled as a resolution for the approval of shareholders at the AGM.
- 2.3 Shareholders shall at each AGM appoint the external auditor and the external auditor appointed shall hold office until the conclusion of next AGM of the Company. Shareholders are also permitted to remove the external auditor at any time.
 - 2.3.1 Assessment of external auditors

The Audit Committee’s proposal on the appointment of external auditor to the Board shall be based on a strict set of principles. Apart from the aspects of independence and objectivity, in the event that there is a need to fill a casual vacancy or should the Audit Committee determine a need to change External Auditors, the Committee shall follow the following procedures for the selection and appointment of External Auditors: -

- a. the firm’s reputation and presence in the industry;

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- b. the adequacy of the experience and resources of the external audit firm and the person assigned;
 - c. the external audit firm's audit engagements with the Company; and
 - d. the size and complexity of the subject matter being audited.
- 2.4 Every year, the Audit Committee shall review the re-appointment of the external auditors and determine whether there is reasonable reason to believe that the external auditors is not fit for re-appointment. If the external auditors are considered to be not fit, the Audit Committee should appoint a substitute external audit firms via a formal tender process and make recommendations to the Board.
- 2.5 In evaluating the quality of services rendered by the external auditors during the year under review, the Audit Committee may follow the following guidelines:
- 2.5.1 adequacy of audit scope;
 - 2.5.2 capability of the external audit firm to meet audit deadlines;
 - 2.5.3 timeliness in highlighting the audit issues to the audit committee;
 - 2.5.4 allocation of capitals to substantial audit risk parts; and
 - 2.5.5 efficiency of the external audit firm's suggestions in addressing weaknesses detected during prior audits, mainly on internal controls applicable to financial reporting process.
- 2.6 Remuneration of external auditors

The Board shall be authorised by the shareholders at the AGM to fix the remuneration of the external auditors with the recommendations of the Audit Committee. Remuneration shall include sums paid which are expenses and payment otherwise than cash.

The Audit Committee shall consider the industry standards when evaluating the remuneration that should be given to the external auditors. The Audit Committee shall guarantee that the remuneration given to the external auditors is equal with the scope of the audit, considering the required resources, skills and knowledge required to complete the external audit engagement, and the responsibilities of the external auditor.

The Group shall not enter into any contingent fee arrangement relating to the outcome of a transaction or the result of the services performed with the external auditor.

2.7 Independence of external auditors

The Audit Committee shall review the independence of the external auditors yearly. In ensuring the independence of external auditors, the Audit Committee shall obtain written declaration from the external auditors, confirming that the external auditors are, and has been, independent during the conduct of the audit engagement with the Company. The Audit Committee shall consider all relationships between the Company and the external audit firm in evaluating the independence of the external auditors.

2.8 Audit and Audit-related Services provided by the External Auditors

The audit and Audit-related services that may be provided by the External Auditors are as follows:

- 2.8.1 Issuing audit opinions on the Company's Financial Statements;
- 2.8.2 Review of the Company's interim financial statements;
- 2.8.3 Advice on accounting policies and financial reports;
- 2.8.4 Review of the Company's Financial Regulatory reports;
- 2.8.5 Forensic Audits; and
- 2.8.6 Audits, opinions and special reports on information provided by the Company upon request of a third party.

2.9 Non-Audit Work performed by External Auditors

The external auditors may not carry out any additional work for the Company which is not part of the audit program if it may affect their impartiality and independence. Prohibited services, that may not be provided by the External Auditors are:

- 2.9.1 External auditors cannot function in the role of Management;
- 2.9.2 External auditors cannot audit their own work;
- 2.9.3 External auditors cannot serve in an advocacy role of the Group; and
- 2.9.4 Any other services which the CMA or other regulatory bodies deem to be prohibited.

Further, the other technical and advisory works having an accounting nature may not be assigned to companies economically or legally interrelated with the external

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auditors, whether such interrelation is by way of common ownership or common directorship.

The level of non-audit work will be monitored by the Audit Committee on a regular basis, with a detailed analysis of fees, and review of the relationship with the auditors.

2.10 Appointment of former key audit partner

Key audit partners will not be offered employment or be appointed as a member of the Audit Committee by the Group before first observing the cooling off period of three (3) years.

2.11 Rotation of audit partner from the audit engagement

The Group recognises that there exists a threat to the External Auditors' independence if there was no limit to the number of consecutive years that key audit partners may serve in the same role in the annual audits of the Group's financial statements.

The By-Laws of the Malaysian Institute of Accountants ("MIA") sets out the maximum number of years key audit partners can serve in the same role, as well as the number of 'cooling-off' years.

The audit partner responsible for the external audit of the Group is subject to rotation at least every five (5) financial years.

3. ANNUAL REPORTING

The External Auditors shall issue an annual audit plan for review and discussion with the Committee.

The External Auditors shall also provide a management letter to the Committee upon completion of the annual audit.

4. REVIEW AND AMENDMENT

The Audit Committee will review and amend this Policy from time to time or as and when required, to ensure that it continues to remain relevant and appropriate. All revisions or amendments to this Policy shall be approved by the Board.

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

2 NOMINATION COMMITTEE

2.1 Objectives

The objectives of the Nomination Committee are as follows: -

- 2.1.1 To recommend to the Board, candidates for all directorships by shareholders or the Board. In making its recommendation, the Nomination Committee should consider the candidates': -
- a. skills, knowledge, expertise and experience;
 - b. professionalism;
 - c. integrity; and
 - d. in the case of candidates for the position of independent non-executive directors, the Nomination Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- 2.1.2 To consider, in making recommendations, candidates for directorships proposed by the Group Chief Executive Officer and within the bounds of practicability, by any other senior executive or any director or shareholder;
- 2.1.3 To recommend to the Board, directors to fill the seats on Board Committees; and
- 2.1.4 To assess directors on an on-going basis as to their contribution to the effective decision making of the Board.

2.2 Membership

The Nomination Committee shall be appointed by the Board from among their members and shall be composed exclusively of Non-Executive Directors of not fewer than three (3) members, of whom the majority shall be independent.

The appointment of a Nomination Committee member terminates when the member ceases to be a Director.

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2.3 Chairman

The members of the Nomination Committee shall elect a Chairman from among their members.

In the absent of the Chairman of the Nomination Committee, the other members of the Committee shall amongst themselves elect a Chairman to chair the meeting.

2.4 Secretary

The Company Secretary or other appropriate senior management shall be the Secretary of the Nomination Committee. He/She shall record the attendance of all members and invitees and take minutes to record the proceedings of every meeting of the Nomination Committee. All minutes of meetings shall be circulated to every member of the Committee and the Board.

2.5 Authority

In carrying out its duties and responsibilities, the Nomination Committee will in principle have full, free and unrestricted access to the Company's records, properties and personnel. The Nomination Committee may use the services of professional recruitment firms to source for the right candidate for directorship or seek independent professional advice at the Company's expense.

Minutes of the Nomination Committee meetings shall be extended to all the members of the Board. The Nomination Committee shall record its conclusion in discharging its duties and responsibilities.

2.6 Roles and Responsibilities

The principal roles and responsibilities of the Nomination Committee are set out below:-

2.6.1 annually review the mix of skills, experience and other qualities of directors, including core competencies which non-executive directors should bring to the Board.

2.6.2 implement a process to be carried out by the Nomination Committee annually for: -

- a. assessing the effectiveness of the Board as a whole;
- b. the Committees of the Board; and

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- c. the contribution of each individual director, including independent non-executive directors, as well as the Executive Chairman, Group Chief Executive Officer, and Group Chief Financial Officer. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions should be properly documented.

- 2.6.3 shall not have the delegated power from the Board to implement its recommendations but should be obliged to report its recommendations back to the full Board for its consideration and implementation.

- 2.6.4 assist the Board to review and assess the independence of all the independent directors annually.

- 2.6.5 recommend to the Board the re-election of Directors who retired by rotation pursuant to the Company's Constitution and re-appointment of Directors who retired pursuant to relevant sections of the Companies Act, 2016.

- 2.6.6 review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary.

- 2.6.7 assessing and recommending to the Board the candidate of directors, appointment of director to board committee, review of board's succession plans and training programmes for the Board.

- 2.6.8 facilitate Board induction programme for newly appointed directors and training programmes for the Board members.

- 2.6.9 produce a report/statement for inclusion in the Company's annual report about its activities in the discharge of its duties for the financial year.

- 2.6.10 Review annually the term of office, effectiveness and performance of the Audit Committee and each of its members to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

- 2.6.11 perform such other functions assigned by the law/authorities, the Company's bylaws or the Board.

- 2.6.12 Fit and Proper Assessment

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To conduct the fit and proper assessment prior to the appointment of any candidates as a Director or making recommendation for the re-election of an existing Director at Annual General Meeting of the Company and its subsidiaries.

2.7 Quorum for Meetings

The quorum of the meeting shall be two (2) members present.

The members of the Nomination Committee may participate in a meeting by means of conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

2.8 Frequency of Meetings

The Nomination Committee shall meet at least once a year. However, additional meetings may be called at any time at the Nomination Committee Chairman's discretion.

2.9 Proceedings of Meetings

A member may at any time and the Secretary shall on the requisition of a member summon a meeting of the Nomination Committee by giving the members at least five (5) business days' notice thereof unless such requirement is waived.

The members of the Nomination Committee may participate in a meeting by means of conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

All decisions shall be decided on a show of hands by a majority of votes.

A resolution in writing signed and approved by a majority of the Nomination Committee and who is sufficient to form a quorum shall be as valid and effective as if it had been passed at a meeting of the Nomination Committee duly called and constituted.

The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said

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Committee member.

2.10 Minutes

- 2.10.1 The Company shall cause minutes of all proceedings of the Committee meeting to be entered in books for that purpose. Minutes of each meeting shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 2.10.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any Committee member or Board member if required.
- 2.10.3 The minutes of each Committee meeting shall be distributed to the Board members for notation.

2.11 Policies and Guidelines

The Nomination Committee is responsible for ensuring the appropriate Board balance in size, gender diversity and that the Board has a required mix of responsibilities, skills and experience. An annual review of the mix of skills, experience and other core competencies of the Board and Senior Management shall be made by the Nomination Committee.

The Nomination Committee has established a board diversity policy which regulates the appointments of the Board as reflected in the current composition of the Board as recommended by the MCCG.

The Policy regarding the Board Diversity that setting out the composition of the Board are set out in ***Appendix 2 of the Term of Reference***.

2.12 Review of Written Terms of Reference

Any amendments to this terms of reference to be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Committee's responsibilities.

2.13 Published on the Website

The written terms of reference will be made to public on the Company's website.

Board and Senior Management Diversity Policy (As Referred to In Section 2.11 of the Nomination Committee Term of Reference)

1. INTRODUCTION

1.1 Practice 5.5 and 5.10 of the MCCG recommends that the Board and senior management to establish a policy regulating the Company's approach to Board and Senior Management diversity. The Nomination Committee of the Company therefore has introduced an approach to gender diversity that shall comprises a few aspects such as skills, knowledge, professional experience, age, cultural background and gender.

2. OBJECTIVES

The Board and Senior Management Diversity Policy ("Policy") has set out certain guidelines for the Group to adhere:

- 2.1 a diverse and skilled workforce, leading to continuous development in achieving corporate goals;
- 2.2 improved employment and career growth opportunities for women;
- 2.3 a workplace environment that values the contributions of employees with various backgrounds, experiences and viewpoints through improved awareness of the benefits of workforce diversity and effective management of diversity; and
- 2.4 awareness in all employees of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

3. RESPONSIBILITIES

3.1 The Board and Senior Management's commitment

The Board and Senior Management are committed to ensure a workplace diversity, with a certain emphasis in supporting the representation of women in the composition of the Board as well as the management. The Board, assisted by its Nomination Committee and management, is responsible in developing approaches to meet the objectives of the Policy, and monitoring the progress of achieving the objectives.

3.2 Strategies

The Policy include:

- 3.2.1 recruiting from a diverse pool of female candidates;

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- 3.2.2 revising succession plans to guarantee a proper focus on gender diversity;
- 3.2.3 identifying specific issues to take into account the recruitment and selection procedures to encourage vast diversity; and
- 3.2.4 any other strategies the Board and Nomination Committee may develop from time to time.

4. MEASURES

4.1 To pursue the objectives of gender diversity, the Board and Senior Management would take into deliberation the following measures:

- 4.1.1 To promote gender diversity in Board and Senior Management recruitment, performance evaluation and succession planning processes;
- 4.1.2 The Nomination Committee will shortlist the potential candidate based on the following criteria: -

a. Skills, knowledge, expertise and experience

The Board and Senior Management possesses a balance of skills appropriate for the requirements of the business of the Company. The Board and Senior Management would have a mix of finance, business, investment and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, government, banking, and investment.

b. Age

The Company acknowledges the benefits of having a diversity in the boardroom and management in terms of age demographics, which would create professional environments that are rich with experience and maturity as well as youthful enthusiasm. The Board and senior management with a wide range of age has the advantage of creating an effective, multi-generational workforce with a diverse range of skill sets that are advantageous to the Company.

c. Gender

The Board and Senior Management also take into account of the recommendation of the MCCG to have at least 30% women as decision makers in corporate sector. The NC will take the

necessary measures to attract women participation on the Board as well as Senior Management's position.

d. Independence

The Board includes a balanced composition of Executive, Non-Executive Directors and Independent Non-Executive Directors so that there is a strong element of independence in the Board. In the case of the candidates for the position of Independent Non-Executive Directors, the Nomination Committee would also assess the candidates' ability to discharge such responsibilities/functions as expected as Independent Non-Executive Directors. As for the Senior Management, the Nomination Committee will ensure that the candidates for senior management position are of calibre, credibility, and have the necessary skill and experience to bring an independent judgment to bear on the issues of strategy, performance and resources, including key appointments and standards of conduct.

4.1.3 The Company shall adopt a discrimination in order to attract and retain women involvement on the Board and Senior Management level; and

4.1.4 To evade discrepancy and ineffective appointment of the female Directors and Senior Management, the Company does not set any specific target for female Directors and managers in the Policy and will actively work towards having more female Directors and managers in the Company.

5. MONITORING AND EVALUATION

5.1 The Board, through Nomination Committee, shall continue to monitor the scope and applicability of this policy, from time to time. The Board and the Management shall be responsible for implementing, monitoring and reporting on the progress of achieving the objectives.

5.2 Pursuant to the Term of Reference of the Nomination Committee, the Nomination Committee is responsible:

5.2.1 to develop a policy formalizing its approach on diversity obligations;

5.2.2 to develop, review and recommend to the Board the Policy on Board and Senior Management Composition, having regard to the mix of skills, knowledge, experience, expertise, independence and diversity (including gender, ethnicity and age) and other qualities required to facilitate effective and efficient functioning of the Company, including core competencies which Non-Executive Directors should bring to the Board, and to annually review the above; and

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5.2.3 to evaluate that prior to new Board and Senior Management appointments, a full assessment on the candidates is undertaken to assess the necessary and desirable competencies of Directors and management so that an appropriate balance of skills, experience, expertise and diversity is maintained, and that the Board and management are able to discharge its responsibilities effectively.

5.3 The Nomination Committee will report to the Board on:

5.3.1 initiatives undertaken by the Board and the Company in relation to Board and Senior Management Diversity and to achieve the objectives;

5.3.2 progress in achieving the objectives; and

5.3.3 make recommendations to the Board regarding the objectives. The Board will ensure that appropriate disclosures are made in the Annual Report regarding Board and Senior Management Diversity.

6. REPORTING

6.1 The Board will ensure that appropriate disclosures are made in the Annual Report regarding Board and Senior Management diversity.

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

3 REMUNERATION COMMITTEE

3.1 Objective

The primary objective of the Remuneration Committee is to recommend to the Board the remuneration of the Executive Directors in all its forms, drawing from outside advice as necessary.

3.2 Membership

The Remuneration Committee shall be appointed by the Board from among their members and composed wholly or mainly Non-Executive Directors of not fewer than three (3) members.

3.3 Chairman

The members of the Committee shall elect a Chairman from among their members.

In the absent of the Chairman of the Remuneration Committee, the other members of the Committee shall amongst themselves elect a Chairman to chair the meeting.

3.4 Secretary

The Company Secretary or other appropriate senior management shall be the Secretary of the Remuneration Committee. He/She shall record the attendance of all members and invitees and take minutes to record the proceedings of every meeting of the Remuneration Committee. All minutes of meetings shall be circulated to every member of the Committee and the Board.

3.5 Authority

The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to all information and documents within the Group to perform its duties;
- (c) obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary; and

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

- (d) seek input from Management on remuneration policies, but no individual should be directly involved in deciding their own remuneration.

3.6 Roles and Responsibilities

The principal roles and responsibilities of the Remuneration Committee are set out below:-

- 3.6.1 Determining and recommending to the Board, the general remuneration policy for directors and key executives.
- 3.6.2 Ensure the directors and key executives are fairly remunerated or rewarded for their contributions or individual level of responsibilities.
- 3.6.3 Communicate with shareholders on executive remuneration.
- 3.6.4 Determining and recommending to the Board the employee remuneration and benefit throughout the Group.
- 3.6.5 Perform such other functions assigned by the law/authorities, the Company's bylaws or the Board.

3.7 Quorum for Meetings

The quorum of the meeting shall be two (2) members present.

The members of the Remuneration Committee may participate in a meeting by means of a conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

3.8 Frequency of Meetings

The Committee shall meet at least once (1) a year. However, additional meetings may be called at any time at the Remuneration Committee Chairman's discretion.

3.9 Proceedings of Meetings

A member may at any time and the Secretary shall on the requisition of a member summon a meeting of the Remuneration Committee by giving the members at least five (5) business days' notice thereof unless such requirement is waived.

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

The members of the Remuneration Committee may participate in a meeting by means of conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

All decisions shall be decided on a show of hands by a majority of votes.

A resolution in writing signed and approved by a majority of the Remuneration Committee and who is sufficient to form a quorum shall be as valid and effective as if it had been passed at a meeting of the Remuneration Committee duly called and constituted.

The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said Committee member.

3.10 Minutes

- 3.10.1 The Company shall cause minutes of all proceedings of the Committee meeting to be entered in books for that purpose. Minutes of each meeting signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 3.10.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any Committee member or Board member if required.
- 3.10.3 The minutes of each Committee meeting shall be distributed to the Board members for notation.

3.11 Policies and Guidelines

The overall assignments of the Remuneration Committee in respect of the supervision of the Company's policies are to:-

- 3.11.1 Make recommendations to the Board of Directors for a clear and transparent remuneration policy, which shall be in accordance with the requirements set out in the Malaysian Code on Corporate Governance.

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

- 3.11.2 Continuously review the remuneration of the members of the Board of Directors and the Executive Management to confirm that such remuneration is in accordance with the Company's remuneration policy and is consistent with the performance of the relevant member;
- 3.11.3 Annually review and, if relevant, make recommendations for amendment of the remuneration policy for the members of the Board of Directors and the Executive Management; and
- 3.11.4 Annually review and, if relevant, make recommendations for amendment of the general incentive framework for all other employees in the organisation.

The Remuneration Policy and Procedures for Directors and Senior Management setting out the matters relevant to the remuneration of the Directors and senior management are set out in **Appendix 3** of the Terms of Reference.

3.12 Review of the Written Terms of Reference

Any amendments to this terms of reference to be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Committee's responsibilities.

3.13 Published on the Website

The written terms of reference will be made to the public on the Company's website.

Remuneration Policy and Procedures for Directors and Senior Management (As Referred to In Section 3.11 of the Remuneration Committee Term of Reference)

1. INTRODUCTION

1.1 Purpose

- 1.1.1 This Remuneration Policy and Procedures is the guiding document (“Policy”) for the Board and the Remuneration Committee the Company to determine the remuneration of Directors and Senior Management, taking into account the demands, complexities and performance of the Company as well as skills and experience required.
- 1.1.2 Practice 7.1 of the MCCG stipulates that the Board should have policies and procedures to determine the remuneration of and Senior Management, which takes into account the demands, complexities and performance of the Company as well as skills and experience required.
- 1.1.3 In addition, Guidance 7.1 of the MCCG stipulates that fair remuneration is important in order to attract, retain and motivate Directors and Senior Management. The remuneration package should take into account the complexity of the Company’s business and the individual’s responsibilities. The remuneration should also be aligned with the business strategy and long-term objectives of the Company.
- 1.1.4 This Policy to establish a formal and transparent procedure for developing the Company’s policy and structure for the remuneration of all Directors and Senior Management, such that the remuneration packages offered by the Group can be competitive, adequate and in line with current market practices to attract, retain, motivate and reward our Directors and Senior Management, thereby having sufficient, experienced and competent manpower on board to achieve the Company’s corporate goals and objectives. With this Policy, the Company shall assure internal and external equity and long-term value for our shareholders.
- 1.1.5 Decisions on remuneration process shall take into consideration the market practices, demand for personnel with specific qualification, skills, experience and evaluation of performance.

1.2 Scope and application

- 1.2.1 This Policy should be read together with the relevant provisions provided in the following legislations:
 - a. Companies Act 2016;

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- b. Capital Markets and Services Act 2007 (Amendment 2012); and
- c. Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

1.2.2 Where there is a conflict between the contents of this Policy and the aforementioned legislations, the relevant enumerations contained in the said legislations shall prevail.

1.2.3 This Policy is also developed in alignment with the MCCG.

2. APPLICABILITY OF THIS POLICY

2.1 Executive Directors and Non-Executive Directors; and

2.2 Senior Management

3. REMUNERATION COMPONENTS

3.1 For Executive Director, the remuneration is made up of salary, bonus and fringe benefits.

3.1.1 The salary is determined according to: -

- a. The scope of the duties and responsibilities;
- b. The skills and experiences required;
- c. The overall performance of the Company and the Group tracked against the annual plan;
- d. Corporate and individual performance; and
- e. Current market rate within the industry and general economic situation.

3.1.2 The bonus is granted to reflect the Executive Directors' performance as well as the Company's results. A discretionary assessment is made to ensure that all factors which include measurable and not directly measurable are considered.

3.1.3 The Company may provide competitive benefits to Executive Director, such as allowance, fuel expenses, group hospitalisation insurance, private medical insurance, and any other short-term and/or long-term incentive plans.

3.1.4 The Executive Director concerned plays no part in the decision of their own remuneration but may attend the Committee meetings at the invitation of the Chairman of the Remuneration Committee, if their presence is required.

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3.2 Remuneration for Non-Executive Director

- 3.2.1 The Non-Executive Director receives remuneration through monthly fixed fees and attendance fee for Board of Directors' Meeting. The remunerations of the Non-Executive Director are reviewed by the Remuneration Committee annually.
- 3.2.2 Based on recommendations from the Remuneration Committee, the Board shall review and recommend all Non-Executive Directors' remunerations to shareholders for approval at a General Meeting. The Non-Executive Director is not entitled to receive performance-based bonuses or participate in short-term and/or long-term incentive plans, except in pursuant to a resolution passed at a General Meeting.
- 3.2.3 The Non-Executive Directors' remunerations are recommended by the Board as a whole and subject to shareholders' approval, with the individual Non-Executive Director abstaining from discussion and voting in respect of his own remuneration at Board level.

3.3 Remuneration for Senior Management

- 3.3.1 The remuneration of Senior Management is made up of salary, bonus, allowance and other benefits in the form of short-term and/or long-term incentive plans as determined by the Board.
- 3.3.2 The Remuneration Committee is responsible to implement the policies and procedures on remuneration for Senior Management. The Remuneration Committee may obtain professional advice and any other information necessary in determining the remuneration framework before recommending to the Board for approval.
- 3.3.3 The Board is guided by the Remuneration Committee in determining remuneration packages for Senior Management which is based on individual's performance during the year measured against the corporate objectives.
- 3.3.4 The Senior Management plays no part in deciding their own remuneration and the Directors concerned shall abstain from all discussion pertaining to their remuneration.

4. MEASURABLE OBJECTIVES

- 4.1 The Remuneration Committee shall conduct a review on an annual basis of the criteria to be used in recommending the remuneration packages for Executive Director and Non-Executive Director and recommend them to the Board for adoption.

- 4.2 The Remuneration Committee shall communicate the new changes or amendments of the criteria to the Board and individual Directors. The Board may suggest any recommendations in order to improve one or more aspects of the remuneration packages accordingly. In view of this, the Board may seek professional advice from outside sources to assist the Board in constructing an attractive compensation and benefits package that aims to attract, retain and motivate talents.

5. MONITORING AND DISCLOSURE

- 5.1 Disclosure of Directors' remuneration shall be made in the Company's annual report. Such report shall include details of the Directors' remuneration in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad and the MCGG.

6. REVIEW OF THE POLICY

- 6.1 The Company through the Remuneration Committee shall review and, if necessary, further develop this Policy to ensure that the Policy is in line with the current market practices and the requirements of the MCGG. Any necessity for amendment shall be considered by the Remuneration Committee and any recommendation for amendments shall be presented to the Board for approval.

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

4 RISK MANAGEMENT COMMITTEE

4.1 Objectives

- 4.1.1 To focus on risk management of the Group by identifying, analysing, evaluating, mitigating and monitoring the principal risks to safeguard shareholders' investment.
- 4.1.2 The duties and responsibilities of the Committee members are in addition to the Board members. The deliberations of the Committee do not reduce or lessen the individual and collective responsibilities of the Board members in regard to their fiduciary duties and responsibilities. The Board members must continue to exercise due care and judgment in accordance with their statutory obligations.

4.2 Membership

- 4.2.1 The Risk Management Committee may upon recommendation of the Nomination and Remuneration Committee and Board's approval, appoint any of Risk Management Committee members as members of the Risk Management Committee
- 4.2.2 The Risk Management Committee must be composed of no fewer than three (3) members including the Chairman and at least one (1) of whom shall preferably have relevant industrial knowledge.
- 4.2.3 Members of the Risk Management Committee shall possess sound judgment, objectivity, independent attitude, management experience, professionalism, integrity and knowledge of the industry.

4.3 Chairman

- 4.3.1 The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-Executive Director.
- 4.3.2 In the absent of the Chairman of the Risk Management Committee, the other members of the Committee shall amongst themselves elect a Chairman to chair the meeting.

4.4 Secretary

The Company Secretary or other appropriate senior management shall be the Secretary of the Risk Management Committee. He/She shall record the

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

attendance of all members and invitees and take minutes to record the proceedings of every meeting of the Risk Management Committee. All minutes of meetings shall be circulated to every member of the Committee and the Board.

4.5 Authority

The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to all information and documents within the Group to perform its duties; and
- (c) obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary.

4.6 Role

The Risk Management Committee will not assume the functions of Management, which remain the responsibility of the Executive Directors, officers, and other members of the Senior Management. The role of the Risk Management Committee is to assist the Board in ensuring that the Company has in place sound and robust risk management framework and such framework has been effectively implemented to enhance the Company's ability to achieve its strategic objectives.

4.7 Duties and Responsibilities

- 4.7.1 The Committee shall perform all the functions as necessary to fulfil its role as aforesaid and include the following:-
 - (a) Oversee the development and review of a policy for risk management to recommend for approval to the Board;
 - (b) Oversee the development and review of risk plan for risk management;
 - (c) Review, deliberate, report and provide recommendation to the Board concerning principal risks monitoring, ensure proper mitigation is in place and risk scanning is performed to increase the possibility of anticipating unpredictable risks;

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- (d) Make recommendations to the Board concerning the risk appetite and levels of tolerance and monitoring those risks are managed within the levels of tolerance as approved by the Board;
- (e) To assist Board to deliberate risk assessment for high impact business matters including but not limited to: -
 - i. Merger and acquisition, divestment and joint-venture proposals in local and overseas;
 - ii. Funding-related decisions e.g. borrowings and equity decisions (financing);
 - iii. Commercial transactions with cross jurisdiction, high complexity and foreign exchange exposures;
 - iv. Country-related decisions including setting up of new legal entities or representative offices (entry or exit management);
 - v. Compliance to regulations in areas where the Company operates;
 - vi. Key capital projects; and
 - vii. New business venture.
- (f) Oversee the effectiveness of Crisis Management, Business Continuity Management and Assurance;
- (g) Ensure that Management considers and implements appropriate risk responses;
- (h) Liaise closely with the Audit Committee to exchange information relevant to risk;
- (i) Express the opinion to the Board on the effectiveness of the system and process of risk management;
- (j) Review reporting concerning risk management that is to be included in the integrated report for it being timely, comprehensive and relevant;

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

- (k) Provide report to the Board with reasonable details of its activities on each proceeding of meeting; and
- (l) To review the Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company, and recommend for approval by the Board.

4.8 Position Descriptions and Roles of Chairman and Members of Committee

4.8.1 The following are the main roles of the Risk Management Committee Chairman. These are not exhaustive and serve merely as guidelines:-

- a. Assists the Risk Management Committee fulfil the goals it sets by assigning specific tasks to members of the Risk Management Committee and identifies guidelines for the conduct of the members and ensure that each member is making a significant contribution.
- b. Looks to the relevant parties for guidance to the Risk Management Committee on what their responsibilities are under the rules and regulations to which they are subject to and how those responsibilities should be discharged.
- c. Provides leadership to the Risk Management Committee and ensures proper flow of information to the Risk Management Committee, reviewing adequacy and timing of documentation.
- d. Secures good corporate governance and ensures that members look beyond their Risk Management Committee function and accept their full share of responsibilities of governance materials in support of management's proposal.
- e. Manages the processes and working of the Risk Management Committee and for ensuring that the Risk Management Committee discharges their responsibilities.
- f. Ensures that every Risk Management Committee resolution is put to a vote to ensure that it is the will of the majority that prevails. However where possible, a consensus would be preferred.
- g. Should engage on a continuous basis with the Senior Management members, such as the Group Executive Officer, the Group Chief Financial Officer and relevant key principal

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

officers as well as the external auditors in order to be kept informed of matters affecting the Company.

- 4.8.2 Each Risk Management Committee member is expected to:-
- a. Provide individual independent opinions to the fact-finding, analysis and decision-making process of the Risk Management Committee, based on their experience and knowledge.
 - b. Consider viewpoints from the other Risk Management Committee members, make decisions and recommendation for the best interest of the Board collectively.
 - c. Keep abreast of the latest corporate governance guidelines in relation to the Risk Management Committee and the Board as a whole.
 - d. Continuously seek out Best Practice in terms of the processes utilised by the Risk Management Committee, following which these should be discussed with the rest of the Risk Management Committee for possible adoption.

4.9 Structure of Risk Management Committee Meetings

- 4.9.1 The Risk Management Committee shall meet at least once a year preceding Board meetings where relevant or such additional meetings as decided by the Chairman.
- 4.9.2 For effective deliberation and decision-making, the agenda for discussion at the Risk Management Committee meetings will be in the following order:-

Agenda 1	Consent Agenda: - Disclosure of Interests - Confirmation of Minutes and Matters Arising Thereof
Agenda 2	Corporate Risk Profile Monitoring Updates
Agenda 3	Risk Appetite Monitoring Updates
Agenda 4	Risk Assessment and Opportunities of Business Matters
Agenda 5	Statement of Risk and Internal Control (specific on risk)
Agenda 6	Any Other Business

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

4.9.3 The Group Chief Executive Officer, Group Chief Financial Officer and Head of Risk Management shall attend meetings based on invitation.

4.9.4 Other Directors and employees may attend any particular meeting at the Risk Management Committee's invitation, specific to the relevant meeting.

4.10 Quorum of Meetings

A quorum shall be two (2) members, at least one (1) being Independent Director.

4.11 Proceedings of Meetings

A member may at any time and the Secretary shall on the requisition of a member summon a meeting of the Remuneration Committee by giving the members at least five (5) business days' notice thereof unless such requirement is waived.

The members of the Risk Management Committee may participate in a meeting by means of conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

All decisions shall be decided on a show of hands by a majority of votes.

A resolution in writing signed and approved by a majority of the Risk Management Committee and who are sufficient to form a quorum shall be as valid and effective as if it had been passed at a meeting of the Risk Management Committee duly called and constituted.

The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said Committee member.

4.12 Minutes

4.12.1 The Company shall cause minutes of all proceedings of the Committee meeting to be entered in books for that purpose. Minutes of each meeting signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

- 4.12.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any Committee member or Board member if required.
- 4.12.3 The minutes of each Committee meeting shall be distributed to the Board members for notation.

4.13 Meeting Materials

- 4.13.1 Meeting Materials are to be approved by Group Chief Executive Officer prior to their tabling at the meeting.
- 4.13.2 Management of the Company will determine the appropriateness and category of papers for approval, discussion or information of Risk Management Committee and to consult the Risk Management Committee Chairman on the same.
- 4.13.3 Company Secretary shall issue notice of each meeting confirming the venue or broadcast venue, time and date to Risk Management Committee members at sufficient time before the date of the meeting.
- 4.13.4 Company Secretary shall distribute the approved meeting materials to Risk Management Committee members, at the request of the management, together with an agenda of items to be discussed by giving the members at least five (5) business days thereof unless such requirement is waived.

4.14 Confidentiality

- 4.14.1 All papers, resolutions, minutes and deliberations of the Risk Management Committee are strictly and highly confidential. Company Secretary may prepare extract of Minutes to facilitate response on action items where necessary.

4.15 Review of the Written Terms of Reference

Any amendments to this terms of reference to be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Committee's responsibilities.

4.16 Published on the Website

The written terms of reference will be made to public on the Company's website.

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

5 INVESTMENT COMMITTEE

5.1 Objectives

The purpose of the Committee is to review, monitor and recommend to the Board significant matters related to all existing and potential investments of the Group, in line with the Company's prevailing Group's Limit of Authorities ("**Group LOA**").

5.2 Membership

5.2.1 The Investment Committee members shall be appointed by the Board from among their members and not fewer than three (3) members.

5.2.2 The appointment of an Investment Committee member terminates when the member ceases to be a Director.

5.2.3 All members shall possess the following skills and knowledge:-

- a. financial literacy to read, analyse and interpret financials to understand the impact of investment towards the Group's financial performance and position;
- b. corporate finance to understand the various financial models and structure to finance the Group's capital requirements; and
- c. knowledge on the markets and industries in which the Company's businesses operate and appreciation of risk and governance would be an added advantage.

5.3 Chairman

5.3.1 The members of the Investment Committee shall elect a Chairman from among their members.

5.3.2 In the absent of the Chairman of the Investment Committee, the other members of the Committee shall amongst themselves elect a Chairman to chair the meeting.

5.3.3 The Chairman of the Investment Committee shall provide leadership and steer the Committee through its decision-making process.

5.3.4 The Chairman shall ensure that sufficient time is dedicated to discussion of pertinent matters at each meeting and a consensus is

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

reached for the decisions made at the meeting. Dissenting views are to be recorded in the meeting minutes.

- 5.3.5 The Chairman shall invite Management, Independent Advisors and/or external parties (e.g. consultants/professionals) as required, to provide clarification/detailed explanations on issues that fall within the scope of functions and responsibility of the Committee.

5.4 Secretary

The Company Secretary or other appropriate senior management shall be the Secretary of the Investment Committee. He/She shall record the attendance of all members and invitees and take minutes to record the proceedings of every meeting of the Investment Committee. All minutes of meetings shall be circulated to every member of the Committee and the Board.

5.5 Authority

The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to all information and documents within the Group to perform its duties; and
- (c) obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary.

5.6 Roles and Responsibilities

Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board. The Investment Committee shall:-

- 5.6.1 review the Group's Strategic Plan developed by the Management in its effort to enhance shareholders' value;
- 5.6.2 oversee the execution of the approved the Group's Strategic Plan comprising of strategy implementation, progress tracking and performance evaluation against the approved the Group's Strategic Plan;

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- 5.6.3 review the Group's Strategic Plan pertaining to investments and divestment activities;
- 5.6.4 review progress of due diligence and implementation of the potential investments/divestments;
- 5.6.5 review and decide the long-term investment strategy to meet the investment objectives;
- 5.6.6 select investment advisor(s);
- 5.6.7 recommend to the Board the appointment or termination of investment advisor(s) where appropriate;
- 5.6.8 decide the terms of the appointment of investment advisor(s); including level of portfolio management discretion, dealing arrangements, and fees; and
- 5.6.9 set and review with the investment advisor(s) suitable investment mandates ensuring uniformity with the long-term investment strategy.

5.7 Quorum for Meetings

The quorum of meeting shall be two (2) members present.

5.8 Frequency of Meetings

The Investment Committee shall have at least one (1) meeting per year. Nevertheless, additional meetings may be called at any time at the Chairman's discretion.

5.9 Proceedings of Meetings

- 5.9.1 A member may at any time and the Secretary shall on the requisition of a member summon a meeting of the Investment Committee by giving the members at least five (5) business days' notice thereof unless such requirement is waived.
- 5.9.2 The members of the Investment Committee may participate in a meeting by means of conference call, conference video call or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

- 5.9.3 Proper notice shall be issued for the Committee meeting and the Chairman shall ensure that proper agenda is prepared for the Committee meeting.
- 5.9.4 The agenda and relevant papers for the Committee meeting must be circulated at least five (5) business days prior to each Committee meeting unless such requirement is waived.
- 5.9.5 All decisions shall be decided on a show of hands by a majority of votes.
- 5.9.6 A resolution in writing signed and approved by a majority of the Investment Committee and who are sufficient to form a quorum shall be as valid and effective as if it had been passed at a meeting of the Investment Committee duly called and constituted.
- 5.9.7 The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said Committee member.

5.10 Minutes

- 5.10.1 The Company shall cause minutes of all proceedings of the Committee meeting to be entered in books for that purpose. Minutes of each meeting signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 5.10.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any Committee member or Board member if required.
- 5.10.3 The minutes of each Committee meeting shall be distributed to the Board members for notation.

5.11 Confidentiality

- 5.11.1 All members of the Committee shall safeguard all internal communications, papers, resolutions, minutes and deliberations and treat them as strictly private and confidential, and for the use of the Committee members only.

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5.11.2 In the event a site visit by the Committee as a whole is necessary for its decision making, the Committee shall escalate its request to the Board for approval.

5.12 Review of the Written Terms of Reference

Any amendments to this terms of reference to be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Committee's responsibilities.

5.13 Published on the Website

The written terms of reference will be made to public on the Company's website.