



Jaycorp Berhad
(Company No.:199801003663 (459789-X))

BOARD RISK MANAGEMENT COMMITTEE

TERMS OF REFERENCE

1. Introduction

The Board of Jaycorp Berhad (“Jaycorp”) (“the Board”) has approved on the establishment of Board Risk Management Committee (“BRMC”) to monitor the Company’s compliance and risk management oversight to its business operations.

The TOR provided in this document are intended as a framework within which the BRMC may operate. The Committee’s activities performed are related to compliance and risk oversight of the Company’s operations and activities as based on the approved TOR.

2. Composition

The BRMC shall be appointed by the Board from amongst the Directors and consist no fewer than three (3) members, which comprises a majority of independent directors.

The Chairman of the BRMC shall be elected from among their members and approved by the Board. No alternate Director shall be appointed as a member of the BRMC.

3. Roles and Responsibilities

The responsibilities, duties and authorities of the BRMC include the following:

- i. Create and maintain an ERM Policy aligned with Jaycorp's strategic business objectives;
- ii. Ensure a sound ERM Framework, process and sufficient resource allocation for identifying, assessing, managing and monitoring Jaycorp critical risks are in place, oversee execution of the process and continuous improvement of the process as the business environment changes;
- iii. Communicate the Board's vision, strategy, policy, responsibilities and reporting lines in risk management to all personnel across Jaycorp.
- iv. Identify and provide timely input to the Board/Management on critical risks (present or potential) the Group faces, their changes, and Board/Management action plans to manage the risks;
- v. Articulate and provide direction on risk appetite, organisational control environment and risk culture at Jaycorp;
- vi. Engage Management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise;
- vii. Oversee the management of certain (critical) risks with regards to the complexity and significance of the risk exposure;
- viii. Actively requests and challenges key risk information from the business; and
- ix. Act as an advisor, educator and change catalyst in key risk and control areas in the organisation.
- x. Provide strategic direction and approve dedicated initiatives that contributes in achieving Group's sustainability agenda.
- xi. Review and assess the Group's sustainability agendas and policies in relation to environment, social and governance including matters such as safety, health, employment, human rights, code of conduct and other sustainability related issues within the Group.
- xii. Review Sustainability Statement in the Company's Annual Report to ensure that the relevant information as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are disclosed, and to recommend the same for the approval of the Board.

The BRMC makes recommendations pertaining to risk management strategy to the Board for its consideration and implementation, but it has no executive powers to implement such recommendations on behalf of the Board

The BRMC shall be provided with sufficient resources to perform its duties and shall have access, at the Company's expense, to independent advice if necessary.

4. Authority

The BRMC is authorised by the -Board to:

- i. Have full, free and unrestricted access to information, records, properties and personnel of the Company and of any other companies within the Group;
- ii. Seek any information that it requires from any Director, officer and employee of the Company and all such individuals are directed to cooperate with any request made by the BRMC.
- iii. To receive from management an overview of the risks, policies, procedures and controls surrounding the integrity of risk management reporting;
- iv. To receive from the management an overview of sustainability policies and procedures including the timely and periodic reports on sustainable practices.
- v. Obtain outside legal or independent professional advice, at the Company's expense, and secure the attendance at Committee meetings of such third parties with relevant experience and expertise as it considers necessary.

5. Meetings

i. Notice

Unless otherwise agreed by all BRMC members, a meeting of the BRMC shall be called by at least seven (7) days' notice, together with the list of meeting agenda and relevant papers to be presented.

A member of the ERM may, and on the request of a member of the BRMC, the secretary shall, at any time summon a meeting of the BRMC.

ii. Frequency of Meetings

Meetings shall be held not less than two (2) times a year. Unless otherwise agreed, notice of every meeting, confirming the venue, date and time together with an agenda of items and supporting papers to be discussed shall be forwarded to each BRMC member. Member may request a meeting if he / she considers necessary.

iii. Quorum

The quorum of the BRMC meeting shall be at least two (2) members of the BRMC (one of whom shall be the Chairman).

iv. Attendance at Meeting

The, Executive Directors and Chief Financial Officer and shall attend the Committee meetings. Other senior management team may attend the meeting upon the invitation of the Committee. BRMC may obtain external professional advice and assistance to enable it to discharge its duties as it considers appropriate.

The Company Secretary shall be the secretary of the Committee.

v. Minutes of Meeting

Minutes of the proceedings of Committee meetings shall be recorded by the Secretary, approved in draft form by the Chairman and circulated to all the Committee members. Wherever possible, minutes of BRMC meetings will be confirmed at the next meeting and signed by the Chairman.

6. Review of the Terms of Reference

The terms of reference shall be reviewed on an annual basis to ensure that it reflects current best practice in corporate governance and risk management. The Board approval is required for any changes in the term of reference

Approved by the Board on 21 March 2024.