

MALAYSIA AIRPORTS HOLDINGS BERHAD
Registration No. 199901012192 (487092-W)
(Incorporated in Malaysia)

TERMS OF REFERENCE

BOARD SUSTAINABILITY COMMITTEE

1. CONSTITUTION

1.1 The authority and functions of Board Sustainability Committee (“BSC”) extend to Malaysia Airports Holdings Berhad (“MAHB” or “the Company”) and all its subsidiaries, joint ventures, and associates within the MAHB Group (“the Group”).

2. OBJECTIVES

2.1 The objectives of BSC are as follows: -

2.1.1 To assist the Board of Directors (“the Board”) in fulfilling its fiduciary responsibilities relating to Environment, Social & Governance (“ESG”) or sustainability practice of the Group.

2.1.2 To provide a platform for deliberation and reporting of sustainability-related matters.

2.1.3 To ensure that the interests of the Group are safeguarded at all times.

3. MEMBERSHIP

3.1 The members of BSC shall be appointed by the Board from amongst its members and: -

3.1.1 shall comprise at least three (3) members, including the Chairman; and

3.1.2 at least one (1) member must be an Independent Director.

3.2 The Chairman shall be a Non-Executive Director appointed by the Board.

3.3 If for any reason the membership falls below three (3) members, the Board shall, within three (3) months of the event or any period deemed appropriate, appoint such number of new member or members as may be required to fulfill the minimum requirement.

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4. AUTHORITY

- 4.1 BSC shall have the following authorities as empowered by the Board: -
- 4.1.1 To investigate any matter within its Terms of Reference.
 - 4.1.2 To consider any matter within its authority as provided under the Limit of Authority of the Company and/or as decided by the Board from time to time.
 - 4.1.3 To request for resources required in the performance of its duties.
 - 4.1.4 To have full and unrestricted access to any information, records, properties, and personnel within the Group to effectively discharge its responsibilities.
 - 4.1.5 To obtain advice or information from independent professional advisers or other experts with relevant experience and expertise on any matters within its Terms of Reference, as and when required, and in accordance with the procurement policy, governance and internal control process; and
 - 4.1.6 To request the attendance of other Directors of the Group, members of Senior Management, or external parties with relevant experience and expertise during all or part of any meeting, where necessary.

5. FUNCTIONS AND DUTIES

- 5.1 The functions and duties of BSC shall be to:
- 5.1.1 To endorse, review and monitor the effectiveness of sustainability strategies, policies, principles, practices, and priorities in line with the business strategy and objectives of the Company, including commitment to net zero carbon.
 - 5.1.2 To review and monitor the Key Performance Indicators on ESG and its implementation in accordance with the sustainability framework of the Company.
 - 5.1.3 To review the findings on sustainability risks which are likely to impact the sustainability strategy and objective of the Company.

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- 5.1.4 To review the Company's sustainability reports and other relevant reports and ensure compliance with relevant regulatory requirements and standards prior to approval by the Board.
- 5.1.5 To review and advise on issues relating to ESG or sustainability arising from audits and assurance reports.
- 5.1.6 To review and recommend to the Board any proposal relating to ESG or sustainability.
- 5.1.7 To review and assess the adequacy of this Terms of Reference once every two (2) years, or as and when required; and
- 5.1.8 To review and consider other matters as requested by the Board.

6. SECRETARIAT

- 6.1 The Group Company Secretary shall act as the Secretary of BSC. In the absence of the Group Company Secretary, the staff of the Company Secretarial Division who is a qualified/licensed secretary attending the meeting on behalf of the Group Company Secretary shall assume the functions of Secretary of BSC.
- 6.2 The Sustainability Unit of the Strategy Division are responsible of compiling all proposals and reports for purposes of tabling to BSC, and ensuring that the decisions of BSC are implemented by the respective Business Units, and the progress or status be updated to BSC.
- 6.3 The Company Secretarial Division is responsible for preparing the minutes and administrative matters of BSC meetings.

7. QUORUM AND PROCEEDINGS OF MEETINGS

- 7.1 Meetings shall be held at least three (3) meetings per annum. Notice and agenda of each meeting shall be circulated to the members at least five (5) business days before the meeting.
- 7.2 The required quorum for the meeting shall be at least three (3) members, of which one (1) member shall be an Independent Director. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be dissolved. The meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and as such other time and place as the members may determine.

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- 7.3 A meeting could only be convened with the presence of the Chairman. In the absence of the Chairman, the members present shall elect one of their members to chair the said meeting.
- 7.4 A member may participate in the meeting by means of telephone conferencing, video conferencing or any communication equipment and he/she shall be deemed to be present in person and counted in a quorum of the meeting.
- 7.5 All resolutions and questions arising at any meeting shall be decided by a majority vote, each member having one (1) vote. In the event of equality of votes, the Chairman shall have a second or casting vote.
- 7.6 A member is required to abstain from deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.
- 7.7 The Managing Director/Group Chief Executive Officer, Chief Operating Officer and Senior General Manager, Strategy shall be the permanent invitees at all meetings.

8. CIRCULAR RESOLUTION

- 8.1 Recommendation and approval from BSC may be sought by way of a circular resolution upon approval by the Chairman. The circular resolution shall be valid and effective as if it had been passed by a meeting duly convened. The circular resolution must be signed or approved unanimously by all members.
- 8.2 Any such circular resolution may consist of several documents in similar form each signed by one or more of the members either in electronic form or written document and shall be valid and effective as if it had been passed at a meeting duly convened.

9. REPORTING

- 9.1 The confirmed minutes of the meetings of BSC shall be tabled at the next Board of Directors' meeting for notation.
- 9.2 BSC, through its Chairman, shall report formally to the Board after each meeting on the key aspects of its proceedings and all matters within its duties and responsibilities.
- 9.3 BSC may from time to time escalate to the Board, any matters for purposes of deliberation, information, and approval, as the case may be.