

**TERMS OF REFERENCE
BOARD RISK MANAGEMENT COMMITTEE (“BRMC”) OF
MALAYSIA AIRPORTS HOLDINGS BERHAD
 (“MAHB” OR “THE COMPANY”)**

1 CONSTITUTION

1.1 The authority and functions of BRMC covers the company and all subsidiaries, joint venture and associate companies within MAHB Group (“the Group”).

2 OBJECTIVE

2.1 The objectives of BRMC are: -

2.1.1 To assist the Board of Directors (“Board”) in fulfilling its fiduciary responsibilities relating to the risk management practice in accordance with the Malaysian Code on Corporate Governance and Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers as well as carrying out oversight functions on the Group’s affairs on information technology (“IT”);

2.1.2 To provide a platform for deliberation and reporting of risk management matters; and

2.1.3 To ensure that the best interests of the Group are met and protected safeguarded at all times.

3 MEMBERSHIP

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

3.1.1 shall comprise majority Independent Directors; and

3.1.2 shall comprise at least four (4) members, including the Chairman.

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

- 3.3 If for any reason the membership of BRMC falls below four (4) members, the Board shall, within three (3) months of the event or any period deemed appropriate, appoint such number of a new member or members as may be required to fulfil the minimum requirement.

4 AUTHORITY

- 4.1 BRMC shall have the following authority 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 Group Limits of Authority and/or as decided by the Board from time to time;
- 4.1.3 To have full and unrestricted access to any resources, information, records, properties, and personnel within the Group to effectively discharge its duties; and
- 4.1.4 To obtain advice or information from independent professionals or relevant experts on any matters within its Terms of Reference, as and when required, and in accordance with the procurement policy and governance process.

5 FUNCTION AND DUTIES

- 5.1 The function and duties of BRMC shall be: -

- 5.1.1 To provide guidance to Management to ensure that the risk management systems are in place and effective;
- 5.1.2 To review and recommend to the Board on the strategies, framework and policies of the Group in relation to risk management and compliance, occupational safety and health, safety management, aviation security, IT, information security and other areas deemed necessary in executing its functions and duties;
- 5.1.3 To review and recommend to the Board the Corporate Risk Profile, Enterprise Risk Management Framework, Business Continuity Plan, IT-related matters, Insurances, Policies and Systems; and

- 5.1.4 To review and reassess the adequacy of its Terms of Reference at least once every two (2) years or when the need arises.

6 SECRETARIAT

- 6.1 The Company Secretary shall act as the Secretary of BRMC. In the absence of the Company Secretary, his deputy who is a qualified /or licensed secretary shall attend the meeting on his behalf to assume the responsibility of Secretary of BRMC.
- 6.2 The Company Secretary is responsible to prepare the minutes of meetings and administrative matters for BRMC meetings.

7 QUORUM AND PROCEEDINGS OF MEETINGS

- 7.1 Meetings shall be held at least once every quarter or four (4) meetings per annum. Notice, agenda, and meeting materials for 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 not be less than three (3) members, a majority of whom shall be Independent Directors. 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.
- 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 majority of votes, 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 Head of Risk Management & Compliance Division shall be invited as permanent invitees at all meetings but will have no voting rights.

8 CIRCULAR RESOLUTION

8.1 Recommendation and approval from BRMC 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 BRMC shall be tabled at the next Board meeting for information and/or further deliberation.

9.2 BRMC, 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 BRMC may from time to time escalate to the Board any matters whatsoever for deliberation, information, and approval purposes thereof.