



**UNIMECH GROUP BERHAD**  
**Company No. 199601035227 (407580-X)**

## **RISK MANAGEMENT COMMITTEE**

### **TERMS OF REFERENCE**

#### **Members**

The Risk Management Committee (“RMC”) shall consist of at least three (3) members appointed by the Board. The Chairman of the RMC can be elected from one of the members. The members of the Committee shall consist of a majority of Independent Directors.

#### **Objectives**

The principal objective of the RMC 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. The RMC is tasked with the responsibility of evaluating, reviewing and monitoring the vital enterprise risks affecting the business and operations as an on-going basis. The RMC is committed to the development and implementation of an effective Enterprise Risk Management Framework to assist the Group to manage all key business risks with the intent of strengthening the risk management and internal control system as a whole.

#### **Responsibilities and Duties**

The responsibilities and duties of RMC are as follows:

- i.. Reviewing and recommending risk management strategies, policies and risk tolerance for the Board’s approval;
- ii. Reviewing and assessing the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively;
- iii. Ensuring adequate infrastructure, resources and systems are in place for an effective risk management i.e. ensuring that the staff responsible for implementing risk management systems perform those duties independently of the Group’s risk taking activities;
- iv Reviewing the management’s periodic reports on risk exposure, risk portfolio composition and risk management activities;
- v. Sustainability reporting matter:

- Overseeing the management of principal business risks and significant / material Economic, Environmental and Social risks;
  - Ensuring resources and processes are in place to enable the organisation to achieve its sustainability commitments; and
  - Reviewing disclosure statements relating to management of sustainability matters of the Group in the Annual Report; and
- vi Any other responsibilities and duties as delegated by the Board of Directors from time to time.

### **Meetings**

The RMC shall regulate its own proceedings. The quorum for meetings of RMC shall be two (2) members, who must include the Chairman provided that in the event the Chairman is unable to be present for a meeting, the members who are present at the meeting can appoint a Chairman among themselves to chair the meeting.

### **Circular Resolutions**

A resolution in writing signed by a majority of the Risk Management Committee Members for the time being shall be as valid and effectual as if it had been passed at a Meeting of the Risk Management Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Risk Management Committee Members. Any such document, may be accepted as sufficiently signed by a Risk Management Committee Member if transmitted to Company by telegram, cable, facsimile or other electronic or digital written message, purporting to include a signature of a Risk Management Committee Member.

### **Reporting Procedures**

The RMC is authorized to regulate its own procedure and in particular the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.

The RMC shall report to the Board of Directors the proceedings, findings and recommendations of each meeting.

This Terms of Reference of RMC was reviewed by the Board on 19 November 2025.