



RESERVOIR LINK ENERGY BHD

TERMS OF REFERENCE RISK MANAGEMENT COMMITTEE

DOCUMENT NO	POLICY	APPROVAL DATE	REVISION
RLEB/TOR-RMC-004	TERMS OF REFERENCE – RISK MANAGEMENT COMMITTEE	7/02/2020	0
RLEB/TOR-RMC-004	TERMS OF REFERENCE – RISK MANAGEMENT COMMITTEE	26/08/2020	1
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	PREPARED BY	VERIFIED BY	APPROVED BY
NAME	MOKHTAR HAJI ALI	BONG LEONG SUNG	BOARD OF DIRECTORS
DESIGNATION	GENERAL MANAGER – CORPORATE SERVICES	CHIEF FINANCIAL OFFICER	

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1. OBJECTIVES

The objective of the Risk Management Committee (“**RMC**”) is to assist the Board in fulfilling its oversight responsibilities with regard to the risk appetite of our Group as well as the risk management and compliance framework and the governance structure that supports it.

2. COMPOSITION OF THE COMMITTEE

- a) The members of the RMC are appointed by the Board of Directors.
- b) The Chairman of the Board shall not be a member of RMC.
- c) The RMC shall comprise of at least 3 board members; and shall comprise a mixture of Executive and Independent directors.
- d) The members of the Risk Management Committee must elect a chairman from among themselves.
- e) The Company Secretary or their nominee shall act as the Secretary of the RMC.
- f) In the event of any vacancy in the Risk Management Committee, the Company shall fill in the vacancy within three (3) months.

3. FUNCTIONS

- a) The RMC provides a platform for a focused consideration and deliberation of risk issues arising from any aspect of the Group’s activities that could expose the Group to unacceptable risks;
- b) The RMC is to consider and deliberate on risk issues, risk policies, risk management strategies and the risk management framework.

4. DUTIES AND RESPONSIBILITIES

The key duties and responsibilities of RMC are as follows:

- a) review and recommend risk management framework, strategies, policies and risk tolerance/appetite for recommendation to the Board for approval;
- b) review the adequacy of our Group’s risk management framework and assess the resources and knowledge of our key management and employees involved in the risk management process;
- c) ensure adequate infrastructure, resources and systems are in place for an effective risk management framework;
- d) review and further monitor principal risks that may affect our Group directly or indirectly that, if deemed necessary, recommend additional course of action to mitigate such risks;

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- e) communicate and monitor our risk assessment results to our Board;
- f) review the risk management reports on risk exposure, risk portfolio composition and activities;
- g) discuss the problems and reservations arising from their reviews and any matter the external auditors and internal auditors may wish to discuss; and
- h) monitor key business risks to safeguard shareholders' investments and our Group's assets.

5. PROCEEDING OF MEETINGS

- a) The Committee shall meet at least once a year in a year although additional meetings may be called at any time with due notice of issues to be discussed, at the discretion of the Chairman of the Committee.
- b) The quorum of meetings of the Committee shall not be less than two (2) Members.
- c) The Chairman of the Committee shall chair the Committee meetings. In the absence of the Chairman, the Members present shall elect a Chairman for the meeting from among the Members present.
- d) A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions vested or exercisable by the Committee.
- e) Meetings may be conducted by means of telephone conference, video conference or any other form of audio or audio-visual instantaneous communication and the participation in the meeting pursuant to this provision shall constitute presence in person at such meeting.
- f) The Committee may invite any Board member or any member of management or any employee of the Company who the Committee thinks fit to attend its meetings to assist and to provide pertinent information as necessary.
- g) A resolution in writing signed or approved by electronic mail or other electronic communication, executed by all Committee members shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member. Any such resolution may consist of several documents in like form, each signed by one (1) or more Audit Committee member.
- h) The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- i) Minutes of committee meetings shall be circulated to each member of the Committee and made available on request to other members of the Board.
- j) A member of the Committee shall abstain from participating in discussions and decisions on matters directly involving him or her to avoid conflict of interest.

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- k) All recommendations and findings of the Committee shall be submitted to the Board for approval.

6. APPROVAL/REVISION OF THE TERMS OF REFERENCE

- a.) Any revision or amendment to this Terms of Reference, as proposed by the Committee or any third party, shall first be presented to the Board for its approval.
- b.) Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.
- c.) This Terms of Reference was approved by the Board of Directors of Reservoir Link Energy Bhd on 26th August 2020.

7. APPROVAL AND REVISION

Any revision or amendment to this Terms of Reference, as proposed by the Committee or any third party, shall first be presented to the Board for its approval.

Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

The Terms of Reference is made available for reference in the Company's website at <https://reservoirlink.com>.

This Terms of Reference is approved by the Board of Directors of Reservoir Link Energy Bhd on 7 February 2020, amended on 26 August 2020 and 26 August 2022.