

Synopsis of the Terms of Reference of the Risk Management & Compliance Committee

1. Authority:

The Risk and Compliance Committee is authorized by the Board to:

- seek any information it requires from management of the Company and the Company's auditors in order to perform its duties;
- Investigate any matters referred by the Board of Directors
- Obtain any independent legal or other professional advice that it considers necessary to execute its functions.
- Directly access the internal and external auditors to discuss and review specific issues.

2. Duties and Responsibilities:

The Committee shall:

a) **Risk Management:**

- Formulate and Oversee the Company's risk management framework which deals with risk identification and risk assessment for the operational, business, and compliance risks facing by the company and also assist in update the policies and procedures where required.
- Maintain an up-to-date understanding of areas where the Company is, or may be, exposed to risk issues and to ensure that management are effectively managing those issues.
- Ensure that all risks are identified and reflected on risk register and they are managed and monitored based on the impact and likelihood of those risks.
- Review the details of Company's Risk exposure and the action that have been/should be taken to manage those exposures and also communicated the limitations to the Board if any, for managing risk exposure of the company.
- Review the reports and presentations from management on the quality reviews and progress of Risk management framework.
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as Corporate Strategy, investment and major activities of the company.
- Ensure the adequacy and effectiveness of the Business Continuity Plan and its execution in emergencies / disasters;
- Review the Audit reports (Internal & External), where the Risk related issues have been identified and review the actions points of the management.



b) Compliance:

- Formulate and review of the Compliance Framework which set out the approach for managing the Compliance risk in order to achieve the company's objectives.
- Review the reports from the management regarding the updates in news laws & regulations and ensure that they are implemented within the stipulated timelines.
- Review the Compliance Activity report and progress on the implementation of Compliance framework.
- Review the Compliance related policies & procedures and respective amendments, pertaining to the compliance functions to carry its responsibilities.
- Review the Compliance breaches reported by the Compliance department in their compliance testing and also review the management comments and actions that are being taken.
- Ensure that whether there are processes are available to ensure that department's responsibilities and accountability have been established regarding to compliance of respective regulations.
- Review the Audit reports (Internal & External), where the Compliance related issues have been identified and review the actions points of the management.
- Review and provide the input on the Company's Code of Corporate governance framework.

c) Other Responsibilities:

- Supervise and monitors the matters reported using the Company's whistleblowing or confidential mechanism for the employees.
- Conduct any investigations into any matters within the Committee's charter or as may be requested from time to time by the Board.

3. Reporting:

The Committee will report to the Board on the proceedings of the Committee and bringing forward all Committee recommendations requiring Board approval.

