

TERMS OF REFERENCE OF THE SUSTAINABILITY AND INTEGRITY WORKING GROUP

This Terms of Reference sets out the matters concerning the governance of Sustainability and Integrity Working Group (“SIWG” or the “Working Group”).

1. Purpose

- 1.1 The purpose of the Working Group is to assist the Audit & Risk Management Committee (“ARMC”) in the effective discharge of its primary responsibilities in addressing sustainability and integrity matters within NationGate Holdings Bhd. (“NationGate” or the “Company”) and its subsidiaries (collectively referred to as the “Group”);
- 1.2 In the exercise of its functions, it is understood that the Working Group is not delegated with decision-making powers but shall report its recommendations to ARMC; and
- 1.3 To assist the ARMC in the establishment, embedding and oversight of the ethical policy framework and its value. Ensuring and monitoring the Group’s overall ethical health and compliance level with professional and ethical standards.

2. Authority

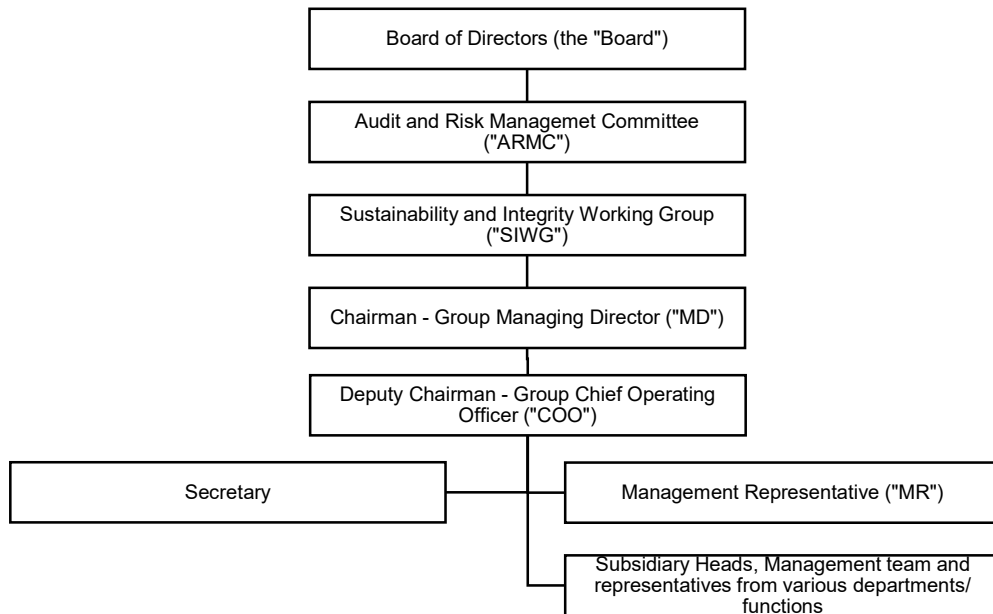
- 2.1 The Working Group shall have the authority to deliberate and approve on matters within its primary duties and responsibilities set out in this Terms of Reference; and
- 2.2 Unless otherwise provided by or subject to any applicable laws or legislative requirements, the Chairman and Deputy Chairman of SIWG shall have the permission to obtain resources needed to fulfil its duties and responsibilities as set out in this Terms of Reference based on an agreed-upon procedure and at the expense of the Group, such as:
 - (a) Full and unrestricted access to information, records, properties and employees of the Group;
 - (b) Full and unrestricted access to advice and services of the Company Secretaries and Senior Management; and
 - (c) To obtain professional and independent advice from external advisors with relevant knowledge and experience, as and when necessary for the performance of its duties.

3. Composition

- 3.1 Members of the SIWG shall be the Managing Director (“MD”), Chief Operating Officer (“COO”), Subsidiary Heads, relevant Management team and representatives from various departments and functions.
- 3.2 The Chairman and Deputy Chairman of the SIWG shall be the MD and COO of NationGate respectively.
- 3.3 The Chairman or Deputy Chairman may appoint a member of the SIWG as Management Representative (“MR”) to assist them in overseeing and managing the SIWG.
- 3.4 The membership of the SIWG will be reviewed regularly to ensure membership is refreshed.
- 3.5 In the absence of the Chairman of the SIWG, the Deputy Chairman or MR shall chair the meeting.
- 3.6 The chairperson of the meeting shall nominate any member of the SIWG as the Secretary of the meeting. The Secretary shall record the proceedings and decisions of the Committee

meetings and the minutes shall be circulated to all members within seven (7) working days after the meeting.

4. Reporting structure of the Working Group



5. Duties and responsibilities of the Working Group

General

5.1 The Board and the ARMC are responsible for overseeing the overall sustainability of NationGate as part of their corporate governance and risk management functions. They shall be assisted by the SIWG in carrying out its sustainability responsibilities, which include:

- (a) Together with Senior Management takes responsibility for the governance of sustainability in the Group including setting the Group's sustainability strategies, priorities and targets, including among others the development and implementation of company strategies, business plans, major plans of action and risk management; and
- (b) Set the strategic plan including setting performance objectives and approving operating budgets for the Group and ensuring that the strategies support long-term value creation and promote sustainability within the aspects of environment, social, governance and economy and necessary resources are in place for the Company to meet its objectives. The Board is also responsible for monitoring the implementation of the strategic plan by Management as well as supervise and assess management performance to determine whether the business is being properly managed.

5.2 The Chairman of the SIWG is responsible to drive the strategic management of material sustainability matters with the assistance of the SIWG members. The members of SIWG are responsible to execute the sustainability, ethics and integrity initiatives as an integral part of its daily operations. The Working Group shall collect, monitor and report the ESG performance data against the targets to the Chairman, Deputy Chairman and MR of the SIWG. Subsequently, the Chairman or Deputy Chairman or MR of the SIWG holds the responsibility for reporting to the ARMC and the Board.

On Sustainability

- 5.3 Establish an effective Sustainability Framework to identify, analyse, evaluate, manage and monitor significant sustainability and climate-related issues concerning the Group in the areas of:
 - (a) Economic Sustainability
 - (b) Environmental Sustainability
 - (c) Social Sustainability
 - (d) Governance Sustainability
- 5.4 Conduct periodic evaluation and update the ARMC on sustainability and climate-related strategies, priorities and targets to continuously improve and ensure its relevance taking into consideration of best practices and changing business environment;
- 5.5 Provide feedback to the ARMC and ensure constant communication on Group's sustainability and climate-related issues, including key risks and opportunities faced by the Group that may reasonably be expected to affect the Group's financial position, financial performance and cash flows, their changes and management action plans;
- 5.6 Coordinate the identification, assessment, monitoring and management of sustainability and climate-related risks and opportunities, and support their integration into the Group's enterprise risk management ("ERM") framework;
- 5.7 Ascertain if a sound and effective approach has been followed in establishing the Group's business continuity planning arrangements including business continuity and disaster recovery plans, and report relevant matters to the ARMC;
- 5.8 Establish and maintain appropriate controls and procedures relating to sustainability and climate-related information, including data collection, validation and documentation processes;
- 5.9 Support the ARMC and the Board in overseeing how sustainability and climate-related risks and opportunities are considered in the Group's strategy, major business decisions and risk management processes, including consideration of material trade-offs associated with such risks and opportunities; and
- 5.10 Assess, in collaboration with Management, whether appropriate resources, skills and competencies are available or will be developed within the Group to manage sustainability and climate-related risks and opportunities.

On Ethics & Integrity

- 5.11 Ensure Top Management commitment by providing oversight of the culture of integrity and monitor the "Tone from the top" set across the Group regularly;
- 5.12 Establish and ensure that there are adequate resources and effective corruption risk assessment to identify, analyse, evaluate, manage and monitor significant corruption risk;
- 5.13 Oversee and investigate whistleblowing matters as well as be the custodian of the Anti-Corruption and Bribery Policy and related matters of Malaysian Anti-Corruption Commission Act 2009;
- 5.14 Ensure that there are adequate ethics training programme at all levels and effective communications strategies for the ethics programme reinforcing ethical values and good practice within the Group;
- 5.15 Review and provide direction to resolve any conflict of interest declared by employees and Directors.

- 5.16 Monitor the adequacy of measures taken to ensure there is an effective and embedded Speak Up culture that facilitates the reporting of any issues of concern internally and externally.

6. Meetings

6.1 Frequency of meetings

- 6.1.1 Meetings shall be held at least once every 6 months or on need basis. Additional meeting shall be arranged as and when required.
- 6.1.2 Meetings may be called by the Chairman or Deputy Chairman or MR of the SIWG at any time to consider any matters falling within these Terms of Reference.
- 6.1.3 The quorum for a meeting of the SIWG shall be 51% of members present.

6.2 Notice of meetings and information flow

- 6.2.1 The Chairman or Deputy Chairman or MR shall ensure that proper agenda is prepared for the meeting. The Secretary shall draw up an agenda for each meeting, in consultation with the Chairman or Deputy Chairman or MR of the Working Group. The Chairman or Deputy Chairman or MR may also invite other members of management and other persons to participate in this process, if necessary.
- 6.2.2 The Secretary shall issue and circulate the notice of the meeting at least three (3) working days prior to the meeting, including the agenda and relevant documents, before each meeting to the Working Group members and all those who are required to attend the meeting. Any issuance of notice of a meeting shall be in writing and shall be given either in hard copy or in electronic form or partly in hard copy and partly in electronic form.

6.3 Minutes of Meetings

- 6.3.1 The Secretary shall promptly prepare the written minutes of the meeting. The discussions and conclusions of the meetings shall be minute, in a clear, accurate, consistent and complete.
- 6.3.2 The minutes shall also record if any of the Working Group member or invited participants had abstained from voting or deliberating on a particular matter.
- 6.3.3 The minutes shall be confirmed and signed by the Chairman or Deputy Chairman or MR of the Working Group. The Secretary shall distribute it to all members of the Working Group and relevant invited participants in a timely manner to ensure action items/ directions given are acted upon.

7. Reporting

- 7.1 The Chairman or Deputy Chairman or MR shall report to the ARMC and the Board on the outcome of the meeting twice a year and as a minimum once a year, or otherwise as required by the ARMC and the Board.

8. Review and amendment of Terms of Reference

- 8.1 This Terms of Reference is endorsed by the ARMC of NationGate and is subject to review and amendment as and when it is necessary; and
- 8.2 Any revision or amendment to the Terms of Reference, as proposed by the Working Group or any third party, shall be presented to the ARMC for its approval.