

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

**1 CONSTITUTION**

1.1 The authority and functions of BRMC extend to MAHB and all its subsidiaries, joint ventures and associates within the Group (“MAHB Group”).

**2 OBJECTIVE**

2.1 The objectives of BRMC are as follows:

2.1.1 To assist the Board of Directors of MAHB (“MAHB 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;

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 MAHB Group are met and protected at all times.

**3 MEMBERSHIP**

3.1 The members of BRMC shall be appointed by MAHB Board amongst its members and:

3.1.1 shall comprise of a majority of Independent Directors; and

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

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

3.3 If for any reason the membership falls below four (4) members, MAHB Board shall within three (3) months of the event or any period deemed appropriate by MAHB Board, 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 MAHB 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 Approval Limit of Authority and/or as decided by MAHB Board from time to time;
- 4.1.3 To have full and unrestricted access to any resources, information, records, properties and personnel within MAHB 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 functions and duties of BRMC shall be to:

- 5.1.1 Provide guidance to senior management to ensure that the risk management systems are in place and effective;
- 5.1.2 Review and recommend to MAHB Board on the strategies, framework and policies of MAHB Group in relation to risk management and compliance, occupational safety and health, safety management, aviation security, information security and cyber security;
- 5.1.3 Review and recommend to MAHB Board the Corporate Risk Profile, Enterprise Risk Management Framework, Business Continuity Plan, Cybersecurity and IT Incident Management Plan, including relevant insurance, policies and systems; and
- 5.1.4 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 of MAHB shall act as the Secretary of BRMC. In the absence of the Company Secretary, the staff of the Company Secretarial Division who is a qualified/licensed secretary attending the meeting on behalf of the Company Secretary shall assume the functions of the Secretary of BRMC.
- 6.2 The Company Secretarial Division is responsible to prepare the minutes of meeting and administrative matters of BRMC meeting.

## **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 a unanimous vote, 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/Chief Executive Officer, Chief Operating Officer and General Manager of Risk Management & Compliance Division shall be invited as permanent invitees at all meetings but 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 MAHB Board's meeting for information and/or further deliberation.
- 9.2 BRMC, through its Chairman, shall report formally to MAHB 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 MAHB Board any matters whatsoever for deliberation, information and approval purposes thereof.