

**SUNWAY®**

**SUNWAY BERHAD**

Registration No. 201001037627 (921551-D)

**TERMS OF REFERENCE OF  
SUSTAINABILITY COMMITTEE**

REVISED ON 13 DECEMBER 2023

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## TERMS OF REFERENCE OF SUSTAINABILITY COMMITTEE

### 1. **MEMBERSHIP**

- 1.1. The Sustainability Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall consist of not less than three (3) members.
- 1.2. At least two (2) members of the Committee must be Independent Directors as defined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).
- 1.3. No Alternate Director shall be appointed as a member of the Committee.
- 1.4. The members of the Committee shall elect a Chairperson from amongst their members.
- 1.5. The Chairperson of the Committee shall not be the Chairperson of the Board.
- 1.6. If a member of the Committee resigns, dies or for any reason ceases to be a member resulting in the non-compliance of paragraphs 1.1 or 1.2 above, the Board must fill the vacancy within three (3) months.
- 1.7. The Board shall have the discretion as it deems fit to rescind and/or revoke the appointment of any person(s) in the Committee.
- 1.8. Members of the Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary.
- 1.9. The terms of office and performance of the Committee and each of its members shall be reviewed by the Nomination & Remuneration Committee annually. However, the appointment terminates when a member ceases to be a Director.

### 2. **MEETINGS**

- 2.1. The quorum for a Committee Meeting shall be at least two (2) members present.
- 2.2. The Committee shall meet at least two (2) times a year and such additional meetings as the Chairman shall decide.
- 2.3. Notwithstanding paragraph 2.2 above, upon the request of any member of the Committee or non-member Directors, the Chairperson shall convene a meeting of the Committee to consider the matters brought to its attention.
- 2.4. The non-member Directors and employees of the Company and of the Group shall normally attend the meetings at the Committee’s invitation, to assist in its deliberations and resolutions of matters raised.

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### **3. REPORTING**

- 3.1. In addition to the availability of detailed minutes of the Committee Meetings to the Board, the Chairperson of the Committee will report a summary of significant matters and resolutions at the Board Meetings.

### **4. SECRETARY**

- 4.1. The Secretary of the Committee shall be any persons as the Committee may appoint.
- 4.2. The Secretary of the Committee shall be responsible, with the concurrence of the Chairperson, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.
- 4.3. The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee.

### **5. RIGHTS AND AUTHORITY**

- 5.1. The Committee is authorised to:-
  - 5.1.1. Investigate any matter within its terms of reference.
  - 5.1.2. Have adequate resources required to perform its duties.
  - 5.1.3. Engage and authorise expenses for independent consultants and other advisors as the Committee deems necessary to perform its duties.
  - 5.1.4. Have full and unrestricted access to information, records and documents relevant to its activities.
- 5.2. The Committee may conduct or may authorise a third party to conduct specific assessment into any activity or function so far as it relates to the duties of the Committee and is in accordance with this term of reference.
- 5.3. The Committee is not authorised to implement its recommendations on behalf of the Board but shall report its recommendation back to the Board for its consideration and implementation.

### **6. FUNCTIONS AND DUTIES**

- 6.1. To review, supervise and recommend Sunway Berhad's sustainability strategy and issues, key environmental, social and governance ("**ESG**") targets and performance, progress and scorecard to the Board of Directors to advance the sustainability leadership of the Company.
- 6.2. To oversee and monitor the development of sustainability strategies approved by the Board and monitor the adequacy of resources allocated in achieving compliance with strategies, targets, policies and roadmap pertaining to the Company's sustainability agenda.
- 6.3. To monitor and review the key performance indicator ("**KPI**") in relation to the ESG that are criteria for yearly appraisal and remuneration.

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- 6.4. To highlight potential ESG risks to the Risk Management Committee.
- 6.5. To oversee the processes, standards and strategic directions designed to manage ESG risks, as well as identify potential opportunities to enhance the Company's adoption and adaptation.
- 6.6. To consider and recommend to the Board on the Company's position pertaining to emerging sustainability issues.
- 6.7. To consider any material sustainability matters that are referred to it by the Board.
- 6.8. To review Sunway Berhad's Sustainability Report and recommend it for the Board's approval.
- 6.9. To undertake such other function as may be determined by the Board from time to time.
- 6.10. To delegate any action in support of its function to a competent person, providing the terms of delegation are documented in the Committee's record, but it shall not delegate accountability to the Board.

### **7. SUNWAY GROUP SUSTAINABILITY DEPARTMENT (SSS)**

- 7.1. To assist the Committee in making informed decisions to integrate the Group's sustainability strategies into business operations and implement initiatives towards achieving the Group's sustainability goals.
- 7.2. To oversee and monitor sustainability trends, governance and reporting besides overseeing key sustainability risks and opportunities, stakeholder engagement as well as materiality assessment.
- 7.3. To chair the Sustainability Committee ("**SC**") across all Business Units and Group functions, and communicate the Group's sustainability direction to the SC. The SC comprises Business Units' Heads of Departments and their line managers, who are accountable for their ESG performances that are linked to their remuneration and appraisal.

### **8. RESOLUTION IN WRITING**

A resolution in writing signed or approved by electronic mail or any form of electronic approval or electronic signature via software, electronic devices or other means of communication apparatus or devices by the majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting. All such resolutions shall be forwarded or otherwise delivered to the Company Secretary and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more members.

### **9. REVIEW**

The terms of reference shall be subject to periodic review to ensure that it remains relevant and updated in line with best practices. Any amendments herein must be approved by the Board.