ARVEX BERHAD
[Registration No. 202501045449 (1646857-P)]

TERMS OF REFERENCE FOR RISK MANAGEMENT COMMITTEE

1 Objectives

The Risk Management Committee (the "Committee") of **Arvex Berhad** ("Arvex" or the "Company") was formed by the Board of Directors of the Company. Its primary function is to evaluate the Group's level of risk tolerance, assess and monitor risks, review the Company's internal controls and engage with management to periodically test the adequacy and effectiveness of the risk management and internal control system.

2 Composition

2.1 The membership of the Committee shall comprise a majority of Non-Executive Directors where majority are independent and number at least three (3) in total. Membership of the Committee shall be disclosed in the annual report of the Company.

2.2 The Chairman of the Committee shall be elected by the members of the Committee.

2.3 The members will be appointed by the Board and will remain members until there is a change.

3 Quorum and Meeting Procedures

The Committee shall meet at least once (1) a year. More meetings may be conducted if the need arises.

The quorum for a meeting of the Committee shall be two (2) members, present in person. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

The Company Secretary or his/her representative/other appropriate senior officer shall act as Secretary of the Committee (the "Secretary"). The Secretary, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated together with the relevant support papers at least one (1) week prior to each meeting to the members of the Committee.

The Secretary shall also be in attendance at each Committee meeting and responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board. The minutes shall be kept at the registered office of the Company and shall be open for inspection by the Board. Any request by Management or other persons to inspect the minutes shall be subject to the approval of the Chairman of the Committee.

The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment

by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

The Committee may deal with matters by way of circular reports and written resolutions in lieu of convening a formal meeting. A resolution in writing, signed or approved by letter, electronic mail, telegram, telex or telefax or other electronic communication by majority of the members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more committee members.

4 Advisers

The Committee is authorised by the Board to seek appropriate professional advice inside and outside the Group as and when it considers this necessary at the expense of the Company.

5 Responsibilities and Duties

In fulfilling its primary objectives, the Committee shall undertake the following responsibilities and duties:-

5.1 review the adequacy and integrity, including effectiveness, of risk management and internal control systems, management information system, and the internal auditors' and/or external auditors' evaluation of the said systems and assess the resources and knowledge of the management and employee involved in the risk management process.

5.2 review the risk profile of the Group (including risk registers) and the Risk Management team's plans to mitigate business risks as identified from time to time.

5.3 review the effectiveness of internal control systems deployed by the management to address those risks.

5.4 review and recommend the corrective measures undertaken to remedy failings and/or weakness.

5.5 review and recommend risk management strategies and policies.

5.6 review and assess adequacy of risk management policies and framework in identifying, measuring, monitoring and controlling risk and the extent to which these are operating effectively.

5.7 ensure adequate infrastructure, resources and systems are in place for risk management.

5.8 review periodic reports from the management on risk exposure, risk portfolio composition and risk management activities.

5.9 review and recommend new policies or changes to policies, and to consider their risk implications including the procedures in place by management to prevent and detect fraud such as cyber fraud.

5.10 review the impact of risk on capital adequacy and profitability under normal and stress scenarios.

5.11 review and evaluate the various processes and systems engaged by the Company and to ensure that they are conducted within the standards and policies as set by the Board.

5.12 assess the adequacy of the business recovery/disaster recovery procedures.

5.13 monitor the Company's health, safety and environment performance.

5.14 oversee the Group's internal control structure to ensure operational effectiveness and efficiency, reduce risk of inaccurate financial reporting, protect the Group's assets from misappropriation and encourage legal and regulatory compliance.

5.15 provide reporting and update the Board on key risk management issues.

5.16 review and recommend the Statement on Risk Management and Internal Control to the Board for inclusion into the Annual Report.

5.17 review and assess the effectiveness in monitoring the environment, social and governance ("ESG") related risks at least once a year with the ESG Working Group.

The Chairman of the Committee shall engage on a continuous basis with Senior Management, such as the Managing Director or Executive Director/Chief Financial Officer, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Group.

6 Reporting Responsibilities

The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters with its duties and responsibilities.

The Committee shall make whatever recommendation to the Board it deems appropriate or any area within its remit where action or improvement is needed.

7 Annual General Meeting

The Chairman of the Committee should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

8 Revision of Terms of Reference

Any revision or amendment to the 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 the Terms of Reference and the Terms of Reference shall be considered duly revised or amended.

The Terms of Reference of Risk Management Committee has been approved and adopted by the Board on 28 August 2026.
