

TERMS OF REFERENCE OF THE ESG COMMITTEE

Policy No: MLABS/GW/TOR/SUS COM/1.0

Effective Date: 26th May 2025

1. Objective of the ESGC

The main objective of the ESGC is to assist the Board to oversee the management processes and strategies designed to manage the impacts of the Group operations on economic, environment, social and governance matters.

2. Scope

The ESGC shall oversee the Group's responsibility to conduct business in a manner that considers its economic, environmental, social, and governance impacts. ESGC's duties include reviewing the Group's strategies, management processes, initiatives, targets, and performance in support of sustainable development in the following areas:

- (a) Business resilience;
- (b) Environmental consciousness;
- (c) Health and safety, including the security of assets and employees;
- (d) Workplace policies, including ethnic and gender diversity; and
- (e) Responsible and ethical business practice;

3. Composition of ESGC

- (a) The ESGC shall be composed of at least 7 members, comprising representatives from the Board, Management, Finance, Human Resource, OSH, and Group Compliance and Governance. The Chairperson of the ESGC must be a member of the Board.
- (b) In the event of any vacancy resulting in the non-compliance of paragraph (a) above, the Board shall within three (3) months of that event, appoint such number of new members required to fulfil the minimum requirement.

4. Authority of the ESGC

The ESGC is responsible for its duties, including, among other things, the following:

- (a) The Board has constituted the ESGC with the authorities necessary to perform the duties set out in these Terms of Reference.
- (b) The ESGC, within the scope of its assigned duties, is authorised to seek any information it requires from employees, company officials and external parties.
- (c) Ensure that the Board receives sufficient and adequate information for effective decision-making and review.

5. Authority of the ESGC (CONT)

- (d) The ESGC may engage advisors or otherwise obtain such independent legal or other professional services, as requires, at the expense of the Company, with prior consent of the Board.
- (e) The ESGC is authorised to call any employee to attend a meeting of the ESGC as and when required.
- (f) Implement the Sustainability Policy as approved by the Board.
- (g) Plan and recommend measurable objectives for ESG initiatives for the Board's approval.
- (h) Execute the ESG strategies and/or initiatives approved by the Board.
- (i) Regularly review the approved ESG initiatives, ensure alignment with objectives, and identify areas for improvement.
- (j) Regularly review the adopted Sustainability Policy and suggest any necessary amendments or revisions to the Board, as needed.
- (k) Consistently review the approved ESG initiatives, ensure alignment with objectives, and identify areas for enhancement.

6. Secretary

The Company Secretary of the Company or any other person appointed by the ESGC shall be the Secretary of the ESGC and shall be responsible, with the concurrence of the Chairperson, for drawing up and circulating the agenda and the notice of meetings to all ESGC members and any other persons by the ESGC's invitation, no later than seven (7) days before the date of the meeting together with the supporting explanatory documents.

7. Quorum

- (a) A quorum of the ESGC shall comprise any five (5) ESGC members.
- (b) Member of the ESGC may attend the meeting in person or participate by other means, including tele-conference or video conference.

8. Proceedings of the Meeting

- (a) The ESGC shall meet not less than two (2) times in a financial year at appropriate times in the annual review and reporting cycle and otherwise as required.
- (b) In the absence of the Chairperson, the meeting shall be postponed and rescheduled as soon as reasonably possible.
- (c) The Chairperson may call for additional meetings at any time at his/her discretion or if requested to do so by any member or the internal or external auditors to consider any matter within the scope and responsibilities of the ESGC.

9. Proceedings of the Meeting (CONT)

- (d) The meetings may be attended by representatives and other appropriate persons as determined by the Chairperson. No Director or employee shall attend any meeting of the ESGC except at the ESGC's invitation specific to the relevant meeting.
- (e) Any member may participate in the meetings of the ESGC by means of teleconferencing whereby all persons attending or participating the meetings can hear each other. The person or persons participating the meetings in the aforesaid manner shall be deemed for all purposes to be present in person at such meetings.
- (f) A resolution in writing signed by majority members in lieu of convening a formal meeting shall be valid and effectual as if it had been passed at a meeting of the ESGC duly convened and held. The resolution in writing and other documents signed by the members using digital signatures and/or electronic signatures, facsimile or other electronic means shall be valid, enforceable and effective as the original of the resolutions/documents duly sign physically. Any such resolution may consist of several documents in like form, each signed by one or more members.

10. Minutes of Meetings

- (a) The Secretary shall minute the proceedings and resolutions of all meetings of the ESGC, including recording the names of those present and in attendance.

11. Reporting Procedures

- (a) The Chairperson of the ESGC shall report to the Board on half-yearly basis, on its work in discharging its responsibilities during the year and the outcomes of its formal annual evaluation.
- (b) The Chairperson of the ESGC shall attend the annual general meeting to respond to any shareholder questions on the ESGC's activities.

End.