

BERJAYA LAND BERHAD

Sustainability Committee

Terms of Reference

1. Membership

- 1.1 Members and the Chairman of the Sustainability Committee (“Committee”) shall be appointed by the Company’s Board of Directors (“Board”). The Committee shall have at least three (3) members with the majority being Independent Non-Executive Directors.
- 1.2 The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.

2. Chairman

The Chairman of the Committee shall be appointed by the Board. In the absence of the Chairman of the Committee, the remaining members present shall elect one of their members to chair the meeting.

3. Secretary

The Secretary of the Committee shall be any person as appointed by the Committee from time to time.

4. Quorum

- 4.1 The quorum for the meeting of the Committee shall be at least two (2) members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. Decisions of the Committee will be by an affirmative vote of the majority. In the case of an equality of votes, the Chairman of the Committee shall, when more than two (2) members including the Chairman of the Committee are present and competent to vote on the question at issue, have a casting vote.
- 4.2 The members of the Committee may participate the meeting in person or by means of teleconference, video conference, audio/visual communications or such other communication device or facilities available from time to time. The member shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in quorum accordingly.

5. Frequency of Meetings

The Committee shall meet at least twice (2) a year for the review of the annual sustainability report and the periodic sustainability reports, whenever required, at such times as may be determined by the Committee.

6. Notice of Meetings

- 6.1 Meetings of the Committee shall be called by the Secretary of the Committee. Any member may request the Secretary of the Committee to call a meeting.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member and any other person required to attend (including but not limited executives responsible for sustainability matters including environmental performance, health and safety and security affairs of the Group as appropriate) and all other directors, where appropriate, no later than five (5) business days before the date of the meeting. Supporting papers shall be sent to members and to other attendees as appropriate at the same time.

7. Minutes of Meetings

- 7.1 The Secretary of the Committee shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance;
- 7.2 The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly; and
- 7.3 The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated. The minutes of the Committee meeting shall be circulated to all Board members.

8. Circular Resolutions

A resolution in writing signed or approved by letter, telex, facsimile, telegram or other forms of electronic communication, by a majority of the members of the Committee and who are sufficient to form a quorum, shall be as valid as effectual as if it had been passed at a meeting of the Committee duly convened and held. Such resolutions may consist of several documents in the like form, each signed by one (1) or more members of the Committee and shall be forwarded to the Company Secretary without delay and recorded by the Company Secretary in the minutes book.

9. Duties

- 9.1 In the context of the requirement for companies to conduct their business in a responsible manner (including in relation to economic, environmental and social (EES matters) as well as to manage their non-financial risks, the duties of the Committee, are to review the strategies, policies, management, initiatives, targets and performance of the Company and the Group as a whole, as appropriate, in the following areas:
- 9.1.1 Health and safety, including the security of assets and employees, whilst recognising that health and safety remain the responsibility of the board of each of the Company involved in each of the Group's businesses in accordance with the prevailing health and safety laws;
- 9.1.2 Environment, including where applicable emissions to air, water and land, energy management, climate change, waste and resource productivity, and compliance with environmental regulation;
- 9.1.3 Workplace policies, including employees' code of conduct;
- 9.1.4 Group corporate policies relating to responsible and ethical business practice (except the acceptance of gifts, hospitality and other benefits policy which is considered by the Audit Committee); and
- 9.1.5 Role of the Group in society, including community engagement policies and the overall strategy for corporate sponsorship and donations.
- 9.2 The Committee also has the duty to review the actions taken by the Company and each major subsidiary company to determine the suitability of the workplace, health and safety and environmental policies and practices of their respective key suppliers and contractors;
- 9.3 In relation to the areas specified in Sections 8.1. and 8.2, the Committee shall receive and consider the following:
- 9.3.1 Prior to each financial year end:
- review all the non-financial Group policies; and
 - endorse the sustainability targets for the forthcoming financial year.
- 9.3.2 On a six-monthly basis, review:
- progress against the sustainability targets; and
 - health and safety performance.

- 9.3.3 On an annual basis, review compliance with the following policies:
- the Group's Ethics Policy, including matters relating to employees' code of conduct;
 - Group security in respect of protecting assets (including strategic sites and functions) and employees;
 - the Group's Policy on community engagement activities; and
 - workplace performance, including equality of treatment.

- 9.3.4 On an annual basis:
- review and approve for submission to the Board a statement to be included in the Annual Report concerning the activities of the Committee;
 - review and approve for submission to the Board the Group's Annual Sustainability Report; and
 - Consider reports on the actions taken by the Group to determine the workplace, health and safety and environmental policies and practices of key consultants, suppliers and contractors to the Group.

- 9.3.5 On an annual basis, in respect of health and safety in each Group company, review:
- policies and procedures;
 - compliance with policies and procedures;
 - performance against the past year's annual plan; and
 - the plan for the forthcoming year and report to the Board on the review.

9.4 The Committee shall keep under review the extent and effectiveness of the Company's external reporting of sustainability performance.

10. Reporting Responsibilities

- 10.1 The Committee will advise the Audit Committee of any material non-financial risks identified and on any business ethics issues identified which are relevant to the role of the Audit Committee;
- 10.2 The Committee shall make whatever recommendations to the Board as it deems appropriate on any area within its review where action or improvement is needed; and
- 10.3 The Committee shall compile a report to shareholders on its activities to be included in the Company's Annual Report.

11. Other Matters

The Committee shall:

- 11.1 have access to sufficient resources in order to carry out its duties, including access to all the Group's employees for assistance as and when required and, at the Committee's discretion, seeking advice from external consultants;
- 11.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 11.3 give due consideration to applicable laws and regulations, including the requirements of the Malaysian Code on Corporate Governance and the listing requirements of Bursa Malaysia Securities Berhad, as appropriate; and
- 11.4 once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and to recommend any changes it considers necessary to the Board for approval.

12. Authority

The Committee shall be authorised to:

- 12.1 seek any information it requires from any employee of the Group in order to perform its duties;
- 12.2 obtain, at the Company's expense, outside legal or other professional advice and/or to secure the attendance of outsiders with relevant experience and expertise at a meeting if it considers this necessary; and
- 12.3 call any employee to attend a meeting as and when required.