

DAYANG ENTERPRISE HOLDINGS BHD
TERMS OF REFERENCE OF THE CORPORATE SUSTAINABILITY COMMITTEE

(Responsibilities approved by the Board on 12 April 2022 – re-formatted for consistency)

1. OBJECTIVES

Assist the Board of Directors in overseeing the Group’s sustainability matters, including environmental, social and governance (“ESG”) and climate-related matters, to support sustainable value creation and long-term resilience of the Group.

2. COMPOSITION

The Corporate Sustainability Committee (“CSC”) shall consist of such number of members as may be determined by the Board from time to time.

The Board shall appoint the Chairman of the CSC.

3. MEETINGS OF THE CORPORATE SUSTAINABILITY COMMITTEE

The CSC shall meet as the Chairman deems necessary or as otherwise determined by the Board.

The CSC may invite any Director, member of Management or external adviser to attend its meetings, as it deems appropriate, to assist in the deliberation of sustainability and climate-related matters.

4. AUTHORITY

The CSC is authorised by the Board to:

- review and deliberate on sustainability-related strategies, initiatives and matters;
- require Management to provide information, explanations and reports relating to sustainability and climate-related matters; and
- have access to all relevant records and information necessary to discharge its responsibilities.

5. THE RESPONSIBILITIES OF THE CORPORATE SUSTAINABILITY COMMITTEE

The CSC shall be responsible for the following:

(i) Sustainability Strategy and Governance

- (a) advising the Board on the Group’s sustainability strategies, including climate-related strategies and priorities;
- (b) monitoring the implementation of sustainability strategies, including climate-related initiatives, as approved by the Board;
- (c) recommending to the Board its approval of sustainability-related policies, frameworks and goals, including climate-related policies, targets and commitments, where applicable.

(ii) Stakeholder Engagement

- (d) overseeing stakeholder engagement to ensure that all issues, grievances and suggestions raised, including those relating to environmental and climate matters, are taken into consideration in managing sustainability matters.

(iii) Sustainability Management, Risk and Opportunities

- (e) monitoring the implementation and effectiveness of sustainability management policies and initiatives, including climate-related strategies, mitigation and adaptation measures;
- (f) overseeing the management of sustainability matters by focusing on matters material to the Group, including working with Management and the Risk Management Committee to ensure sustainability and climate-related risks and opportunities are managed via the Group's risk management process.

(iv) Sustainability Reporting and Disclosures

- (g) overseeing the preparation of the Sustainability Statement, including climate-related disclosures, and recommending it to the Board for approval.

6. REPORTING PROCEDURES

The CSC shall report to the Board on material sustainability and climate-related matters, including progress of initiatives, key risks and disclosures.

Minutes of CSC meetings shall be tabled to the Board for information and noting.

7. REVIEW OF TERMS OF REFERENCE

The CSC shall review the adequacy of these Terms of Reference periodically and recommend any amendments to the Board for approval.