
TERMS OF REFERENCE OF BOARD GROUP SUSTAINABILITY COMMITTEE

1. OBJECTIVE

The Board Group Sustainability Committee's ("BGSC") primary purpose is to assist the Board in fulfilling its responsibilities in -

- 1.1. advocating and fostering the ethical conduct, integrity culture and sustainability mindset/DNA across the CIMB Group Holdings Berhad ("CIMB Group") and its subsidiaries ("Group").
- 1.2. providing oversight, advice and direction in the development, implementation and monitoring of the strategies, framework, and policies with respect to integrity and governance; sustainability and all material matters including but not limited to climate change; and corporate responsibility of the Group.
- 1.3. overseeing the management of bribery, corruption, sustainability, and other related risks; and the consequence management of breaches thereof.

2. COMPOSITION

The BGSC should comprise only Independent Directors with at least three members.

The Company Secretary of CIMB Group shall act as Secretary to BGSC.

3. AUTHORITY

- 3.1 The BGSC has delegated authority from the Board of CIMB Group to discharge its duties and responsibilities as set out in this Terms of Reference.
- 3.2 The BGSC has the authority to obtain resources which it requires, including but not limited to, obtaining expert advice, both internal and external, and to have full and unrestricted access to information to enable the BGSC to its objectives and duties.
- 3.3 The BGSC may sub-delegate authority to the Group Executive Committee and/or relevant Group-wide Committees, as it sees fit to undertake or implement actions that have been approved by the BGSC.
- 3.4 The BGSC is vested with such power and authority, specific or general, as may from time to time be decided upon by the Board of CIMB Group.

4. QUORUM

The quorum shall be the nearest number to the two-third of the membership.

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5. FREQUENCY OF MEETINGS

The Chairperson shall convene meetings as and when required but shall not be less than four (4) times a year.

Senior management of the Group or professional advisors may be invited to attend meetings where the BGSC considers their presence are necessary.

6. RESPONSIBILITIES

The BGSC's responsibilities shall include the following:

6.1 Integrity and Governance

- 6.1.1 Review and recommend to the Board of CIMB Group the Management's proposal on the Group Integrity & Governance framework.
- 6.1.2 Review and approve the amendments/changes to the Group Integrity & Governance framework.
- 6.1.3 Oversee the functions of and review the report from the Integrity & Governance Unit ("IGU") as set out under the Group Integrity & Governance framework. The reporting by IGU shall include matters arising from the Group Anti-Bribery and Corruption Policy, Group Whistleblowing Policy, Group Code of Ethics & Conduct, and other related Group's policies.
- 6.1.4 Assess and recommend to the Board of CIMB Group the appointment of the Chief Integrity and Governance Officer ("CIGO").
- 6.1.5 Be apprised by the CIGO, on a quarterly basis or as and when required by the Board, on matters involving integrity, corruption, and abuse of power pursuant to the Group Integrity & Governance framework.

6.2 Sustainability and Material Matters including Climate Change

- 6.2.1 Provide oversight and input to the Management's implementation, operation and assurance of policies and standards in alignment with the Group's sustainability strategy including climate change and other material matters, and take a proactive approach to create net positive impact on Environmental, Social and Governance material matters arising from the Group's capacity as the lender/financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as the employer.
- 6.2.2 Approve all policies in relation to sustainability and material matters including climate change, in line with regulatory requirements.

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- 6.2.3 Review and endorse the sustainability risk appetite and risk posture taking into consideration the Group's sustainability strategy, its approach towards material matters including climate change, its commitments, the macro environment and regulatory landscape.
- 6.2.4 Review and endorse the strategies, frameworks, and proposals by Management on sustainability and material matters including climate change, in alignment with the overall organisation strategy.
- 6.2.5 Approve strategic commitments recommended by Management on sustainability and material matters including climate change in alignment with the overall organisation strategy.
- 6.2.6 Be apprised by the Group Chief Sustainability Officer on a quarterly basis or as and when required on matters involving sustainability and material matters, including climate change, in accordance with the Group Sustainability Framework.
- 6.2.7 Review external sustainability reporting and disclosure, the Sustainability Statement in the Annual Report and approve the Sustainability Report.
- 6.2.8 Review and/or approve significant high risk sustainability cases escalated to the BGSC.

6.3 Corporate Responsibility

- 6.3.1 Review and recommend to the Board of CIMB Group the proposal by Management on the corporate responsibility framework and policies.
- 6.3.2 Be apprised by Head of Corporate Responsibility, on a quarterly basis or as and when required, on the implementation and progress of the corporate responsibility initiatives and programs pursuant the corporate responsibility framework and policies.

7. OTHERS

- 7.1.1 Make recommendations to the Board of CIMB Group as it deems appropriate on areas with its scope of responsibility where action or improvement is needed.
- 7.1.2 Ensure appropriate disclosures are made in accordance with relevant legislation and regulatory requirements.
- 7.1.3 Report to the Board of CIMB Group the broad activities of the BGSC and the decisions made within the Terms of Reference.