

CELCOMDIGI BERHAD ("CELCOMDIGI")

TERMS OF REFERENCE BOARD GOVERNANCE AND RISK MANAGEMENT COMMITTEE

1. PURPOSE

The purpose of the Board Governance and Risk Management Committee ("BGRMC") is to assist the Board of Directors (the **Board**) of Celcom Digi Berhad (the **Company**) and its subsidiaries (the **Group**) to fulfil its responsibilities with regard to governance, sustainability and risk management. The BGRMC will review the governance and risk management, and the process for monitoring compliance with law and regulations including the Main Market Listing Requirements (**MMLR**) of the Bursa Malaysia Securities Berhad (**Bursa Securities**), and the Company's Code of Conduct.

The BGRMC shall oversee the risk management and governance framework and shall integrate sustainability risks and opportunities considerations to assist the Board in the Group's long term strategy plans.

The BGRMC shall identify, assess, monitor all key business risks and recommend the measures with regards to environmental, social and governance (ESG) issues relevant to the Group to assist the Board in adopting a more holistic view of the business and to ensure that the material ESG issues and/or risks are anticipated and addressed so that the Group's business remains sustainable and resilient.

The BGRMC shall assist the Board in receiving regular updates from Senior Management on the Group's principal risks and the implementation of appropriate internal controls, governance frameworks and mitigation measures for the Group.

The Board is ultimately responsible for the entire function of the Group, with the support and assistance from the BGRMC.

2.0 COMPOSITION AND APPOINTMENT

2.1 The BGRMC members shall be appointed by the Board amongst their members and shall compose of not lesser than 4 members. All of whom:-

- i. Two must be Independent Non-Executive Directors;
- ii. Two must be Non-Independent Non-Executive Directors; and
- iii. All must not be the Chair of the Board.

2.2 The Chair of the BGRMC shall be appointed by the Board.

3.0 PRINCIPAL ROLES AND RESPONSIBILITIES

The BGRMC's Terms of Reference remain flexible to change in circumstances and conditions that are in compliance with legal and regulatory requirements but will generally have the responsibilities below. In carrying out the BGRMC's roles and responsibilities the BGRMC shall be provided with the resources required and have full, free and unrestricted access to any information, records, properties and personnel of the Group and within the Group.

3.1 Governance and Risk

- i. To ensure the Group adopts sound and effective policies, procedures and practices for all its governance and risk functions.
- ii. To review the adequacy and effectiveness of Group's internal controls, risk management and governance systems, including information technology and network controls as well as systems for compliance applicable laws, directives and guidelines.
- iii. To review and recommend the governance and risk management methodologies, policies (including framework) and risk tolerance levels for the approval of the appropriate authority in accordance with the Group's Limits of Authority.

- iv. To review the risk appetite within which the Board expects Senior Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks.
- v. To review the Senior Management's periodic reports on risk and compliance management activities, exposure and mitigating/remedial actions.
- vi. To oversee that all governance instruments are reviewed and updated continuously to reflect changes in the operating environment.
- vii. To oversee ongoing awareness programmes, communication, training and education on governance and risk management.
- viii. To oversee Compliance's review and assessment of Group policies within its remit to ensure adequacy, regulatory alignment and effective implementation.
- ix. To consider other matters relating to governance and risk management as referred to by the Board or by BGRMC on its own accord.

3.2 Anti-Corruption

- i. To oversee the establishment, maintenance and periodic reviews and implementation of the anti-corruption compliance programme which includes clear policies procedures, training, and communications that adequately address corruption risks, in line with applicable legal and regulatory requirements.
- ii. Provide guidance and oversight on updates received from Internal Audit on statistics of concerns reported to the whistleblowing channel, investigation outcomes relating to corruption matters, summary for substantiated non-corruption cases including control measures and action taken.
- iii. To report to the Board of any corruption-related matters including investigation outcomes, reviews of risk assessment, control measures and performance.
- iv. To review the effectiveness of anti-corruption measures taken.

3.3 Sustainability Risks and Opportunities

- i. To support the Board in its responsibility for the governance of sustainability in the Group including setting the Group's sustainability strategies, priorities and targets.
- ii. To ensure an adequate organisation, including dedicated resources, in the sustainability function within the Group.
- iii. To oversee the processes, standards and strategies designed to manage social and environmental risks, covering issues such as safety, health, employment practices, community relations, human rights, etc. covering:
 - Review annual reports from Senior Management
 - Review Sustainability Statement/Report before publishing

4.0 MEETINGS

4.1 Quorum

The BGRMC is not a decision-making body unless power to do so has been specifically and unanimously delegated by the Board. In such cases, a minimum of two (2) BGRMC members must be present at each BGRMC Meeting, whereby at least one (1) is an Independent Non-Executive Director, to form a quorum.

In the absence of the Chair, the members shall elect a Chair for the meeting from amongst themselves.

4.2 Conduct of Meetings

- i. The BGRMC shall meet at least four (4) times in a year, and such additional meetings, the Chair of the BGRMC shall decide, all of which must be conducted separately from the Board Meeting and any other Board Committee Meeting. Individual BGRMC members may also request additional meetings in the BGRMC.
- ii. The BGRMC meetings shall be governed by the provisions of the Company's Constitution relating to Board meetings unless otherwise provided for in this Terms of Reference. The BGRMC may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.
- iii. The BGRMC members shall participate in meetings either physically or via video or telephone conference. In the event that the Chair deems it acceptable, considering the matter and circumstances at hand, the BGRMC may adopt resolutions by written procedure and such written resolutions require the acceptance in writing by all members of the BGRMC, except for any interested member(s) who has to abstain and shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for him/her.

4.3 Notice and Agenda

- i. The notice and agenda for each BGRMC meeting with due notice of the issues to be discussed shall be sent to all members of the BGRMC and any other persons who may be required to attend.
- ii. The Chair of the BGRMC shall report to the Board on any matter that should be brought to the Board's attention and provide recommendations of the BGRMC that requires the Board's approval at the Board meeting.
- iii. The BGRMC may invite any member of Senior Management, any representative of external consultants/other advisers, other members of the Board and any other persons as deemed necessary by the BGRMC to be present at any meeting of the BGRMC.

5.0 ANNUAL REVIEW OF THE BGRMC EFFECTIVENESS

- 5.1 The BGRMC shall conduct an annual assessment to review its terms of office, composition, and the performance and effectiveness of the BGRMC and each of its members in carrying out the duties as set out in these Terms of Reference and shall report the outcome of such assessment to the Board.
- 5.2 The BGRMC shall review the appropriateness and adequacy of this Terms of Reference and recommend to the Board any proposed revision or amendment for approval.

6.0 REVIEW OF THE TERMS OF REFERENCE AND APPROVAL

- 6.1 The BGRMC shall review the appropriateness and adequacy of these Terms of Reference and recommend to the Board any proposed revisions or amendments for approval.
- 6.2 This Terms of Reference was reviewed and approved by the Board of Directors on 18 March 2026.