



## **TERMS OF REFERENCE**

# **CORPORATE SUSTAINABILITY CHAMPION**

APPROVED BY CEO ON 26 MARCH 2018



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## TERMS OF REFERENCE OF THE CORPORATE SUSTAINABILITY CHAMPION

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### 1. CORPORATE SUSTAINABILITY CHAMPION (“CSC”) STRUCTURE



The CSC is chaired by the CEO or the Chief Operating Officer (“COO”) in the absence of CEO.

The CSC Committee is a cross-functional and cross-divisional network comprising all Corporate Functions or selected Heads of Departments. Membership of the CSC Committee is defined by function or by delegation and linked to the specific functional assignment. The CSC team meets at least four times in a calendar year.

### 2. CONSTITUTION

The Corporate Sustainability Champion (“CSC”) is an integral part of Kumpulan Perangsang Selangor Berhad (“Perangsang Selangor” or “Company”) and has been defined as the responsible body to manage and coordinate the sustainability process. It reports to the Chief Executive Officer (“CEO”) and submit regular reports to the Company’s Board of Directors (“Board”) for Corporate Governance and Sustainability.

Preparation of discussions by the Committee with respect to formulating, developing, implementing, monitoring and reporting on the company’s sustainability policies and activities in line with the Bursa Malaysia guidelines.



### 3. OBJECTIVES

The objective of the CSC is to support value creation for the Company by integrating Economic, Environmental and Social (“EES”) responsibility into daily business activities as defined by the Company’s vision and mission. Its purpose is to ensure that Perangsang Selangor has in place the policies, standards, systems and people required to identify and meet the international standards and agreements in the EES area formally committed to.

The CSC establishes, monitors, manages and coordinates the sustainable development strategy of Perangsang Selangor and its implementation based on annual objectives and an action programme approved by the Board.

The CSC develops and increases stakeholder awareness (both internal and external) of the need and benefit of sustainable behavior and initiates changes and/or continued improvements.

It is responsible for regular internal and external reports and the Sustainability part of the Company’s Annual Report.

### 4. CSC CHARTER

The CSC identifies and assesses, together with line management, the significant economic, environmental and social risks that might impact on the long-term business or impair Perangsang Selangor’s objective to remain recognised as a leading responsible investment holding company.

The CSC is mandated by Board to monitor and align the day-to-day business activities with the corporate principles and compliance with Perangsang Selangor’s EES policies.

The CSC ensures, by means of suitable steps and appropriate information, together with the existing functions implement proper and satisfactory internal systems and controls are in place to identify and manage economic, environmental and social risks and that the Company’s and its subsidiaries’ business is conducted in a responsible manner.

As a consequence, the CSC reviews all global policies and regulations related to sustainability on a Group level and recommends the appropriate initiatives or programmes to the Board. The CSC is also involved in the review and approval process for all sustainability related global policies and regulations on a Divisional level.

The CSC manages and coordinates stakeholder dialogue with respect to the EES matters. It maintains the corporate data centre and acts as source and internal point of contact for sustainability matters on a Corporate level. In particular it handles all sustainability related questionnaires.



## **5. MEMBERSHIP**

- 5.1 The members of CSC shall be appointed by the Chairman of CSC from amongst the Heads of Departments or employees of the Company and shall consist of not less than nine (9) members.
- 5.2 The terms and conditions:
  - The Chairman and ALL members of CSC are voting members.
  - The membership of CSC may be reviewed as and when the need arises by the Chairman of CSC.

## **6. MEETINGS AND QUORUM**

- 6.1 The Meetings shall be held not less than twice a year. A member at any time and the Secretary shall on the requisition of a member summon a meeting of the CSC.
- 6.2 Any seven (7) members present shall constitute a quorum.
- 6.3 At all meetings of the CSC, the Chairman of the CSC, if present, shall preside. In the absence of CSC Chairman, the Chief Operating Officer or members present at the meeting shall elect one of their member to chair the meeting.
- 6.4 The Secretary of CSC shall be appointed from Public Relation, Media and CSR staff.
- 6.5 No one other than the members of CSC and the Secretary shall be entitled to be present at a meeting of CSC.
- 6.6 At the invitation of CSC, other employees of the Company, external advisers and other persons may be invited to attend for all or part of any meeting.
- 6.7 Any resolution in writing, signed or assented to by all the members of CSC shall be as valid and effectual as if it had been passed at a meeting of CSC duly convened and held, and may consist of several documents in the like form, each signed by one or more members of CSC.

## **7. CSC ROLES AND RESPONSIBILITIES**

- 7.1 Governance of the CSC by reviewing and endorsing the CSC Charter and activities/programme.
- 7.2 To determine the sustainability framework and governance structure.
- 7.3 To recommend sustainability strategies, material sustainability matters related policies and its goals to the Board.



- 7.4 To oversee stakeholder engagement, to ensure that all issues, grievance and suggestions raised are taken into consideration in managing sustainability matters.
- 7.5 To review implementation of Sustainability programmes for the Group.
- 7.6 To consider and approve proposals for Sustainability subject to limit of authority delegated and approved by the Board of Directors.
- 7.7 To plan and proposed yearly budgets for Sustainability programmes for the Board's approval.
- 7.8 To prepare, review and propose for Board of Director's approval the Sustainability Statement for inclusion in the Annual Report.
- 7.9 To see that appropriate action is taken to assure compliance and to correct non-compliance, with the Company's procedures, programmes, policies and practices relating to its responsibilities as a global corporate citizen.
- 7.10 To review legal, regulatory and other matters relating to the Company and Group's responsibilities as a global corporate citizen that may have a significant impact on the Company and Group in any manner and make recommendations with respect thereto. As part of these responsibilities, the Committee shall take steps to ensure that reasonable and adequate systems are in place to ensure the Company and Group's compliance with governmental regulations relating to economics, environment and social matters.
- 7.11 To review and monitor the performance of the Company and Group as it affects matters relating to sustainability, the environment, communities, customers and other key stakeholders.
- 7.12 To oversee the management of risks related to sustainability matters and the Company and Group's interactions with communities, customers and other key stakeholders, including risks related to reputation.
- 7.13 To oversee, coordinate and integrate the management of the Company and Group's Sustainability programmes for:
  - Employees
  - Environment
  - Communities and Interest Groups
  - Government (legislative bodies)
  - Business Partners
- 7.14 To ensure that the Sustainability programmes are integrated and applied consistently throughout the Company and Group.
- 7.15 To conduct an annual review of the integrated Sustainability programmes to ensure that these:



- Comply with applicable laws.
  - Are consistent with Company and Group policies, guidelines and objectives on Sustainability.
- 7.16 To identify and recommend programme enhancements that will increase effectiveness and overall improvement in Company and Group performance and image.
- 7.17 To apprise the Board of Directors regularly of the accomplishments and issues/concerns related to the integrated Sustainability programmes.
- 7.18 To redefine, in consultation with the Board of Directors, the roles, duties and responsibilities of the Committee in order to integrate the dynamic requirements of business and the future plans of the Company and Group, subject at all times to the principles of sound corporate governance.
- 7.19 To undertake special projects or activities which the Board of Directors or the Committee considers necessary and perform other tasks or duties as may be requested or delegated by the Board of Directors.
- 7.20 To assist the Board of Directors in enabling the Company and Group to operate its business ethically, responsibly and sustainably.
- 7.24 Ensure necessary support and priority for sustainability related activities within their area of responsibility.
- 7.25 Building short and long-range operational planning that incorporates sustainability practices.
- 7.26 Conduct analysis of current policies, costs and benefits associated with implementing sustainable practices.
- 7.27 Engaging with a variety of stakeholders and conduct material assessment to ensure that their input is reflected in the company's sustainability policy.

## **8. AUTHORITY**

- 8.1 The Committee is authorised to act in accordance within the scope of its responsibilities.
- 8.2 The Committee should be provided with sufficient resources to undertake its responsibilities.
- 8.3 The Committee is authorised to seek any information it requires from any Director or employee of the Company in order to perform its duties.



## **9. DECISION MAKING REQUIREMENTS**

Simple majority of the attending members while meeting the requirement of quorum. In case of any a tie of votes, the Chairman shall have casting vote. Dissenting votes or differing opinions/views shall be recorded in the meeting minutes accordingly.

## **10. SUBMISSION OF PAPERS**

Submission of papers to the Board is to be no later than seven (7) days prior to the meeting.

## **11. NOTICE OF MEETING**

Notice of meeting should be submitted no later than three (3) working days prior to the meeting.