Mizuho Bank (Malaysia) Berhad

Company Registration No. 201001039768(923693-H)

TERMS OF REFERENCE

BOARD RISK MANAGEMENT COMMITTEE

Contents

1. OBJECTIVE 3
2. AUTHORITY 3
3. PRINCIPAL ROLES AND RESPONSIBILITIES 3
4 SIZE AND COMPOSITION 6
5 CHAIRMAN 6
6 SECRETARY 6
7 FREQUENCY 6
8 ATTENDANCE 6
9 QUORUM 7
10 NOTICE 7
11 AGENDA AND PAPERS 7
12 DECISION 7
13 MINUTES 7
14 REPORTING TO BOARD 8
15 COLLABORATION WITH BOARD AUDIT COMMITTEE 8
16 OTHER PROVISIONS 8

Control Versions - Noted by the Board on 22 October 2026 and last revised on 1 October 2026

TERMS OF REFERENCE OF BOARD RISK MANAGEMENT COMMITTEE

1. OBJECTIVE

1.1 The objective of the Terms of Reference ("**TOR**") is to set out the principal roles and responsibilities of the Board Risk Management Committee ("**BRMC**"), procedures for governing the meetings and decision making process of the BRMC in accordance with the authority granted by the Board, the principles of good governance set out in the policy documents and guidelines issued by Bank Negara Malaysia ("**BNM**") and other relevant regulatory authorities. This TOR shall be read together with the Board Charter and TOR of the Board.

2. AUTHORITY

2.1 The BRMC is authorised by the Board to act within its TOR and shall be vested with such power and authority to undertake and implement its duties and responsibilities as set out in its TOR, to have direct communication channels with Chief Risk Officer ("**CRO**") and Chief Compliance Officer ("**CCO**"), to obtain independent professional advice, if necessary, at the Bank's expense, and to have full and unrestricted access to information to enable the BRMC to fulfill its objectives.

3. PRINCIPAL ROLES AND RESPONSIBILITIES

3.1 Pursuant to the mandate granted via the Constitution of MBM, BRMC is established to assist the Board in overseeing and ensuring that MBM's corporate objectives are supported by a sound risk strategy and an effective risk management framework that is appropriate to the nature, scale and complexity of its activities. The BRMC further supports the Board in meeting the expectations on risk management as set out in the policy document issued by BNM on Risk Governance and Shariah Governance.

3.2 Where the laws or the Constitution of MBM require the matter to be tabled, reported, assessed or approved by the Board, the same shall be governed under the Board Reserved Matters. Under the Board Reserved Matters, the Board shall have the sole authority to approve/decide on the matters stated therein. The BRMC shall be responsible to oversee, review/assess and recommend the matters for the Board's decision.

3.3 The duties and responsibilities of BRMC shall include the following and the BRMC may be mandated by the Board to decide/approve on the matters stated below. For avoidance of doubt, this mandate shall not be sub-delegated by BRMC unless otherwise approved by the Board:-

3.3.1 Risk Management

(a) Promote consistent culture of risk awareness and risk management within the Bank, set healthy risk culture, establish the tone-at-the-top and uphold standards of conduct, organisational practices and corporate values that are consistent with MBM's overall risk appetite.

(b) Review and recommend risk management strategies, policies and risk appetite for Board's approval. This include credit risk, market risk, liquidity risk, operational risk, shariah risk, compliance risk, financial crime risk, technology

risk, cyber security risk, and environmental (including climate risk), social and governance risk.

(c) Review and assess the adequacy of MBM's risk management policies and frameworks in identifying, measuring, monitoring and controlling risk, and the text to which these policies are operating effectively.

(d) Review the Bank's business plan, information technology and cyber security strategic plans over a three-year period and periodically review these plans at least once a year.

(e) Ensure infrastructure, resources and systems are in place for risk management, and to ensure that the staff responsible for implementing risk management systems perform those duties independently of the Bank's risk-taking activities.

(f) Oversee the implementation of sound and robust risk management frameworks, including technology risk management, cyber resilience, shariah risk management and climate risk management.

(g) Review the overall framework on the Internal Capital Adequacy Assessment Process ("**ICAAP**"), the development and effective implementation of the ICAAP.

(h) Review the stress testing governance including the evaluation on the capital stress test scenarios, parameters, key assumptions and results.

(i) Evaluate the risks under stress scenarios and MBM's business and operations capacity to sustain such risks.

(j) Review the adequacy and effectiveness of Management's internal controls and risk management process.

(k) Review Management's activities in managing principal risks such as credit, market, liquidity, interest rate risk in the banking book, operational, compliance, IT risk, cyber risk, environmental (including climate risk), social and governance risk, and the risk management process.

(l) Receive and review Management's periodic reports on risk appetite, risk exposure, risk portfolio composition, stress testing, key technology projects, recovery plan and risk management activities to ensure that the results are aligned to the risk posture of the Bank.

(m) Review the assessment report on the data center infrastructure resiliency and network services reliability.

(n) Receive and review reports from pertinent Management Committees.

3.3.2 Compliance

(a) Oversee the management of compliance risk and overall compliance with laws, regulations and standards. Among the regulatory areas include Anti-Bribery and Anti-Corruption ("AB&C"), Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing ("AML"/CFT/CPF"), Environmental, Social and Governance ("ESG"), Shariah Risk and Governance, and etc.

(b) Promote sound corporate governance and compliance culture which reinforces high ethical standards and professional behaviours.

(c) Review, deliberate and recommend for Board's approval on compliance related risk appetite, framework, policies and internal control systems, including management information system, and oversee its implementation and ensure they are periodically reviewed to remain appropriate.

(d) Discuss compliance issues regularly, in particular, material incidents of non-compliance that needs to be reported to the BRMC and the Board promptly by the Senior Management, with adequate time and priority is provided in the BRMC agenda for deliberation and ensuring issues are resolved effectively and expeditiously.

(e) Evaluate the effectiveness of overall management of compliance risk, at least annually, having regard to the assessments of Senior Management and internal audit, as well as the interactions with, and reports escalated by the CCO.

(f) Keep abreast of, and understand the compliance risk associated with MBM's business strategies and operations, and latest development on laws, regulations and standards.

(g) The above include escalation and regular reporting from the CCO on Shariah non-compliance issues and findings, Shariah Advisory Council rulings and assessment on compliance of MBM's business operations and activities with Shariah, bribery and corruption risks as well as ML/TF, PF and sanctions risks associated with MBM's business strategies, operations, customers' profiles, products, services and delivery channels offered.

3.3.3 Appointment and Assessment of CRO and CCO

(a) Together with the Board Nomination Committee, assess and recommend the appointment (*including salary and benefit package), confirmation, promotion, cessation, evaluation on qualification and fit and proper criteria, succession plan, annual key performance indicators and annual performance assessment of CRO and CCO.

** "including salary and benefit package" shall refer to the package offered during the initial appointment. The subsequent salary and benefit package shall be under the joint purview of Board Remuneration Committee as stated below.*

(b) Together with the Board Remuneration Committee, assess and recommend remuneration of CRO and CCO including but not limited to salary, benefits, increment and bonus.

3.3.4 Resources and Personnel

(a) Oversee and ensure that the CRO and CCO have sufficient stature and are supported by Risk Management Section and Compliance Section respectively that are sufficiently resourced, including with competent officers, where both sections are provided with appropriate standing, authority and independence to perform their duties effectively.

(b) Provide the CRO and CCO with direct and unimpeded access to the Board, with regular engagement with the CRO and CCO, including without the presence of Senior Management from time to time and at least once a year, to provide opportunity to discuss issues faced by the Risk Management Section and Compliance Section.

4 SIZE AND COMPOSITION

4.1 The BRMC must consist of at least three (3) Directors, majority of which must be Independent Directors and the BRMC must not have any Executive Director in its membership.

4.2 The BRMC Members must have the skills, knowledge and experience relevant to the responsibilities of BRMC. The BRMC Member must maintain a sound understanding of the business of MBM as well as relevant market and regulatory developments including a commitment to on-going education.

5 CHAIRMAN

5.1 The Board shall appoint the Chairman of the BRMC ("**BRMC Chairman**") and the person so appointed must be an Independent Director and must not be the Chairman of the Board.

5.2 In the absence of the BRMC Chairman, the remaining BRMC Members present shall elect an Independent Director among themselves to chair the BRMC meeting.

6 SECRETARY

6.1 The Company Secretary of MBM or his/her nominee approved by the BRMC shall act as the Secretary of the BRMC meetings.

7 FREQUENCY

7.1 The BRMC meeting shall be held at least four (4) times each financial year or at any such interval or number of time(s) as the BRMC may deem necessary to fulfill the BRMC's responsibilities.

8 ATTENDANCE

8.1 The BRMC Member must attend at least 75% of the BRMC meetings held in each financial year. The BRMC Member shall not appoint another person to attend or participate in BRMC meeting on his/her behalf.

8.2 The BRMC Members may participate in a meeting by means of conference telephone or similar electronic tele-communicating equipment by means of which all persons participating in the meeting can hear each other and participate throughout the duration of the meeting. The participation in such meetings shall constitute attendance of the BRMC members at such meeting. However, attendance at BRMC meetings, by way other than physical presence, must remain the exception rather than the norm.

8.3 The BRMC may invite any other Director or any other person to attend the BRMC meetings as and when the BRMC may deem appropriate and necessary.

9 QUORUM

9.1 The quorum for the BRMC meeting shall be at least half (50%) of the total number of the BRMC Members.

10 NOTICE

10.1 The BRMC meeting may be summoned by the Chairman of BRMC or by the Secretary on requisition of BRMC Member. The BRMC shall determine the time and place of the BRMC meeting.

10.2 A reasonable prior written Notice of meeting shall be given to each BRMC Member, preferably (7) days before the date of the BRMC meeting. The Notice of meeting may be waived subject to the consent of all BRMC Members.

11 AGENDA AND PAPERS

11.1 Risk Management Section and Compliance Section in consultation with the BRMC Chairman, shall draw up the BRMC meeting agenda (together with the associated material) for circulation to each BRMC Member, preferably seven (7) days before the date of the BRMC meeting.

11.2 The BRMC papers, proposals and reports shall clearly address the background, objective, key issues, key considerations/rationale, impact and other relevant information to enable the BRMC Members to make an informed and effective decision or recommendation.

12 DECISION

12.1 Each BRMC Member shall be entitled to one (1) vote in deciding the matters deliberated by the BRMC. Any decision of the BRMC shall be determined by a majority of votes.

12.2 In the event of an equality of votes, the BRMC Chairman shall be entitled to a second or casting vote.

13 MINUTES

13.1 The discussions and conclusions of the BRMC meetings shall be minuted, in a clear, accurate, consistent, complete and timely manner. The minutes shall record the decisions of the BRMC, including key deliberations, rationale for each decision made, and any significant concerns or dissenting views. The minutes must indicate whether

any member of the BRMC had abstained from voting or excused himself from deliberating on a particular matter.

13.2 The BRMC meeting minutes shall be signed by the Chairman of the BRMC meeting at which the proceedings were held or by the Chairman of the next BRMC meeting.

13.3 A Circular Resolution in writing signed by a majority of the BRMC Members shall be as effective as a resolution passed at a meeting of the BRMC duly convened and held and may consist of several documents in the like form, each signed by one or more of the BRMC Member.

"Documents in the like form" include approval given by Director through a legible confirmed transmission by facsimile, telex, cable, telegram or other forms of electronic communications.

13.4 Any Circular Resolution passed must be tabled at the next BRMC meeting for notification of the BRMC.

14 REPORTING TO BOARD

14.1 The BRMC shall report to the Board on material matters arising at the BRMC meetings, on all matters within the BRMC's purview and, where applicable, shall present the BRMC's recommendations to the Board for Board's decision / approval.

14.2 Other matters assessed, reviewed or decided by the BRMC may be reported to the Board via minutes of the BRMC meetings tabled to the Board from time to time. The BRMC Chairman may update the matters separately as and when required.

15 COLLABORATION WITH BOARD AUDIT COMMITTEE

15.1 The BRMC and the Board Audit Committee shall periodically meet to ensure effective exchange of information so as to enable effective coverage of all risks, including emerging risk issues that could have an impact on MBM's risk appetite and business plans.

16 OTHER PROVISIONS

16.1 The TOR of BRMC will be reviewed and updated (if required) once in every 3 years and as and when required so as to ensure its relevancy in line with the development of the Bank's business operations and regulatory requirements.

16.2 Notwithstanding the delegation of authority to the BRMC, nothing herein stated shall prevent the matters from being directly reviewed, assessed or decided by the Board or restrict the Board from delegating its specific responsibilities to individual Director, Management or any person/entity.

16.3 The Board remains fully accountable for any authority delegated to the BRMC.

********** End of Document **********