BANK PEMBANGUNAN MALAYSIA BERHAD
Registration No.: 197301003074 (16562-K)

BOARD INFORMATION TECHNOLOGY COMMITTEE TERMS OF REFERENCE

1. Objective

The Board Information Technology Committee ("BITC") has an oversight function on the implementation of technology-related strategies and initiatives of Bank Pembangunan Malaysia Berhad ("BPMB") Group ("hereinafter referred to as BPMB Group").

2. Composition

2.1 BITC shall consist of not less than three (3) members of the BPMB Board of Directors ("Board").

2.2 All Members of BITC should be Non-Executive Directors, with the majority of whom are Independent Non-Executive Directors.

2.3 The appointment of the Chairman and members of BITC shall be approved by the Board based on the recommendation made by the Board Nomination and Remuneration Committee ("BNRC"). All members of the BITC, including the Chairman, shall hold office only so long as they remain as Directors of BPMB.

2.4 The members of BITC may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as Directors of BPMB.

2.5 The members of BITC shall possess sound judgment, objectivity, management experience, integrity and knowledge in information technology. The members of BITC are required to make a declaration of interest in the event that they have interests in any proposal being considered by BITC, including where such interest arises through close family members and related parties, in line with various statutory requirements on the disclosure of directors' interests.

In all situations, where the members of BITC are deemed as interested, such interested members would recuse himself/herself from all proceedings and deliberations of BITC pertaining to the matters of conflict. The declaration of interest and abstention from the deliberation and voting would be recorded in the minutes of meeting or written resolutions of BITC.

3. Chairman

3.1 The Chairman of BITC must be an Independent Non-Executive Director. In his absence, the members present at the meeting may elect any of its members to be the Chairman of the said meeting.

4. **Invitee**

4.1 The following Senior Leadership Team ("SLT") is the Permanent Invitee for BITC:-

- Group Chief Executive Officer ("GCEO")
- Group Chief Corporate Development Officer
- Chief Risk & Compliance Officer
- Chief Digital Technology Officer
- Managing Director, Group Finance & Operations

In the absence of any of the SLT mentioned above, the GCEO can appoint any other SLT, as it deems appropriate.

4.2 BITC may invite other Directors and/or SLTs of BPMB's subsidiary(ies) to attend the BITC Meeting as 'Invitee'. The aforesaid 'Invitee' shall only participate in the Meeting during the presentation and deliberation of matters concerning the subsidiary(ies).

4.3 BITC may invite to its meeting any SLTs and such other persons, as it deems appropriate, in order to carry out its responsibilities.

5. **Secretary**

5.1 The Company Secretary or a licensed officer from the Group Corporate Secretarial of BPMB shall prepare the minutes and resolutions of all BITC meetings, including the names of those present and in attendance.

6. **Roles & Responsibilities**

The duties and responsibilities of BITC shall include the following:-

6.1 Establish and recommend to the Board for approval, the technology risk appetite which is aligned with the BPMB Group risk appetite statement, as well as the Board's approval for the corresponding risk tolerances for technology-related events and ensure key performance indicators are in place to monitor the BPMB Group technology risk.

6.2 Recommend to the Board for approval the BPMB Group cybersecurity strategy, which is aligned with the overall BPMB Group business and IT strategy, and oversee the adequacy of the BPMB Group IT and cybersecurity strategic plans covering a period of no less than 3 years. These plans shall address the BPMB Group's requirements for infrastructure, control measures to mitigate IT and cyber risks, and financial and non-financial resources, which are commensurate with the complexity of the BPMB Group's operations and changes in the risk profile and business environment.

6.3 Responsible to oversee the effective implementation of a sound and robust technology risk management framework ("TRMF") and cyber resilience framework ("CRF") as required by Bank Negara Malaysia ("BNM") under the Risk Management in Technology policy.

6.4 Review and monitor the implementation of technology-related frameworks and ensure risk assessments undertaken in relation to material technology applications submitted to BNM are robust and comprehensive.

6.5 Review and monitor the implementation of IT projects/initiatives undertaken by the BPMB Group to ensure it is in line with the BPMB Group policies and strategies.

6.6 Review and recommend to the Board any appointment of such person, consultants or advisors to undertake any specific projects or assignments in relation to the BPMB Group IT or digitalisation initiatives/projects.

6.7 Approve business continuity matters related to technology, including but not limited to the Disaster Recovery Plan ("DRP") and disaster recovery exercises.

6.8 Review and recommend the technology blueprint of the Group.

6.9 Continuously engage in cybersecurity preparedness, education and training.

6.10 Consider any other matters as referred by BPMB BOD to BITC.

7. Authority

7.1 BITC shall have full authority to seek/obtain information from any employee of BPMB Group and to commission any investigations, reports or surveys, which it deems necessary in facilitating BITC to fulfil its duties and obligations.

7.2 BITC may obtain, at BPMB's expense, any external or independent professional advice or expertise, if necessary.

8. Quorum

8.1 The quorum necessary for the BITC meeting shall not be less than two (2) Members or at least 51% of the total number of the BITC Members, whichever is higher.

8.2 A member of the BITC shall be deemed to have attended a meeting either by his/her physical presence or via other modes of telecommunication, including but not limited to video teleconferencing or telephone, subject to the consent of the Chairman of the meeting.

8.3 A duly convened meeting of the BITC at which a quorum is present shall be competent to exercise all/ any of the authorities, powers and discretions vested in or exercisable by the members.

8.4 A member interested in a contract or a proposed contract or arrangement shall be counted for the purpose of determining a quorum. However, in cases of any conflict of interest, he/she must abstain from participating in discussions and decisions on matters directly involving him/her and excuse themselves from the meeting.

8.5 Decisions relating to the BITC's recommendation shall be consensus, always adhering to the quorum for the meeting. Notwithstanding the above, the Chairman shall call for a vote of the members if the circumstances warrant it, where the decision shall be carried out based on the majority. In case of an equality of votes, the Chairman shall have a second or casting vote. No Member will abstain from voting unless he or she has declared a conflict of interest.

9.	Frequency of meetings	9.1	BITC shall meet at least four (4) times in a year or at such other times as and when requested by the Chairman.
10.	Attendance	10.1	All members are required to attend at least 75% of the BITC meetings held in each financial year.
11.	Notice of Meeting	11.1	The Company Secretary shall notify meetings of BITC at the request of the Chairman of BITC.
		11.2	Unless otherwise agreed, a notice of each meeting confirming the venue, date and time together with the agenda of items to be discussed, shall be forwarded to the Chairman of BITC, preferably not less than seven (7) days prior to the date of the meeting.
		11.3	In principle, notice, together with all meeting papers, shall be provided to BITC Members not less than three (3) working days prior to the date of the meeting.
12.	Minutes of Meeting & Circular Resolution	12.1	The Company Secretary shall minute the proceedings and resolutions of the meeting. The minutes must record the decisions of the BITC, including the key deliberations, rationale for each decision made, and any significant concerns or dissenting views. The minutes must also indicate whether any member abstained from voting or excused himself from deliberating on a particular matter.
		12.2	The Company Secretary shall ascertain, at the beginning of the meeting, the existence of any conflict of interest and minute them accordingly.
		12.3	Draft minutes of each BITC meeting shall be circulated to BITC members prior to tabling of the said minutes for confirmation seven (7) days before the subsequent BITC meeting.
		12.4	Minutes of the BITC Meetings shall be approved by the members and signed by the Chairman of the meeting.
		12.5	A resolution in writing signed by all the members of BITC for the time being present in Malaysia shall be valid and effectual as if it had been passed at a meeting of BITC. The circular resolution shall be supported by relevant papers setting out details of the subject matter. The members of BITC may obtain more information from Management and express their views or points, as well as convey their decisions, by facsimile, electronic mail, or any other means of telecommunication. The circular resolution is limited to matters which is not complex and do not require in-depth discussion. All circular resolutions shall be submitted for information at a meeting of BITC following the passing of the circular resolutions.

		12.6	Minutes of meetings and circular resolutions of BITC, which have been confirmed and signed, shall be submitted to the Board for notification.
13.	Others	13.1	The TOR of BITC may be reviewed once every two (2) years or as and when necessary. The revised TOR will be tabled at the BITC for recommendation and to the Board for approval.

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