



# TERMS OF REFERENCE OF SUSTAINABILITY COMMITTEE

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**INTRODUCTION - SUSTAINABILITY CONTEXT**

- Sustainability is broadly defined as “meeting the needs of the present without compromising the ability of future generations to meet their own needs”.
- The Sustainable Development Goals (SDGs) form the framework for improving the lives of populations around the world and mitigating the hazardous man-made effects of climate change.
- ESG (Environmental, Social and Governance) are three central factors in measuring the sustainability and ethical impact of a company. ESG factors, though non-financial, have a material impact on the long-term risk and return of investments.
- EES refers to the economic, environmental and social risks and opportunities which companies should consider, for a more holistic approach to business management.
- The Triple Bottom Line (TBL) is a sustainability-based accounting method that focuses on people, profit and planet. The TBL pillars are also commonly the 3Ps. TBL includes ecological and social aspects that are often difficult to measure but the theory is that by improving in any one pillar, overall the company will improve.

To Tomypak, sustainability encompasses all of the above.

**PURPOSE**

The main function of the Sustainability Committee is to assist and support the Board in ensuring that Tomypak becomes highly compliant with sustainability legislation, guidelines and best practices.

Responsibilities and duties include the following:

- (i) Develop and recommend to the Board the Group’s Sustainability Strategy;
- (ii) Draft and recommend sustainability related policies and statements to be approved/adopted by the Board;
- (iii) Conduct material assessment of sustainability related risks and opportunities as and when required in accordance with an established framework;
- (iv) Oversee stakeholder engagement and corporate communication;
- (v) Custodian of sustainability related metrics;
- (vi) Oversee the implementation of sustainability initiatives;
- (vii) Custodian of the sustainability section of the company website;
- (viii) Oversee the investor relations section of the company website;
- (ix) Oversee document control;
- (x) Prepare the annual Sustainability Report based on relevant frameworks, guidelines, standards and stock exchange requirements, to be published after Board approval.

## **SUSTAINABILITY COMMITTEE IN THE ORGANISATIONAL STRUCTURE**

The Committee is permanent and reports to the Board. This is done in the following manner:

- Copies of signed minutes of each meeting of the Committee, supported by explanatory papers if necessary, being tabled at Board meetings;
- The Chairman, Coordinator or Advisor of the Committee drawing to the Board's attention any matter of importance; and
- The Chairman or Coordinator of the Committee updating the Board on the activities undertaken by the Committee.

## **COMPOSITION OF THE COMMITTEE**

Number of members	:	Minimum of 5
Chairman	:	Managing Director or Executive Director or Independent Director
Coordinator	:	Any staff member
Advisor	:	Any member of the Board of Directors
Secretary	:	Any staff member or the Company Secretary

## **SECRETARY OF THE COMMITTEE**

The Secretary shall be such person as determined by the Committee.

Duties of the Secretary:

- Plan and arrange meetings of the Committee either on a scheduled basis or as required;
- Ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues;
- Prepare the minutes of meetings including the conclusions and decisions made by the Committee.
- Upon conclusion of the meeting, draft of the minutes of meeting shall be:
  - distributed to all members of the Committee or the relevant sections of the said draft may be provided to management and relevant invited participants, to ensure proper key actions/directions given are acted upon; and
  - upon confirmation on the accuracy of the draft minutes by the Committee members/management, the draft minutes shall be tabled at the following meeting for confirmation and signing by the Chairman.
- Send a copy of the signed minutes of meeting(s) to the Company Secretary for tabling at the next Board meeting for information and/or review.

## **ROLE OF THE ADVISOR**

- To ensure strategies are in line with corporate objectives and fits the 'big picture'.
- To ensure that Board's expectations/decisions are addressed.
- To share knowledge and experience.
- Oversee quality of sustainability reporting and to prevent greenwashing.

## **ADMINISTRATION OF MEETINGS**

- Unless otherwise constituted in this TOR, procedures and conduct of meetings (i.e. in relation to notice of meetings, minutes etc.) are to be similar to any other board committee meeting.
- Quorum: Minimum of 4 persons with any of the chairman, coordinator, or advisor to be present.
- Meetings are to be held at least once every quarter.
- There will not be a decision by circular resolution unless otherwise agreed by the Advisor.

## **POWERS AND AUTHORITY OF THE COMMITTEE**

- Full, free and unrestricted access to any information, records, properties and personnel of the Group for the purpose of discharging the responsibilities of the Committee.
- Subject to prior consultation with the Chairman of the Board of Directors, to appoint external consultants and obtain independent professional or other advice and services, particularly in relation to GHG emissions, energy efficiency, water consumption, waste management, circular economy initiatives and sustainability reporting.
- To invite outsiders with relevant experience or experts to attend meetings and to share their knowledge and experience with the Committee, who may or may not be remunerated with an attendance allowance of a reasonable amount.

## **THE COMMITTEE'S PERFORMANCE**

The Committee is to conduct an annual formal review of its performance. The Committee's performance and extent to which the Committee has met the requirements of its Terms of Reference may also be evaluated by the Board with the assistance of the internal auditor or an external expert.

## **REVIEW OF TERMS OF REFERENCE**

The Committee's Terms of Reference shall be reviewed as and when required or at least once every two years and all amendments must be approved by the Board.

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