

TERMS OF REFERENCE OF THE SUSTAINABILITY COMMITTEE

A. COMPOSITION

1. The Sustainability Committee shall comprise at least three (3) members from amongst the Directors of the Company.
2. The Chairman of the Sustainability Committee shall be an Independent Non-Executive Director.
3. The Company Secretary shall be the Secretary of the Sustainability Committee.
4. No alternate Director shall be appointed as a member of the Sustainability Committee.

B. AUTHORITY

1. The Sustainability Committee is authorised by the Board to review any activity within the Sustainability Committee's terms of reference.
2. In the event that any member of the Sustainability Committee shall need to seek independent professional advice in furtherance of his/her duties, he/she shall first consult with and obtain the prior approval of the Chairman of the Sustainability Committee.
3. The Sustainability Committee is authorised to review and recommend to the Board the annual sustainability plan budget and additional ad-hoc initiatives in relation to the sustainability strategy and budget increases amounting to RM1 million and above.
4. To recommend to the Board any appropriate changes to the duties of the Sustainability Committee.
5. The Sustainability Committee to consider the appointment and/or removal of the Chief Sustainability Officer.
6. The Chief Sustainability Officer shall provide recommendation, report status and findings and/or resolutions to the Sustainability Committee at its meetings.

C. DUTIES OF THE SUSTAINABILITY COMMITTEE

1. To review, monitor and assess BAT Malaysia's sustainability related policies, standards and performance in relation to health, environment, social and governance of BAT Malaysia.
2. To oversee processes to ensure compliance with policies and standards relating to the sustainability agenda of BAT Malaysia.

3. To provide insights and input to the Management to ensure that the Group's sustainability strategies, goals and programs are aligned with the global direction and stakeholders' expectations to promote and encourage the Group's commitment towards sustainability.
4. To review the Group's sustainability report and any other specific reports (if any) prior to reporting to the Board including:
 - (a) changes in sustainability policies, standards and procedures, and its implementation.
 - (b) assessment of material issues to the achievement of sustainability goals by the Group and efforts to address the issues.
5. To review issues relating to sustainability arising from independent audits and assurance reports as well as other relevant matters pertaining to the industry.
6. To consider and recommend to the Board positioning on relevant emerging sustainability issues and opportunities.
7. To act on any other matters as may be directed by the Board.

D. MEETINGS AND MINUTES

1. The Sustainability Committee shall meet at least four (4) times annually and/or as required in furtherance of its duties.
2. The quorum for the Sustainability Committee's meeting shall be two (2) members.
3. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Sustainability Committee and ensure that the minutes are properly kept and produced for inspection if required.
4. The Sustainability Committee shall report to the Board and its minutes will be tabled to and noted by the Board.
5. A resolution in writing signed or approved by a majority of all members of the Sustainability Committee shall be valid and effectual as if it had been passed at a meeting of the Sustainability Committee. All such resolutions shall be recorded the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members of the Sustainability Committee. The expressions "in writing" or "signed" include approval by legible confirmed transmission by way of letter, facsimile, electronic means or other means of communication.