

TERMS OF REFERENCE OF BOARD DIGITAL-FIRST COMMITTEE

1. CONSTITUTION

- 1.1 The Board Digital-First Committee (“**the Committee**”) shall be formed by the Board of Directors of the Company (“**Board**”) and the Committee members shall be appointed by the Board from amongst the Board members.
- 1.2 The functions and authority of the Committee extends to Pos Malaysia and all its subsidiaries as well as joint venture and associate companies where management responsibility is vested on Pos Malaysia or subsidiaries of Pos Malaysia (collectively referred to as the “**Group**”).

2. OBJECTIVE

The primary objective of the Committee is to review, deliberate and thereafter either approve, or recommend to the Board for approval, proposals made by Management on the Group’s flagship Digital-First related projects in line with the Company’s Limits of Authority.

3. AUTHORITY

- 3.1 The Committee has the authority to carry out the functions as stated in its Terms of Reference.
- 3.2 The Committee shall have the authority to award Digital-First related contracts and on other related matters as set out in the Company’s Limits of Authority.
- 3.3 In the event the authority limits of the Committee under the Company’s Limits of Authority are amended, modified or varied by the Board from time to time, such amendments, modifications or variations shall be deemed to be inserted herein whereupon these Terms of Reference shall be read and construed subject to and in accordance with the said approved amendments, modifications or variations.
- 3.4 The Committee wherever necessary and reasonable for the performance of its duties, shall in accordance with the same procedures adopted by the Board:-
 - (a) Have full and unrestricted access to any employee and information pertaining to the Group; and

- (b) Be able to engage independent professional advisers/consultants and to secure attendance of outsiders with relevant experience and expertise if it considers this necessary.

4. MEMBERSHIP

- 4.1 The members of the Committee shall be appointed by the Board and consist of not less than three (3) Board members.

If the membership for any reason falls below two members, the Board shall, within three (3) months of that event, appoint such number of new members as may be required to fulfil the minimum requirement.

- 4.2 The appointment of a Committee member terminates when the member ceases to be a director, or as determined by the Board, or ceases to hold the relevant Management position.
- 4.3 The Committee shall be chaired by the Chairman of the Board.

5. FUNCTIONS AND DUTIES

- 5.1 The Committee shall:-

- (i) Approve proposals made by Management on the Group's flagship Digital-First related projects in line with the Company's Limits of Authority;
- (ii) Review, deliberate and thereafter recommend to the Board for approval proposals made by Management on the Group's flagship Digital-First related projects in line with the Company's Limits of Authority;
- (iii) Review and assess the business case of the Group's Digital-First related projects and their costing to ensure that proper decisions are made on the related investments and projects;
- (iv) Review and assess the Group's Digital-First strategy to ensure its alignment with the Group's Corporate Strategy and direction;
- (v) Review and approve Digital-First related policies or recommend such policies to the Board of Directors for approval, as appropriate;
- (vi) Review on annual basis key emerging Digital-First trends that may affect the Group's strategic plans, including potential significant changes to those trends;
- (vii) Review significant Digital-First issues affecting delivery of the Group's strategic projects and thereafter make the necessary recommendations to the Board on action plans to address and mitigate the same;

- (viii) Receive reports from Management concerning the development and performance of the Group's Digital-First projects; and
- (vi) Review all Digital-First related risks and the necessary risk assessment and risk mitigation plans proposed by Management.

6. MEETINGS

- 6.1 Meetings of the Committee shall be held as and when requested by any member of the Committee.
- 6.2 The quorum for a meeting of the Committee shall be two (2) members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.
- 6.3 In the absence of the Chairman, the members present shall elect a Director from amongst the members present to be chairman of the meeting.
- 6.4 Group Chief Executive Officer (GCEO) and the Group Chief Digital Officer (GCDO) shall be the permanent invitees, or any other person as may be decided by the Committee.
- 6.5 Any matter to be voted upon shall be decided by a majority of the votes cast on the question. In the case of an equality of votes, the Chairman of the Committee shall have a casting vote.
- 6.6 The Committee may invite other Directors, members of Management, counsels and consultants as applicable to participate in Committee meetings, as and when necessary.
- 6.7 A Committee member shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to a situation of an actual or perceived conflict of interest for the member. Where this causes insufficient Directors to make up a quorum, the Committee has the right to appoint another Director, which meets the membership criteria.
- 6.8 The Secretary of the Committee shall be the Company Secretary of the Company or any other person the Committee may decide.
- 6.9 The Committee meeting agendas shall be the responsibility of the Committee Chairman with input from the Committee members. The Chairman may also ask Management and others to participate in this process.
- 6.10 Unless a meeting is called on short notice, the agenda for each meeting shall be circulated at least five (5) calendar days before each meeting to the Committee members and all those who are required to attend the meeting.

Written materials including information requested by the Committee from Management shall be circulated together with the agenda for the meetings.

- 6.11 The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated. The minutes of Committee meetings shall be available to all Board members.
- 6.12 The Committee, through its Chairman, shall report matters that are deliberated at Committee meetings and make the necessary recommendations (if necessary) to the Board for the Board's deliberation and decision.

7. DISSOLUTION

The Committee shall be dissolved upon recommendation and decision of the Board.