IOIPG Malaysia REIT
Management

IOIPG REIT MANAGEMENT SDN BHD
Company Registration No. 202501026083 (1627496-A)
(Incorporated in Malaysia)

RISK MANAGEMENT CHARTER

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1. INTRODUCTION

IOIPG REIT Management Sdn Bhd ("Manager"), in its capacity as the Manager of IOIPG Malaysia Real Estate Investment Trust ("IOIPG REIT"), is the responsible entity of IOIPG REIT.

The Risk Management Charter ("Charter") is a formal document that defines the purpose, authority and responsibilities of overall risk management activities. The Charter sets out the framework for the Manager's risk management activities, initiatives and processes within the organisation, including the establishment of a risk management function for the Manager, certain activities of which may be supported through an outsourced group-level arrangement. It also defines the scope of risk management initiatives.

The provision of risk management support through an outsourcing arrangement does not transfer or diminish the statutory, fiduciary or governance responsibilities of the Manager, which remains fully accountable for risk management in respect of IOIPG REIT and the Manager.

2. PURPOSE

The purpose of this Charter is to articulate the Manager's commitment to maintaining an effective enterprise risk management framework that supports the achievement of strategic objectives, enhances management decision-making, safeguards assets, and promotes sound corporate governance practices.

The risk management framework is designed to ensure that risks faced by the Manager and IOIPG REIT are identified, assessed, monitored and managed in a structured and consistent manner, with risk management activities supported through an outsourced arrangement, while risk ownership and accountability remain with the Manager.

This Charter provides a basis for oversight by the Board of Directors of the Manager ("Board") of risk management practices and supports the Board in satisfying its responsibilities under the applicable regulatory and governance frameworks, including the Malaysian Code of Corporate Governance ("MCCG") and the relevant guidelines issued by the Securities Commission Malaysia ("SC") ("SC Guidelines").

3. OBJECTIVES

The Board has established the Risk and Sustainability Committee ("RSC") to ensure that the Manager's risk management is aligned with its strategic objectives. The primary responsibility of the RSC is to oversee and approve the Manager's risk management practices and to assist the Board in:

i. Overseeing, in conjunction with other board-level committees or the Board, the strategic, operational, financial, credit, capital, market, liquidity, security, property, technological, legal, regulatory, reputational, compliance, health and safety, environmental, sovereign, political and any other risks, whether internal or external;

ii. Ensuring that management, with the support of the outsourced risk management function, has identified and assessed all the risks that the Manager faces and has established a risk management infrastructure capable of addressing those risks;

iii. Ensuring that the risk-related responsibilities of each Board committee are clearly defined, including through a gap analysis, so that no risk is left without appropriate oversight;

iv. Reviewing and recommending the Manager's enterprise-wide risk management framework to the Board for approval;

v. Conducting investigations into any matters within its scope of responsibility and obtaining advice and assistance from external legal, risk, sustainability or other professional advisers, as necessary, to perform its duties and responsibilities; and

vi. Meeting with and seeking any information it requires from employees, officers, management, directors, the outsourced risk management function, or external parties, and identifying and addressing any overlapping accountabilities or potential gaps in the oversight of the Manager's risks.

The Board authorises the RSC to do all things reasonably necessary to discharge the above responsibilities. In supporting the above objectives, the Manager's risk management function, including the outsourced risk management services, shall coordinate with the RSC through the Head of Legal and Compliance as the designated focal point and any other personnel or functions prescribed by the RSC.

4. STANDARDS FOR THE RISK MANAGEMENT PRACTICES

The Manager recognises that sound risk management practices are an integral component of effective governance, internal control and management oversight, particularly as the Manager is regulated by the SC.

Accordingly, this Charter adopts recognised best practices in risk management and is aligned with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") Enterprise Risk Management framework, the International Organization for Standardization ("ISO") ISO 31000 – Risk Management, the MCCG, and the SC Guidelines.

The guiding principles of the above standards and frameworks support the implementation of a structured, systematic and risk-based approach to identifying, assessing, monitoring and managing risks, and to evaluating the effectiveness of the Manager's risk management framework on an ongoing basis, with appropriate linkage to strategy, performance and decision-making.

Where risk management activities are supported through an outsourced arrangement, such activities shall be performed in a manner consistent with these standards and shall be subject to appropriate oversight by the Manager.

5. OBJECTIVITY & GOVERNANCE SAFEGUARDS

The Manager has established and owns the enterprise risk management function as part of its overall governance and management framework. Risk management is a management function and is not an independent assurance function.

In implementing the risk management function, the Manager may outsource certain risk management activities, including risk identification, assessment and related analytical support, to a group-level or external function, while retaining full accountability for risk ownership, risk responses and risk-related decisions.

Subject to strict obligations of confidentiality and the safeguarding of sensitive information and data, the outsourced risk management function is authorised to access the Manager's information, records, physical properties, and personnel as necessary to carry out risk management activities.

The Manager recognises that the outsourced service provider may be a related entity within IOI Properties Group Berhad ("Group") or an external party and, accordingly, adopts a principles-based approach to ensure that objectivity and appropriate governance safeguards are maintained, namely:

- clear definition of scope and responsibilities;

- oversight by the Board and the RSC;
- coordination and oversight by the Manager through designated focal points; and
- appropriate transparency and disclosure of the outsourcing arrangement.

6. ROLES AND RESPONSIBILITIES

The following sets out the key responsibilities of the respective parties in relation to the Manager's risk management framework, including where risk management activities are supported through outsourced arrangements and governed by a service agreement approved by the Manager.

Role	Responsibilities
Board	• Provides overall oversight of the Manager's ERM framework and remains accountable for risk oversight and governance. • Oversees the identification and management of material risks, risk appetite, and significant risk exposures of IOIPG REIT and the Manager.
RSC	• Supports the Board in overseeing the effectiveness of the risk management framework and risk governance practices. • Reviews reports on key risk exposures, emerging risks, mitigation measures, and material issues arising from risk management activities, including those supported through outsourcing. • Oversees the risk and sustainability implications of outsourced risk management and related services. • Escalates material risk matters to the Board, where appropriate.
Chief Executive Officer	• Has overall responsibility for implementing the ERM framework approved by the Board. • Ensures that risk management activities, including those outsourced, are aligned with the Manager's strategic and operational objectives. • Ensures appropriate resources and management attention are given to risk management. • Escalates significant risk issues to the RSC and the Board.
Head of Legal and Compliance (Focal Point and Relationship Owner)	• Acts as the designated focal point and relationship owner for the risk management function, including working with the Head of Risk Management or any outsourced risk management function appointed by the Manager. • Coordinates risk management activities between management, the outsourced risk management function, and relevant internal and external parties. • Coordinates information flow, reporting, and escalation of risk matters to the RSC and the Board.
Outsourced Risk Management Function	• Performs agreed risk management activities on behalf of the Manager within the approved scope, including risk identification, assessment, analysis and related support, in line with the approved service agreement. • Provides risk insights, analysis, and reports to support oversight by management and the Board. • Coordinates with the Head of Legal and Compliance and relevant internal stakeholders as required.
Key Management Personnel/ Heads of Department	• Acts as the risk owner for, and owns and manages, risks within their respective areas of responsibility or departments. • Identifies, assesses, and manages risks arising from operations and strategic initiatives. • Implements risk mitigation measures and internal controls. • Engages with risk management activities and provides accurate and timely information as required.

Role	Responsibilities
Service Providers (where applicable)	• Delivers services in accordance with agreed contractual terms and service levels. • Maintains appropriate business continuity and resilience arrangements, where required. • Cooperates with reviews, assessments, audits, and regulatory inspections relating to risk management activities, where applicable.

7. REPORTING AND MONITORING

Risk management reporting and monitoring arrangements shall be designed to support effective oversight by management, the RSC and the Board, taking into account the nature, materiality and risk profile of the assets and operations of IOIPG REIT and the Manager.

As risk owners, the Heads of Department shall work with the Head of Risk Management or the person-in-charge of the risk management function to identify, capture, assess, monitor, manage, mitigate and handle risks within their respective areas, including keeping the risk register for their areas up to date, implementing agreed risk treatment and action plans within the committed timelines, and escalating material or emerging risks promptly.

The scope, frequency, format and timing of the risk registers and risk management reporting, including periodic reviews and assessments, shall be determined by the RSC and formalised, where applicable, through service level agreements and/or other governance documents.

Risk management reports shall be prepared by the outsourced risk management function and coordinated through the Head of Legal and Compliance. Such reports shall be distributed to relevant stakeholders and escalated to the RSC in accordance with agreed governance reporting procedures.

Reporting shall, at a minimum, cover material or key risk exposures, emerging risks, changes in the risk profile, an overview of key controls, exceptions or concerns, the status of key risk mitigation measures, risk ratings, and any significant issues arising from risk management activities, including those supported through outsourcing arrangements.

Where relevant, reporting may also incorporate risk-related inputs arising from compliance monitoring, sustainability-related risks and disclosures, or other specialised functions coordinated under the risk management framework.

The RSC may direct additional reporting, thematic reviews or independent assessments of risk management activities, including outsourced services, where it considers such action necessary to support effective oversight.

8. REVIEW

This Charter shall be reviewed as required and updated as necessary to reflect changes in regulatory requirements, governance expectations, business conditions, risk profile, or oversight needs of the Manager and IOIPG REIT.

The Manager shall ensure that any revisions to this Charter remain consistent with the deed of trust of IOIPG REIT, applicable laws and regulations, and the Manager's overall governance framework.