

**BERJAYA CORPORATION BERHAD**

(Company No: 554790-X)

(Incorporated in Malaysia)

**TERMS OF REFERENCE OF  
NOMINATION AND REMUNERATION COMMITTEE**

**DEFINITIONS**

"BCB" or "Company"	:	Berjaya Corporation Berhad
"Board"	:	Board of Directors of BCB
"Group"	:	BCB and its subsidiaries

**1.0 ESTABLISHMENT**

- 1.1 The Nomination Committee and Remuneration Committee were merged by the Board into a single committee and be named as the Nomination and Remuneration Committee ("NRC" or the "Committee") with effect from 27 February 2025.
- 1.2 The rationale for the merger is to streamline the functions of these Committees as well as to enhance the efficiency and effectiveness of the NRC in discharging its duties and responsibilities.

**2.0 COMPOSITION**

- 2.1 The Committee member shall be appointed by the Board from amongst the Directors and shall have at least three (3) members, all of whom shall be Non-Executive Directors with the majority being Independent Directors.
- 2.2 The Chairman of the Committee shall be either a Senior Independent Non-Executive Director or an Independent Director appointed by the Board. The Chairman of the Board shall not be a member of the Committee.
- 2.3 No alternate Director shall be appointed as a member of the Committee.
- 2.4 The office of a member shall become vacant upon the member's death/resignation/ retirement/ removal or disqualification as a Director of the Company.
- 2.5 In the absence of the Chairman of the Committee, the remaining Committee members present shall elect one of their Independent Non-Executive members as Chairman of the meeting.

- 2.6 In the event of any vacancy in the Committee resulting in the number of members being reduced to below three (3), the Board shall within three (3) months fill the vacancy.

### **3.0 AUTHORITY**

- 3.1 The Committee shall have access to such information and advice, both from within the Group and externally, as it deems necessary or appropriate in accordance with the procedures determined by the Board and at the cost of the Group.
- 3.2 The Committee may request other Directors, members of Management, counsels, consultants as applicable, to participate in Committee meeting(s), as necessary, to carry out the Committee's responsibilities.
- 3.3 The Committee may consult the Chairman and/or Joint Chief Executive Officer ("CEO") or CEO of the Company regarding proposals relating to the remuneration of Executive Directors. The Committee may consult other Non-Executive Directors in its evaluation of the Managing Director/Chief Executive Officer and the Executive Directors.
- 3.4 The Committee is authorised by the Board to obtain external legal or other professional advice, as well as information about remuneration practices elsewhere. The Committee may, if think fit, secure the attendance of external advisers with relevant experience and expertise. No Director or Executive shall take part in decisions involving his/her own remuneration.

### **4.0 SCOPE AND FUNCTIONS**

The scope and functions of the Committee shall include, but not limited to, the following:-

#### **4.1 Nomination Functions and Duties**

- 4.1.1 To determine the criteria for Board membership, including qualities, experience, skills, education and other factors that will best qualify a nominee to serve on the Board;
- 4.1.2 To review annually and recommend to the Board with regard to the structure, size, balance and composition of the Board and Committees including the required mix of skills and experience, core competencies which Non-Executive Directors should bring to the Board and other qualities to function effectively and efficient and to ensure the composition of the Board is aligned with the recommendation of the Malaysian Code on Corporate Governance;

- 4.1.3 To recommend to the Board, the Directors to fill the seats on Board Committees, including membership and chairmanship of the Board Committees;
- 4.1.4 To consider, evaluate and propose to the Board any new board appointment, whether of executive or non-executive position. The proposed candidate may be sourced from existing Directors' network and referrals from incumbent Directors and business associates, senior management or major shareholders, independent search firms and other independent sources. In making a recommendation to the Board on the candidate for directorship, the Committee shall consider the relevant selection criteria as follows:-
- (a)
    - (i) Specific knowledge, skills and relevant working experience (capability);
    - (ii) Training and qualifications (competence);
    - (iii) Time commitment of the candidate;
    - (iv) Independence and conflicts of interest;
    - (v) External directorship of the candidate;
    - (vi) Probity, integrity and reputation; and
    - (vii) Other considerations including age, ethnicity and gender; and
  - (b) The candidates for a Non-Executive Director should be persons of calibre, credibility and have the necessary skill and experience to bring an independent judgement to bear on issues considered by the Board.
- The Committee shall also ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 198 of the Companies Act 2016;
- 4.1.5 To establish and implement processes for assessing the effectiveness of the Board as a whole, the Committees of the Board and for assessing the contribution of each Director (including the assessment of independence of the independent directors);
- 4.1.6 To consider the need to appoint a Senior Independent Non-Executive Director, and if deemed appropriate, recommend to the Board for approval. In considering the candidate for the position of a Senior Independent Non-Executive Director, the Committee shall assess the required knowledge and other qualities necessary for the effective discharge of his/her responsibilities;

4.1.7 To review and evaluate on an annual basis:-

- (a) the effectiveness of each Director's ability to contribute to the effectiveness of the Board and the relevant Board Committees and to provide the necessary feedback to Directors in respect of their performance;
- (b) the effectiveness of the Committees of the Board;
- (c) the effectiveness of the Board as a whole;
- (d) the term of office and performance of the Audit Committee and each of its members to determine whether the Audit Committee and its members have carried out their duties in accordance with its Terms of Reference; and
- (e) the independence of the Independent Non-Executive Directors;

4.1.8 To conduct an annual Board evaluation, where required to be facilitated by a professional, experienced and independent party;

4.1.9 To assess and recommend to the Board:-

- a) the re-election of those Directors who are retiring by rotation at an Annual General Meeting ("AGM") of the Company and to put forward for their re-election for approval at the said AGM taking into consideration the fit and proper criteria set out in the Company's Fit and Proper Policy;
- b) the cessation of services of any Board member(s) in accordance with the Company's policy or for or other reason(s) as may be provided; and
- c) the continued retention of any Independent Non-Executive Director who has served for a cumulative period of more than nine (9) years as an Independent Non-Executive Director or redesignation as a Non-Independent Director. Any retention of an Independent Director beyond nine (9) years shall be subject to annual shareholders' approval.

4.1.10 To establish an appropriate framework at the Board level for succession planning and boardroom diversity as well as to ensure appropriate focus on gender diversity;

4.1.11 To provide for adequate training and orientation of new Directors with respect to the business, structure and management of the Group as well as the expectations of the Board with regard to their contribution to the Board and Group; and

4.1.12 To consider in making its recommendations, candidates for directorships proposed by the Board, Management, major shareholders or other sources such as executive search firms.

In making its recommendations, the Committee shall evaluate candidates for new appointment as Directors based on the fit and proper criteria set out in the Company's Fit and Proper Policy, check on their conflict of interest (including competing business) ("COI") and any other criteria which the Committee deems necessary from time to time.

In the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/ functions as expected from Independent Non-Executive Director. Among others, the candidates must fulfill the criteria used in the definition of "independent directors" prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and being able to bring independent and objective judgement to the Board.

- 4.1.13 To consider other matters as referred to the Committee by the Board.

#### **4.2 Remuneration Functions and Duties**

- 4.2.1 To develop and agree on the remuneration policy and procedures with the Board, including the fee structure and level of remuneration for Executive Directors, Non-Executive Directors and key Senior Management, and to periodically review the policy and procedures. A copy of which shall be made available on the Company's website;

##### Executive Directors

- 4.2.2 To review the Executive Directors' goals and objectives and to assess his/her performance against these objectives as well as contribution to the corporate strategy;
- 4.2.3 To ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance-related elements of remuneration setting forming a significant proportion of the total remuneration package of Executive Directors. The Group Head of Human Resource shall assist the Committee to review and link the remuneration of the Executive Directors and when the need arises;

##### Non-Executive Directors

- 4.2.4 In respect of Non-Executive Directors, to ensure via the Board as a whole that the level of remuneration payable reflects the experiences, level of responsibilities and time commitment undertaken by the Non-Executive Directors concerned;

#### Key-Senior Management

- 4.2.5 In respect of key Senior Management, to ensure that the remuneration package commensurate with individual's performance, skills and experience, level of responsibility as well as the market benchmarks.
- 4.2.6 To ensure that the remuneration packages are determined on the basis of the directors' and key Senior Management's merits, qualifications and competences, having regard to the Group's operating results, individual performance and comparable market statistics and including any termination payments to be made. This review shall be facilitated by the Group Head of Human Resource;
- 4.2.7 To review the fees and benefits payable to the Directors of the Company including any compensation for loss of employment of director or former director and recommend to the Board of Directors and thereafter to be approved by the shareholders at general meeting; and
- 4.2.8 To consider other matters as referred to the Committee by the Board.

### **5.0 CONDUCT OF MEETINGS**

The Committee may participate the meeting in person or by means of teleconference, video conference, audio/visual communications or such other communication device or facilities available from time to time. The person shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in quorum accordingly.

### **6.0 FREQUENCY AND ATTENDANCE**

- 6.1 The Committee shall meet at least once a year. Additional meetings shall be scheduled as and when required by the Committee or Chairman of the Committee.
- 6.2 The quorum for the meeting of the Committee shall be at least two (2) members, of which one shall be an Independent Director. In the absence of the Chairman of the Committee, the members present shall elect one of their numbers to chair the meeting.
- 6.3 Matters arising at any meeting shall be decided by a majority vote, each member having one (1) vote. In the event of equality of votes, the Chairman of the Committee shall have a casting vote. However, the Chairman at the meeting shall not have a casting vote if only two (2) members are present or when only two (2) members are eligible to vote. The question in issue shall be tabled at the next meeting of the Committee or referred to the Board of the Company, whichever is more expedient;

- 6.4 The Secretary of the Committee shall be appointed by the Committee from time to time. The agenda for the Committee meeting(s) shall be determined by the Chairman of the Committee. The Chairman of the Committee may also request the Management to be present at the meeting(s).
- 6.5 Unless otherwise agreed by all members of the Committee for a shorter period, the notice and agenda for the meetings shall be circulated at least five (5) business days prior to the date of all Committee members and to those who requested to attend the meeting.
- 6.6 The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee. The minutes of each meeting shall be entered into the minutes book kept at the registered office of the Company. The minutes of the Committee meeting shall be confirmed and signed by the Chairman of the Committee or the presiding Chairman of the next succeeding meeting. Upon approved by the Chairman of the meeting, it shall be conclusive evidence without any further proof of the facts thereon and the minutes of the meeting shall then be circulated to all Board members.
- 6.7 The Chairman of the Committee, shall report to the Board at the next Board of Directors' meeting after each Committee meeting. When presenting any recommendation to the Board, the Committee will provide the relevant information and supporting documents (if any) for the Board to make an informed decision and to facilitate making the relevant disclosures and/or announcements to the authorities, in accordance with the recommended principles and practices of the Malaysian Code on Corporate Governance, as considered appropriate, and the Listing Requirements of Bursa Malaysia Securities Berhad.
- 6.8 The Chairman of the Committee shall be present at the Annual General Meetings of the Company to assist in responding to any question that may be posed to them by the shareholders.

## **7.0 CIRCULAR RESOLUTIONS**

A resolution in writing signed or approved by letter, telex, facsimile, telegram or other forms of electronic communication, by a majority of the members of the Committee and who are sufficient to form a quorum, shall be as valid as effectual as if it had been passed at a meeting of the Committee duly convened and held. Such resolutions may consist of several documents in the like form, each signed by one (1) or more members of the Committee and shall be forwarded to the Company Secretary without delay and recorded by the Company Secretary in the minutes book.

## **8.0 REVIEW OF THE TERMS OF REFERENCE**

- 8.1 The Terms of Reference of the NRC shall be subject to periodic review to ensure that it remains relevant and updated in accordance with the relevant changes to the Malaysia Code on Corporate Governance, Main Market Listing Requirement of Bursa Malaysia Securities Berhad or any other regulating requirements.
- 8.2 It shall also be reviewed and updated when there are changes to the direction or strategies of the Company that may affect the NRC's role.
- 8.3 Any revision or amendment to this Terms of Reference, as proposed by the NRC, shall be recommended to the Board for approval.
- 8.4 This Terms of Reference was reviewed and approved by the Board on 27 February 2025 and a copy of this TOR shall be made available on the Company's website at [www.berjaya.com](http://www.berjaya.com).