

**BIMB HOLDINGS BERHAD  
(423858-X)**

**TERMS OF REFERENCE (“TOR”) OF  
THE NOMINATION AND REMUNERATION COMMITTEE (“NRC”)**

<b>1.0</b>	<b>OBJECTIVES</b>	<p>The NRC is to support the Board in carrying out its function on the following:</p> <p>(a) the appointments and removals, composition, performance evaluation &amp; development and fit &amp; proper assessments concerning the Board of Directors, the Shariah Supervisory Council (SSC) members, the Group Managing Director/Chief Executive Officer and <sup>1</sup>key senior management personnel including the Company Secretary; and</p> <p>(b) overseeing the design and operation of the Company's remuneration system and periodically review the remuneration of the Board of Directors, the SSC members, the Group Managing Director/Chief Executive Officer, <sup>1</sup>key senior management personnel and such other personnel as determined by the Board.</p> <p><sup>1</sup> <i>Key senior management refers to Senior General Manager/Senior Vice President position and above including the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Risk Officer and such other designation as determined by the Board from time to time.</i></p>
<b>2.0</b>	<b>AUTHORITY</b>	<p>In carrying out its duties and responsibilities, the Committee shall have the following authorities as authorized by the Board:-</p> <p>a) To seek any information it requires from any employee of the Company in order to perform its duties.</p> <p>b) To obtain or appoint, at the Company's expense, any professional advice including the advice of independent consultant and to secure the attendance of the external advisers at its meeting if it considers necessary to help it fulfill its obligations.</p>

		<p>c) Full and unrestricted access to the Company's records, properties and personnel.</p> <p>d) Full and unrestricted access to advice and services of the Company Secretary.</p> <p>e) To delegate or form sub-committee.</p>
<p><b>3.0</b></p>	<p><b>COMPOSITION</b></p>	<p>(a) Pursuant to Bank Negara Malaysia (BNM) Corporate Governance Policy issued on 3 August 2016, the Committee must:-</p> <p>(i) have at least three (3) directors and all members must be non-executive directors*;</p> <p>(ii) have a majority of independent directors;</p> <p>(iii) be chaired by an independent director, who is not the Chairman of the Board; and</p> <p>(iv) comprise directors who have the skills, knowledge and experience relevant to the responsibilities of the Committee;</p> <p><i>* Executive Director refers to a director of the Company who has management responsibilities in the Company or any of its affiliates.</i></p> <p>(b) The Committee shall not consist of any alternate director of the Company.</p> <p>(c) The Members shall be formally appointed and/or terminated by the Board.</p> <p>(d) Members of the Committee may relinquish their membership in the Committee with prior written notice to the Secretary and may continue to serve as Directors of the Company.</p>
<p><b>4.0</b></p>	<p><b>ROLES AND RESPONSIBILITIES</b></p>	<p>The primary duties and responsibilities of the NRC include the following:</p> <p><b>1. NOMINATION</b></p> <p>(a) Review the structure, size and composition of the Board and make recommendations to the Board on any adjustments that are deemed necessary including in terms of the appropriate size and skills, gender diversity and the balance between Executive Directors, Non-executive Directors and Independent Directors</p>

		<p>regularly.</p> <p>(b) Review and recommend to the Board the fit and proper criteria of a director, SSC member, the Group Managing Director/Chief Executive Officer and key senior management.</p> <p>(c) Perform the fit and proper assessment on the nominees for directorship, membership in Board committees and SSC, the Group Managing Director/Chief Executive Officer and key senior management and make appropriate recommendation to the Board.</p> <p>(d) Recommend to the Board the removal of any directors, SSC members, the Group Managing Director/Chief Executive Officer and key senior management from the Board/Committee/Management if they are ineffective, errant and negligent in discharging their responsibilities.</p> <p>(e) In consultation with the Chairman, regularly or at least once a year, review the performance of individual directors, SSC members, the Group Managing Director/Chief Executive Officer and key senior management and evaluate the effectiveness of the Board and the SSC as a whole and report to the Board as may be necessary.</p> <p>(f) Make recommendations to the Board on:</p> <ul style="list-style-type: none"><li>(i) review to the organisation structure of the Company;</li><li>(ii) succession plan for directors, Group Managing Director/Chief Executive Officer, SSC members and key senior management personnel;</li><li>(iii) re-appointment of any directors, Group Managing Director/Chief Executive Officer or SSC members at the conclusion of his specified term of office as approved by BNM;</li><li>(iv) re-appointment of independent director who has served a cumulative period of nine (9) years;</li><li>(v) the continuation (or discontinuance) in service of any director who has attained the age of seventy (70) years; and</li><li>(vi) any policies related to directors including policies</li></ul>
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		<p>individuals; and</p> <p>iii. Be competitive and consistent with BHB's culture, objectives and strategy.</p> <p>c) Review and recommend to the Board, the remuneration of the Group Managing Director/Chief Executive Officer of the Company.</p> <p>d) Review and recommend to the Board the remuneration of Senior Vice President and above within the Company.</p> <p>e) Review and recommend to the Board, the quantum and basis of bonus payments to the Management and staff of the Company.</p> <p>f) To review and recommend to the Board, policies pertaining to staff salary, remuneration scheme and benefits.</p> <p><u>General</u></p> <p>a) To review and assist the Board in making certain disclosures concerning the activities of the Committee pursuant to the relevant Regulatory Requirements.</p> <p>b) The Committee shall undertake such other duties and responsibilities as referred to the Committee by the Board.</p>
<b>5.0</b>	<b>CHAIRMAN</b>	<p>The Chairman of the Committee shall chair the Committee meetings and in his absence, the Members present shall elect one Member among themselves to chair the meeting subject always that person must be an Independent Non-Executive Director and is not the Chairman of the Board.</p>
<b>6.0</b>	<b>SECRETARY</b>	<p>a) The Secretary of the Committee shall be the Company Secretary or such other person(s) appointed by the members.</p> <p>b) The Secretary shall record the proceedings and resolutions of all meetings of NRC. The minutes must record the decisions of the Committee, including the key deliberations, rationale for each decision made,</p>

		and any significant concerns or dissenting views. The minutes must also indicate whether any member abstained from voting or excused himself from deliberating on a particular matter.
<b>7.0</b>	<b>NOTICE OF MEETING</b>	In addition to the scheduled meeting, the Secretary shall convene any special meeting upon receipt of request from the Chairman/directors by giving due notice. It shall not be necessary to give notice of a Committee meeting to any Member for the time being absent from Malaysia.
<b>8.0</b>	<b>QUORUM MEETINGS OF</b>	<p>a) No business shall be transacted at any meeting of the Committee unless a quorum is present. The quorum necessary for the meeting shall be at least 50% of the total NRC members.</p> <p>b) All decisions and/or approvals are to be made on unanimous basis, whilst always adhering to the quorum of meeting.</p> <p>c) All minutes of the meeting including decisions and/or approval of the Committee shall be submitted to the Board for notification.</p> <p>d) In order to avoid conflict of interest, a member of the Committee shall abstain from participating in discussions and decisions on matters directly involving him/her.</p> <p>e) Any member who participates in the meeting via teleconferencing device shall be counted for the purpose of determining a quorum.</p>
<b>9.0</b>	<b>FREQUENCY MEETING OF</b>	<p>a) The Committee shall meet at least once a year or as and when requested by the Chairman.</p> <p>b) The Secretary shall draft out the agenda for each meeting, in consultation with the Chairman of the Committee. The agenda shall be sent to all Members of the Committee and any other persons who may be required to attend the meeting.</p>

<b>10.0</b>	<b>ATTENDANCE</b>	a) Members are required to attend a least 75% of total meetings held during the financial year. b) Members who are unable to attend the meeting shall advise the Chairman or the Secretary. c) The Group Managing Director/Chief Executive Officer shall be invited to attend the meetings. d) Subject to the Chairman's consent with the advice from the Group Managing Director/Chief Executive Officer, the Senior Management or any other persons may be invited to attend the meetings as and when required.
<b>11.0</b>	<b>CIRCULAR RESOLUTION</b>	a) The Committee may deal with matters by way of circular resolution. A resolution in writing signed by all the members who may at the time be present in Malaysia, shall be as valid and effectual as if it had been passed by a meeting of the Committee duly called and constituted. The decision shall be presented at the next Committee meeting. b) Consent from the Chairman shall be obtained prior to the issuing of any circular resolution.
<b>12.0</b>	<b>REVIEW</b>	The Board of Directors may review the Terms of Reference of the Committee once every two (2) years or as and when is necessary.

Dated : 5 December 2018