



**TERMS OF REFERENCE :
NOMINATION COMMITTEE**

Revision: 03

**Effective Date:
March 30, 2021**

Revision No.	Revision History	Date
01	The TOR had been approved at 250 th Board Meeting of MNRB Holdings Berhad	May 30, 2017
02	The TOR had been approved at 276 th Board Meeting of MNRB Holdings Berhad	November 28, 2019
03	The TOR had been approved at the 290 th (Special) Board Meeting of MNRB Holdings Berhad	March 30, 2021

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1.0 Mandate

Pursuant to MNRB's Constitution, the Board of Directors ("Board") may delegate any of its powers to committees, consisting of such member or members of the Board as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

2.0 Objectives

2.1 In line with the mandate, the Nomination Committee ("NC") is formed with the objectives to assist the Board to:-

- (i) Review and assess the appointment / reappointment / removal of Directors, Board Committee members, Group Shariah Committee ("GSC") members, President & Group Chief Executive Officer ("GCEO") and Board Appointments for recommendation to the Board;

("Board Appointments" shall include any post created by the Board, including those appointed under E11 and above, and positions named by relevant Regulator to be sanctioned by the Board.

For avoidance of doubt, the positions named by relevant Regulator to be sanctioned by the Board include, but are not exhaustive, the following:-

- (a) Appointed Actuary;*
 - (b) Group Chief Risk Officer;*
 - (c) Compliance Officer;*
 - (d) Company Secretary;*
 - (e) Group Chief Internal Auditor; and*
 - (f) Any other positions that the Regulator may from time to time specify)*
- (ii) Advise on the optimal size and mix of skills of the Board, Board Committees and GSC;
- (iii) Review and assess MNRB's key policies, strategies and practices on human resources, management succession plans and business conduct and ethical behavior of the employees.

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3.0 Composition of NC

3.1 The members of the NC shall be appointed by the Board comprising at least three (3) directors and exclusively Non-Executive directors, a majority of whom must be independent.

3.2 Where the members, for any reason are reduced to less than three (3), the Board shall, within six (6) months of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

3.3 The Chairman of the NC shall be an Independent Non-Executive Director appointed by the Board amongst the members of the NC.

In the absence of the NC Chairman, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position.

3.4 The Chairman of the Board shall not be the Chairman of the NC.

3.5 In order to avoid conflict of interest, a member of the NC shall abstain from participating in discussions and decisions on matters directly involving himself / herself.

4.0 Secretary

The Company Secretary shall act as the Secretary of the NC.

5.0 Duties and responsibilities

5.1 The main duties and responsibilities of the NC are categorized into the following: -

- (i) conducting review, assessment and making recommendation to the Board for decision on matters covered under this Terms of Reference ("TOR") or on any other such matters as may be directed by the Board, and
- (ii) exercising its power to decide on behalf of the Board as mandated under this TOR.

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5.2 Review, Assessment and Recommendation

The NC is responsible to review, assess and recommend to the Board the following matters:-

- (i) the nomination of new Directors, GSC members and GCEO.

In recommending such candidates, the NC must take into account the Company's Policy on Diversity and the candidates' :-

- skills, knowledge, expertise and experience
- professionalism
- integrity
- conflict of interest
- fit and proper
- time commitment

The NC may consider candidates proposed by the GCEO and within bounds of practicability, by the substantial shareholder, any Director and may also utilize independent sources to identify suitable and qualified candidates.

At least two (2) NC members shall engage directly with the proposed candidates to ascertain their suitability for the position prior to recommending the nomination to the Board, where possible.

- (ii) the nomination of competent persons of integrity with strong sense of professionalism for Board Appointments.
- (iii) the reappointment of a Director, GSC member and GCEO.
- (iv) the optimal size and mix of skills to ensure the efficient operation of the Board, Board Committees and GSC.
- (v) the membership of Board Committees.
- (vi) the appropriate recommendation to the Board on the effectiveness of the Board as a whole and the contribution of each Director and GSC member based on the findings from the Directors' / GSC members' Annual Evaluation.

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- (vii) to assess the independence of Independent Directors based on their objective judgement to board deliberations.
- (viii) the establishment of an appropriate succession plan for GCEO and Board Appointments and ensure there are programmes to provide for the orderly succession of GCEO and Board Appointments.
- (ix) the removal of a Director / GSC member / GCEO and Board Appointments from the Board/ GSC / Company if the Director / GSC member / GCEO and / or Board Appointments is ineffective, errant and negligent in discharging his / her responsibilities.
- (x) re-election of the Directors subject for retirement by rotation based on the provisions in the Company's Constitution at every Annual General Meeting.
- (xi) to assess the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties in accordance with their TOR.
- (xii) any human resource matters as may be required from time to time including Employee Engagement

For avoidance of doubt, the NC is not delegated with decision-making powers for the above matters but is required to report its recommendation to the Board for decision.

The NC Chairman shall report on its proceedings and make any recommendations to the Board at the earliest Board meeting after each NC meeting.

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6.0 Decision Making Mandates

The NC is empowered by the Board to review, decide on and/or approve the following matters:-

- (i) to assess the training needs of the Board and each Director; and
- (ii) to perform all obligations required to be undertaken by the NC under the Company's Fit & Proper Policy and Procedure ("Fit & Proper Policy") which includes, among others, as follows:-
 - to review the Fit & Proper policy once a year to ensure their relevance and alignment with material changes in the business and risk profile and strategies of the Company.
 - to review the list of Key Responsible Persons (as defined in the Fit & Proper Policy) for the Company and be satisfied that the list is comprehensive and has taken into account all key positions.

Any other matters not covered under the Decision Making Mandates will be recommended by the NC for Board's decision.

7.0 Authority

- 7.1 The NC is authorised by the Board to investigate any matter within its TOR. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the NC.
- 7.2 The NC is authorised by the Board to obtain independent legal or other professional advice as and when it considers necessary at the expense of the Company.
- 7.3 The NC has access to advice and services of the Company Secretary.

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8.0 Quorum & Meeting Proceedings

- 8.1 The quorum for the NC meetings shall comprise at least two (2) or half (1/2) of the NC, whichever is the higher.
- 8.2 The Chairman of the NC may invite appropriate officers of the Company or professional advisers to attend the meetings where the NC considers necessary.
- 8.3 The NC should meet at a minimum two (2) times a year to carry out the activities as per this Term of Reference, or more frequently when the need arises.
- 8.4 A meeting of the NC may be held by means of telephone, video conference or telephone conference or other telecommunication facilities, which permits all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present in person at such meeting and shall be counted in a quorum and be entitled to vote.

9.0 Written Resolution

- 9.1 In between NC Meetings, approvals or recommendations by the NC on urgent or important business matters may be made via Directors' Written Resolution enclosing all relevant information to enable the NC Members to make informed decisions.
- 9.2 An NC Directors' Written Resolution signed and approved by any other electronic means by half of the NC Members who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at an NC Meeting duly convened, held and constituted. Any such resolution may consist of several documents in like form each signed or approved by one or more NC members.

10.0 Disclosures

The NC shall assist the Board in making disclosures concerning the activities of the NC and other information in the Company's Annual report namely the list of activities of the NC in discharging its duties for the financial year.

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11.0 Amendment, Variation or Modification

- 11.1 The Terms of Reference may be amended, varied or modified in writing as and when necessary subject to the Board's approval.
- 11.2 Upon the Board's approval, the said revision or amendment shall form part of this TOR and this TOR shall be considered duly revised or amended.
- 11.3 The Terms of Reference shall be reviewed and updated as and when there are changes to the Company/Group's direction that may affect the NC's role.

Dated: March 30, 2021