



YINSON HOLDINGS BERHAD

Yinson Production Advisory Board

TERMS OF REFERENCE

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1.0 INTRODUCTION

- 1.1 Yinson Production Advisory Board (“YPAB”) is established by the Board of Directors (“Board”) of Yinson Holdings Berhad (“YHB” or “Company”) as a sub-committee of the Board.
- 1.2 This YPAB Terms of Reference (“TOR”) defines the scope of responsibilities, duties and authority of the YPAB. It provides the governance framework for the effective functioning of the YPAB and reflects the objectives and culture of YHB and its subsidiaries (“YHB Group” or “Group”).

2.0 PURPOSE

- 2.1 The purpose of the YPAB are as follows:
 - 2.1.1 To provide effective oversight of the business strategies and operations of Yinson Production Offshore Pte Ltd (“YPOPL” or “YP Holdco”) and its subsidiaries (“Production Division” or “BU” or “YP” or “Yinson Production”) and ensuring alignment of YP’s businesses and operations with the strategy approved by YHB Board. This includes implementation within the framework approved by YHB Board, while adhering to the financial limits set by YHB Board from time to time, in particular the YP Limit of Authority (“LOA”) that is already in place or to be approved by YHB Board.
 - 2.1.2 To make specific decisions within the matters reserved for the YPAB, in accordance with the LOA (such as acquisitions, disposals, capital expenditure, investments and other contractual commitments that falls within the specific threshold) and any amendments thereof, as well as any directive from YHB Board.
 - 2.1.3 To ensure that Yinson Production functions within the general objectives of the shareholders of YHB and based on the decision and policies set by YHB Board.
 - 2.1.4 To function as a platform for robust debate and thorough deliberations on strategic and policy issues of the Yinson Production before being recommended to YHB Board for approval.

3.0 SIZE AND COMPOSITION

- 3.1 The members of YPAB shall be appointed by and under the control of YHB Board.
- 3.2 The YPAB shall comprise of five (5) members as follows:
 - (a) Group Chief Executive Officer (YPAB Chairman);
 - (b) Chief Executive Officer, Yinson Production;
 - (c) Group Chief Strategy Officer;
 - (d) Group Chief Financial Officer; and
 - (e) Group Chief Human Resources Officer



- 3.3 The composition of the YPAB may be reviewed and revised by YHB Board from time to time, as it deems fit.

4.0 RESPONSIBILITIES

- 4.1 The responsibilities of the YPAB shall include but not limited to the following:

4.1.1 Strategic Business Plan and Policies

- (a) Review and evaluate the business strategy for Yinson Production and recommend to YHB Board for approval, and monitor the subsequent implementation.
- (b) For matters not reserved to YHB Board, review financial and operational plans, policies, procedures and budgets for executing the strategy approved by YHB Board.
- (c) Review and monitor strategic issues relevant to Yinson Production.

4.1.2 Performance and Operations

- (a) Review the annual budgets and long-term business plans and make recommendations to YHB Board for approval.
- (b) Review business affairs and monitor the operational and financial performance of the BU. This includes assessing performance against agreed-upon key performance indicators across all aspects of Yinson Production's operations.

4.1.3 Investments

- (a) Review and approve investments, acquisition, divestment, and matters related to Yinson Production's core businesses or existing investments, within the limits specified in the Yinson Production LOA. For approvals exceeding YPAB limits in LOA, provide a supporting recommendation to the Board.
- (b) Review and approve an investment framework (including processes, portfolio allocation, evaluation criteria and governance) and ensure its effective implementation.
- (c) Evaluate investment performance in terms of integration effectiveness, risk management and return on investment, as outlined in the approved business case for each investment.

4.1.4 Financial

- (a) Review the adequacy and integrity of Yinson Production accounting and reporting systems, and ensure appropriate controls are in place.
- (b) Monitor the financial operation and ensure the financial viability through the review of management and financial reports of Yinson Production, including a profit and loss statement, and compare performance against budget.
- (c) Review and approve capital expenditure, operational expenses items, procurements arising from project development, construction and operation activities and financing activities, where required by the LOA.



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- (d) Review the provision of parent guarantee by Group Holding Company (i.e. YHB or Yinson Global Corporation (S) Pte Ltd (YGCSP)), including the creation of any mortgage, charge or other encumbrance over the Group Holding Company's and/or YHB Group property or assets, and make recommendations to YHB Board for approval, where required by the LOA.
- (e) Review year-end consolidated financial performance of YPOPL (the BU HoldCo).
- (f) Review any related party transactions and conflict of interest situations that may arise within Yinson Production with related parties of YHB, including any transaction, procedure or course of conduct that raises questions of management integrity.
- (g) Approve accounting transactions, including but not limited to the disposal and write off of fixed assets, as well as write-off of bad debts of Yinson Production, where required by the LOA.

4.1.5 Human Capital

- (a) Review the human capital development strategy for Yinson Production to ensure it enables the business performance.
- (b) Review the People agenda across Yinson Production including progress against the human capital strategy and actions being taken on employment engagement, diversity, equality, and inclusion (DEI) and succession management to ensure it is aligned with YHB Group's values, purpose and strategy.

4.1.6 Risk Management and Internal Control

- (a) Ensure the risk management strategies and practices are in accordance with YHB's Enterprise Risk Management ("ERM") Policy Statement & Framework.
- (b) Review and manage the overall risk profile of Yinson Production to be consistent with YHB's risk profile, considering the nature, scale and complexity of the operations and using the ERM tools.
- (c) Report the risk profile and promptly escalate key/emerging risk issues arising to the Board Committees and YHB Board, as required and in line with YHB's ERM Policy.
- (d) Evaluate and assess the adequacy of controls for managing the overall operational risks associated with business activities.
- (e) Promote a culture of risk awareness and accountability throughout the business, ensuring that risk management principles are applied in strategy, planning and decision-making process.



4.1.7 Corporate Governance

- (a) Oversee Yinson Production's adherence to high standards of ethics, conduct and corporate behaviour as per the relevant policies and procedures adopted by YHB Group.
- (b) Review and manage the corporate governance practices of Yinson Production to ensure that it is aligned and consistent with the YHB's Anti-Bribery and Anti-Corruption (ABAC) Policy and the supporting policies on third parties' due diligence and whistleblowing.

4.1.8 Other Responsibilities

- (a) Take any other action or assume any other powers and responsibilities that may from time to time be assigned or delegated to the YPAB by YHB Board.
- (b) Review and approve the appointment of Directors of Yinson Production holding company, YPOPL.

5.0 SUB-GROUPS AND DELEGATIONS

- 5.1 YPAB may form sub-committees to assist in execution of its duties. Each sub-committee should have clearly written terms of reference agreed upon by the YPAB, and these terms should be reviewed from time to time.
- 5.2 The YPAB shall be responsible for all decisions taken by the sub-committees and shall ensure that the process for monitoring progress is sound.
- 5.3 A reporting mechanism should be put in place to enable the YPAB to be updated on progress, consider proposals from sub-committees and ratify any decisions taken by the sub-committees within their terms of reference.

6.0 REPORTING AND DUTY TO KEEP THE BOARD INFORMED

- 6.1 The YPAB shall ensure that reports on Yinson Production are submitted to YHB Board on quarterly basis or as required.
- 6.2 YHB Board has authorised the YPAB, within the scope of its duties and responsibilities set out in this TOR to:
 - 6.2.1 perform the activities required to discharge its responsibilities and provide relevant recommendations to YHB Board;
 - 6.2.2 select, engage and obtain external or independent professional advice, at the expense of Yinson Production, if necessary, to fulfil its duties; and
 - 6.2.3 have full and unrestricted access to the information and personnel related to the BU.



- 6.3 The YPAB shall be obliged to make recommendation to the YHB Board for consideration and implementation on matters beyond its authority. The implementation of its recommendation requires prior approval from YHB Board. The formal schedule of matters reserved for YHB Board's deliberation and decision is outlined in Appendix A of the Board Charter of YHB.

7.0 SECRETARY

- 7.1 The Company Secretary of YHB or any person nominated by the Company Secretary shall act as the Secretary of the YPAB ("Secretary").
- 7.2 The Secretary is responsible for the issuance of notice of the meeting in consultation with/at the instruction of the YPAB Chairman. The Secretary or his/her representative shall be present to record proceedings of meetings and ensure that all decisions made by the YPAB are properly documented and filed.
- 7.3 The Secretary shall also prepare the written minutes of the YPAB meeting and distribute to each member for confirmation. The minutes of YPAB meeting shall be kept under the custody of the Secretary.

8.0 MEETINGS AND PROCEDURES

- 8.1 The YPAB shall meet not less than four (4) times in a financial year, or when required by the YPAB Chairman. Additional meetings shall be scheduled as and when considered necessary by the YPAB Chairman, subject to the availability of quorum.
- 8.2 The quorum of each meeting shall be two (2) members.
- 8.3 In the absence of the YPAB Chairman, the members present may appoint any one of the members to chair the meeting.
- 8.4 The following personnel shall attend meetings of YPAB as a permanent invitee:
- (i) Chief Financial Officer, Yinson Production;
 - (ii) Chief Operating Officer, Yinson Production;
 - (iii) Chief Project Officer, Yinson Production;
 - (iv) Chief Technical Officer, Yinson Production; and
 - (v) Any other personnel of Yinson Production, as may be requested by YPAB.
- 8.5 The YPAB may at its discretion invite any persons/parties deemed fit to the meeting, including but not limited to employees of YHB and/or YHB Group, auditors, solicitors, and external advisers, to provide their views, advice and input, if it is considered necessary. Such invitees to the meeting will not be considered as a permanent invitee.



8.6 At each YPAB meeting, the agenda will typically include:

- (i) Financial & operational performance;
- (ii) Activity updates;
- (iii) Investment proposals (capital expenditure, acquisitions); and
- (iv) Major issues, risks and opportunities for Yinson Production.

8.7 The notice of meeting together with the relevant supporting information shall be distributed to all members of the YPAB at least three (3) business days prior to the scheduled meeting, except under special circumstances whereby a special meeting of the YPAB is called by the YPAB Chairman.

8.8 Attendance at a meeting may be in person or by way of participation via video conference or teleconference or such other means as may be agreed by the YPAB.

8.9 Decisions at the YPAB meeting shall be passed by a simple majority of all YPAB members' presence at the meeting. In the event a member is unable to attend the meeting and has indicated his vote before the meeting, his vote will be counted and effective. The YPAB Chairman of the meeting has the casting vote in the case of equality of votes.

8.10 Each individual YPAB member shall abstain from deliberation and decision of any resolution which involving his own interest.

9.0 CIRCULAR RESOLUTIONS

9.1 A resolution in writing, signed by majority of YPAB members for the time being entitled to receive notice of meeting of the YPAB is valid and effectual as if it had been passed at a meeting of the YPAB duly convened and held. Any such resolution may consist of several documents in like forms, each signed by one (1) or more members. The expressions "in writing", "written" or "signed" include approval by legible confirmed transmission via facsimile, telex, cable, telegram, or other forms of electronic communications.

10.0 AUTHORITY

10.1 The YPAB shall be granted necessary authorities to ensure effective oversight of Yinson Production, subject to the following conditions:

- (a) The LOA;
- (b) The authorities are already delegated to the other committees of the Board, namely the Audit Committee, the Board Risk & Sustainability Committee, the Nominating and Remuneration Committee and the Management & Sustainability Committee ("Board Committee(s)"); and
- (c) In cases where approval from the Board, shareholders, and/or relevant Board Committee(s) of YHB is required, the YPAB may only recommend and/or endorse such matters to the Board and/or relevant Board Committee(s) for approval. The YPAB shall not execute or implement any such matters that necessitate approval from the Board, Board Committee, and/or shareholders as mandated by applicable laws or regulations.



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11.0 ADVISORY BOARD ETHICS AND PROCEDURES

- 11.1 YPAB members shall safeguard all internal communications and treat them as strictly private and confidential, intended for the use of its members only.
- 11.2 The YPAB may need to check references and consult selected third-party sources on a confidential basis before making its final recommendations/decisions. The YPAB shall work diligently amongst the members in discharging its responsibilities and adhere to the Code of Conduct and Business Ethics Policy and Procedure as well as the Anti-Bribery and Anti-Corruption Policy and Procedure of the Group.
- 11.3 The YPAB shall adhere to and abide by the policies and procedures established by the Group to ensure compliance with the law and adherence to acceptable standards of financial reporting, corporate governance practices, and other regulatory requirements.
- 11.4 The YPAB will give due consideration to and comply with all applicable laws and regulations, including the Companies Act 2016, Malaysian Code on Corporate Governance 2021, Bursa Malaysia Securities Berhad Main Market Listing Requirements and other statutory and regulatory requirements.

12.0 REVIEW AND REVISION OF THE TERMS OF REFERENCE

- 12.1 The YPAB may review and amend the TOR periodically or as deemed necessary. Any amendment to this TOR shall be submitted to the YHB Board for consideration and approval.