



## **FINANCE AND INVESTMENT COMMITTEE**

### **TERMS OF REFERENCE**

This Terms of Reference sets out the matters concerning the governance of the Finance and Investment Committee ("FIC" or the "Committee")

#### **1. PURPOSE**

The Finance and Investment Committee, a Committee of the Board of Directors ("Board"), is established primarily to:

- i) Review and recommend to the Board, capital expenditure as proposed by companies within the Group;
- ii) Review and recommend to the Board all acquisitions, investments and divestment of companies and setting up of new business (including joint ventures) and companies;
- iii) Review and recommend to the Board, the financial strategy and planning, financial policy, investment and treasury matter for the Group;
- iii) Advise Management on suitable plans in respect of future investments.

#### **2. COMPOSITION**

The Committee shall have at least three (3) members, all of whom shall be Non-Executive Directors. The quorum for the Committee shall be two (2) members.

In the event of equality of votes, the Chairman of the Committee shall have a casting vote (except where two (2) directors form the quorum). In the absence of the Chairman of the Committee, the members present shall elect one of their number to chair the meeting.

The appointment of a Committee member terminates when the member ceases to be a director, or as determined by the Board.

### **3. MEETINGS**

- i) The Committee shall meet at least once in every quarter. Additional meetings shall be scheduled as considered necessary by the Committee or Chairman. The Committee may establish any procedures from time to time to govern its meetings, keeping of minutes and its administration.
- ii) 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. The Committee may request other directors, members of management, counsels or consultants to participate in Committee meetings, as necessary. Non-committee directors and members of Management in attendance may be required to leave the meetings of the Committee when the Chairman so request.
- iii) The Secretary of the Committee shall be the Group Company Secretary. Committee meeting agendas shall be the responsibility of Management. The agenda for each meeting including supporting information shall be circulated at least seven days before each meeting to the Committee members and all those who are required to attend the meeting.
- iv) All submission to the Finance and Investment Committee shall be approved by the Project Review Council before it is escalated to the Committee.
- v) The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated. The minutes of the Committee meeting shall be available to all Board members.

#### **4. SCOPE OF ACTIVITIES**

The duties of the Finance and Investment Committee shall include the following:

- i) To review and recommend to the Board of Directors the Group's operational plan and budget;
- ii) To review and approve all capital expenditure in excess of RM3 million and up to RM20 million as proposed by companies within the Group;
- iii) To review and approve all acquisition and disposal of the Company's land and properties as proposed by companies within the Group, up to RM20 million.
- iv) To review and recommend to the Board of Directors all capital expenditure (including land and properties) in excess of RM20 million as proposed by companies within the Group;
- v) To review and approve unbudgeted capital expenditure item of up to RM5 million if no budget was originally allocated or the lower of 10% of original budget and RM5 million for potential expenditure exceeding original budget;
- vi) To review and approve any unbudgeted operating expenditure item exceeding the Group Managing Director's limits of authority up to a maximum of RM2 million;
- vii) To review and recommend to the Board of Directors all acquisitions, investments and divestments of companies (excluding dormant companies) and setting up of new business including joint ventures, irrespective of value;
- viii) To review and recommend to the Board, and oversee the Group's Treasury management strategy and borrowings arrangements
- ix) To review the post-expenditure review of the investment proposal, capital expenditures and projects approved by the Board of Directors at least eighteen (18) months upon commencement of the projects.
- x) To review and recommend to the Board the changes in the Group's corporate structure. For avoidance of doubt, corporate structure is distinct from an organizational structure.
- xi) To review and recommend to the Board the Group's IT strategies and delivery of those strategies
- xii) To review and recommend to the Board the Group's Procurement policies, processes and performance

- xiii) To monitor progress against key financial and operational targets.
- xiv) To monitor and provide oversight on progress of investment proposals, capital expenditure and projects including capacity utilisation, productivity and efficiency measures, as approved by the Board of Directors.
- xiv) To consider other matters as referred to the Committee by the Board;

In respect of Item (ii), the Group Managing Director is given the authority to approve any capital expenditure (excluding land and properties) amounting to RM3 million and below, in line with the Group's Limits of Authority. All capital expenditure approved by the Group Managing Director shall be tabled to the Finance and Investment Committee for information.

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