



**Terms of Reference  
NOMINATION AND REMUNERATION COMMITTEE (“NRC”)**

**1. INTRODUCTION**

- 1.1 The Nomination and Remuneration Committee’s Terms of Reference (“TOR”) sets out the requirements of the Board of Directors (“Board”) of Plenitude Berhad towards the establishment of a Nomination and Remuneration Committee (“NRC”) and the delegation of responsibilities to such a Committee.

**2. FUNCTIONS**

- 2.1 This NRC’s TOR is established pursuant to the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad and in line with the Malaysian Code of Corporate Governance (“MCCG”) by the Securities Commission and is approved by the Board.
- 2.2 The purpose of the NRC is to assist the Board in fulfilling its roles and responsibilities in regard to the following:
- 2.2.1 Composition of the Board, the Board Committee, all Directorships in the Group and Senior Management;
  - 2.2.2 Nomination and election process and appointment and re-appointment/re-election process;
  - 2.2.3 Contribution and Commitment of Directors;
  - 2.2.4 Letter of Appointment;
  - 2.2.5 Induction and Training Programmes;
  - 2.2.6 Board and senior management assessment including addressing the company’s material sustainability risks and opportunities;
  - 2.2.7 Review of the Audit Committee;
  - 2.2.8 Succession Planning;
  - 2.2.9 Director fit and proper assessment for Directors seeking for re-election and new appointment of Director;
  - 2.2.10 Review the tenure of each Director;
  - 2.2.11 Remuneration Policies for the Directors, Chief Executive Officer and Senior Management;
  - 2.2.12 Remuneration of the Directors, Chief Executive Officer, and Senior Management;
  - 2.2.13 General Remuneration across the Plenitude Berhad Group;



- 2.2.14 Review the performance of, and recommend to the Board for approval the annual total remuneration packages which include salaries, incentives, benefits in kind, compensation payments, including compensation for loss or termination of office or appointment of the Directors, Chief Executive Officer and Senior Management;
- 2.2.15 Determine and set performance measures for incentive plans;
- 2.2.16 Review and recommend the remuneration of Non-Executive Directors to the Board; and
- 2.2.17 Communicate with shareholders on Executive remuneration.

### **3. MEMBERS**

- 3.1 Membership and the Chairman of the NRC shall be appointed by the Board which comprises exclusively of Non-Executive Directors, a majority of whom must be independent Directors.
- 3.2 The NRC Chairman shall be an Independent Director and shall not be a Chairman of the Board.
- 3.3 Members of the NRC may relinquish their membership with prior written notice to the Company Secretary. The NRC will review and recommend to the Board for approval, another candidate to fill up such vacancy.
- 3.4 No Alternate Director shall be appointed as a member of the NRC.

### **4. POWERS AND AUTHORITY**

- 4.1 The Board authorises the NRC, within the scope of its duties and responsibilities set out in this TOR to:
  - 4.1.1 acquire the resources which are required to perform its duties;
  - 4.1.2 have full and unrestricted access to information, records, properties and personnel within the Group;
  - 4.1.3 obtain relevant internal and external independent professionals to assist in the proper discharge of its roles and responsibilities; advice, as it deems necessary; and
  - 4.1.4 have access to the advice and services of the Company Secretary.



## **5. SECRETARY OF THE NRC**

- 5.1 The Company Secretary shall be the Secretary of the NRC.
- 5.2 The Secretary shall be present to record proceedings of the NRC meetings.
- 5.3 The Secretary shall have the following responsibilities:
  - 5.3.1 ensure all meetings are arranged and held accordingly;
  - 5.3.2 draw up meeting agenda in consultation with the Chairman and circulate the agenda together with the relevant papers at least seven (7) days prior to each meeting to enable full and proper consideration to be given to issues;
  - 5.3.3 prepare the minutes of the NRC meetings and record the conclusions of the NRC in discharging its duties and responsibilities;
  - 5.3.4 ensure the minutes are endorsed by the Chairman before circulating promptly to all members of the NRC and make the same available to Board members who are not members of the NRC; and
  - 5.3.5 ensure that the minutes of the NRC meetings are properly kept and produced for inspection if required.

## **6. QUORUM AND MEETING GUIDELINES OF THE NRC**

- 6.1 In order to form a quorum, minimum two (2) members must be present. In the absence of the Chairman, the members present shall elect a Chairman for the meeting amongst the members present.
- 6.2 The NRC shall meet a minimum of two (2) times a year. Additional meetings shall be held as and when the NRC or the Chairman of the NRC decides. The NRC meetings shall be governed by the provisions of the Company's Constitution relating to Board meetings unless otherwise provided for in this TOR. The NRC may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.
- 6.3 The NRC may request other Directors, members of Board committees/management, counsels and consultants when applicable and necessary to participate in the meetings, to assist in carrying out the NRC's responsibilities, provided however, that no Director shall be entitled to vote at such meetings or be counted as part of the quorum for any meeting of the NRC unless he or she is a member of the NRC.
- 6.4 A member of the NRC shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for him/her. Where this causes a lack of quorum, the NRC shall appoint another candidate(s) who meets the membership criteria.



- 6.5 A member of the NRC may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 6.6 The notice and agenda for each NRC meeting shall be sent to all members of the NRC and any other persons who may be required to attend.
- 6.7 The Chairman of the NRC shall report to the Board on any matter that should be brought to the Board's attention and provide recommendations of the NRC that require the Board's approval at the Board meeting.
- 6.8 A resolution in writing signed by a majority of all members of the NRC shall be valid and effectual as if it had been passed at a meeting of the NRC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.

## **7. DUTIES AND RESPONSIBILITIES**

### **7.1 Nomination and Election Process**

#### **7.1.1 Composition of the Board, Board Committees and all Directorships in the Group:**

- a) Review the structure, size and composition (including skills, knowledge, experience and diversity) of the Board, Board Committees and all Directorships with a view to determine the impact on the Board and Committees in respect of its effectiveness and recommend on any improvements or changes;
- b) Review and recommend to the Board the policy on Board composition in respect of mix of skills, knowledge, experience, expertise, independence, diversity (including gender, ethnicity and age) and core competencies needed to facilitate effective functioning of the Board;
- c) Draw up, review and recommend to the Board the Directors' Fit and Proper Policy; and
- d) Draw up, review and recommend to the Board the Policy on Independence and Conflict of Interest.



## 7.2 Employment Contracts

- 7.2.1 Review and recommend to the Board the appointment of any Executive Directors, Chief Executive Officer ("CEO") and Senior Management within the Group;
- 7.2.2 Review and recommend the extension of contracts of Executive Directors, CEO and Senior Management; and
- 7.2.3 Review and recommend to the Board any matters relating to the continuation, extension, suspension or termination of Executive Directors, CEO and Senior Management.

## 7.3 Appointment/ Re-appointment/ Re-election Process

- 7.3.1 Develop and review criteria used in the appointment/recruitment of Board members, Committee members and all Directorships in the Group, CEO, Senior Management and recommend to the Board for approval;
- 7.3.2 Review, assess and recommend to the Board on the Directors' Declaration on Fit and Proper;
- 7.3.3 Recommend to the Board the criteria for identifying Independent Non-Executive Director; and
- 7.3.4 Recommend to the Board for its approval, candidates for the Board, Independent Non-Executive Director, Board Committees including the Chairman and all directorships within the Group. The NC shall consider the prospective Director's character, experience, skills, expertise, core competencies, integrity and time commitment, number of directorships and external obligations.

## 7.4 Induction and Training Programmes

- 7.4.1 Recommend suitable orientation/induction, educational and training programmes to continuously train and equip the existing and new Directors and to ensure a statement is made in the Annual Report by the Board containing a brief description on the type of training attended by Directors during the financial year.

## 7.5 Board Assessment

- 7.5.1 Assess on an annual basis, the effectiveness of the Board as a whole, the individual Directors, the Board committees and the contributions of each Director, CEO and maintain proper documentation of such assessment.
- 7.5.2 Assess on annual basis of the Directors' Declaration on Fit and Proper and to table to the Board on any findings.



- 7.5.3 Assess the findings of the Board assessment and take appropriate actions to address any shortcomings identified from the assessment provided and table to the Board for review and approval.
- 7.5.4 Review on an annual basis, the independence of Independent Directors with reference to the definition of “Independent Director” as stipulated by Paragraph 1.01 of the Listing Requirements and the Policy on Independence & Conflict of Interest and recommend to the Board. The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. If upon completion of nine (9) years, the Independent Director continues to serve on the Board, he or she may do so subject to the re-designation as a Non-Independent Director after serving a cumulative term of nine (9) years.

If the Board intends to retain the Independent Director after the ninth (9th) year, the Board shall provide strong justification on the recommendation and seek annual shareholders’ approval through a two-tier voting process. Nonetheless, such retention is limited to not more than a cumulative period of 12 years from the date of such person’s first appointment as an Independent Director of the Company.

Under the Two-tier Voting Process, shareholders’ votes will be cast in the following manner at the same shareholders meeting:

- Tier 1: Only the Large Shareholder(s) of the company votes; and
- Tier 2: Shareholders other than Large Shareholders votes.

In accordance to MCCG, Large Shareholder means a person who–

- is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the company;
- is the largest shareholder of voting shares in the company;
- has the power to appoint or cause to be appointed a majority of the directors of the company; or
- has the power to make or cause to be made, decisions in respect of the business or administration of the company, and to give effect to such decisions or cause them to be given effect to.

## 7.6 Review of the Audit Committee

- 7.6.1 Review the term of office and performance of the Audit Committee (“AC”) and each of its members annually to determine whether such AC and members have carried out their duties in accordance with their terms of reference.



7.7 Succession Planning

- 7.7.1 Review and oversee a succession planning framework for the Board and Board Committee members, Board of subsidiary companies and Senior Management.

7.8 The Remuneration Framework

- 7.8.1 Set and review the parameters of the framework:

- a) formulate policies, procedures, guidelines and set criteria for remuneration packages for Executive Directors, Non-Executive Directors and Senior Management;
- b) who the above will relate to all the Directors, Senior Management of the Group;
- c) determine how best to measure the performance of the Directors and Senior Management; and
- d) determine which elements of remuneration will apply, procedure of payout and how it will be linked to performance of individual and company.

7.9 Executive Directors' Remuneration

- 7.9.1 Review and recommend to the Board the remuneration of Executive Directors within the Group.

7.10 Non-Executive Directors' Remuneration

- 7.10.1 Review and recommend to the Board the fees for Non-Executive Directors taking into consideration responsibilities undertaken such as acting as Board Chairman, Chairman of a Board Committee or as the Independent Director.

7.11 Senior Management's Remuneration

- 7.11.1 Determine and recommend to the Board the appropriate remuneration of Senior Management taking into consideration attractive offers to attract and retain the best candidates and incentives to motivate staff.

7.12 Disclosure of Remuneration of Directors

- 7.12.1 Ensure that remunerations for all Directors are disclosed in the Annual Report and/or Corporate Governance ("CG") Report.

- 7.13 The Chairman of the NRC or in his absence, another member of the NRC shall attend the Annual General Meeting of the Company and be prepared to respond to questions at the meeting on the NRC's work and responsibilities.



## **8. DISCLOSURE ON NRC'S ACTIVITIES**

8.1 Plenitude Berhad shall provide in its annual report a statement about the activities of the NRC in the discharge of its duties for the financial year. The statement must include the requirements as set out in the MMLR and contain the following information:

8.1.1 the policy on board composition having regard to the mix of skills, fit and proper, independence and diversity (including gender diversity);

8.1.2 the board nomination and election process of directors and criteria used in the selection process; and

8.1.3 assessment undertaken by the NRC in respect of its Board, committees and individual directors together with the criteria for such assessment.

8.2 Written Terms of Reference

8.2.1 The NRC must have written terms of reference which deal with its authority and duties and such information must be made available on the Company's website.

## **9. REVISION OF TERMS OF REFERENCE**

9.1 Any revision or amendment to this TOR as proposed by the NRC or any other party shall first be presented to the Board for its review and approval.

9.2 Upon the Board's approval, the said revision or amendment shall form part of this TOR and shall be considered duly revised or amended.

## **10. APPROVAL**

10.1 This TOR was reviewed and approved by the Board of Directors on 17 March 2023.