



# YINSON HOLDINGS BERHAD

## Yinson Renewables Advisory Board

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### TERMS OF REFERENCE

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### **Revision Details**

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02	4.1.5 (b)	Typo changed to Equality



## **1.0 INTRODUCTION**

- 1.1 Yinson Renewables Advisory Board (“RAB”) 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 RAB Terms of Reference (“TOR”) defines the scope of responsibilities, duties and authority of the RAB. It provides the governance framework for the effective functioning of the RAB and reflects the objectives and culture of YHB and its subsidiaries (“YHB Group” or “Group”).

## **2.0 PURPOSE**

- 2.1 The purpose of the RAB are as follows:
  - 2.1.1 To provide effective oversight of the business strategies and operations of Yinson Renewables Pte Ltd (“YRPL” or “YR Holdco”) and its subsidiaries (“Renewables Division” or “BU” or “Renewables”) and ensuring alignment of Renewables’ 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 Renewable 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 RAB, 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 Renewables 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 Renewables Division before being recommended to YHB Board for approval.

## **3.0 SIZE AND COMPOSITION**

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



- 3.3 The composition of the RAB 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 RAB shall include but not limited to the following:

##### **4.1.1 Strategic Business Plan and Policies**

- (a) Review and evaluate the business strategy for Renewables 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 Renewables.

##### **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 Renewables' operations.

##### **4.1.3 Investments**

- (a) Review and approve investments, acquisition, divestment, and matters related to Renewables' core businesses or existing investments, within the limits specified in the Renewables LOA. For approvals exceeding RAB 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 Renewables 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 Renewables, 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.



- (d) Review the provision of parent guarantee by Group Holding Company (i.e. YHB or Yinson Global Corporation (S) Pte Ltd (“YGCSPL”)), 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 YRPL (the BU HoldCo).
- (f) Review any related party transactions and conflict of interest situations that may arise within Renewables 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 Renewables, where required by the LOA.

#### **4.1.5 Human Capital**

- (a) Review the human capital development strategy for Renewables to ensure it enables the business performance.
- (b) Review the People agenda across Renewables 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 Renewables 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 Renewables’ 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 Renewables to ensure that it is aligned and consistent with the YHB's Anti-Bribery 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 RAB by YHB Board.
- (b) Review and approve the appointment of Directors of Renewables holding company, YRPL.

### **5.0 SUB-GROUPS AND DELEGATIONS**

- 5.1 RAB 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 RAB, and these terms should be reviewed from time to time.
- 5.2 The RAB 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 RAB 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 RAB shall ensure that reports on Renewables are submitted to YHB Board on quarterly basis or as required.
- 6.2 YHB Board has authorised the RAB, 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 Renewables, 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 RAB 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 RAB ("Secretary").
- 7.2 The Secretary is responsible for the issuance of notice of the meeting in consultation with/at the instruction of the RAB Chairman. The Secretary or his/her representative shall be present to record proceedings of meetings and ensure that all decisions made by the RAB are properly documented and filed.
- 7.3 The Secretary shall also prepare the written minutes of the RAB meeting and distribute to each member for confirmation. The minutes of RAB meeting shall be kept under the custody of the Secretary.

## **8.0 MEETINGS AND PROCEDURES**

- 8.1 The RAB shall meet not less than four (4) times in a financial year, or when required by the RAB Chairman. Additional meetings shall be scheduled as and when considered necessary by the RAB 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 RAB Chairman, the members present may appoint any one of the members to chair the meeting.
- 8.4 The following personnel shall attend meetings of RAB as a permanent invitee:
  - (a) Chief Financial Officer, Yinson Renewables;
  - (b) Senior Vice President, Business Development & Commercial, Yinson Renewables;
  - (c) Senior Vice President, Construction & Technology, Yinson Renewables;
  - (d) Vice President, Operations, Yinson Renewables;
  - (e) Head of Legal, Yinson Renewables; and
  - (f) Any other personnel of Yinson Renewables, as may be requested by RAB.
- 8.5 The RAB 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 RAB meeting, the agenda will typically include:
  - (a) Financial & operational performance;
  - (b) Activity updates;
  - (c) Investment proposals (capital expenditure, acquisitions); and
  - (d) Major issues, risks and opportunities for Renewables.





- 8.7 The notice of meeting together with the relevant supporting information shall be distributed to all members of the RAB at least three (3) business days prior to the scheduled meeting, except under special circumstances whereby a special meeting of the RAB is called by the RAB 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 RAB.
- 8.9 Decisions at the RAB meeting shall be passed by a simple majority of all RAB 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 RAB Chairman of the meeting has the casting vote in the case of equality of votes.
- 8.10 Each individual RAB 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 RAB members for the time being entitled to receive notice of meeting of the RAB is valid and effectual as if it had been passed at a meeting of the RAB 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 RAB shall be granted necessary authorities to ensure effective oversight of Renewables, 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 RAB may only recommend and/or endorse such matters to the Board and/or relevant Board Committee(s) for approval. The RAB 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.



## **11.0 ADVISORY BOARD ETHICS AND PROCEDURES**

- 11.1 RAB 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 RAB may need to check references and consult selected third-party sources on a confidential basis before making its final recommendations/decisions. The RAB 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 RAB 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 RAB 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 RAB 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.