



NOMINATION, REMUNERATION AND SCHEME COMMITTEE
TERMS OF REFERENCE

1. Membership

- (i) The members of the Nomination, Remuneration and Scheme Committee shall be appointed by the board of directors of the Company (“the Board”) from amongst their number and shall consist of not less than three (3) members, comprising exclusively of non-executive directors, a majority of whom are independent.
- (ii) The members of the Nomination, Remuneration and Scheme Committee may elect the Chairman from among their number who shall be an Independent Director.
- (iii) The Company Secretary shall be the Secretary of the Nomination, Remuneration and Scheme Committee.
- (iv) In the event of any vacancy in the Nomination, Remuneration and Scheme Committee resulting in the number of members being reduced to below three (3), the Board shall, within three (3) months fill the vacancy.

2. Meetings

- 2.1 Any member of the Nomination, Remuneration and Scheme Committee or the Board may call for a meeting. A majority of members present at the meeting shall constitute a quorum and any decision shall be by majority of votes.
- 2.2 A member of the Nomination, Remuneration and Scheme Committee may participate in a meeting of the Nomination, Remuneration and Scheme Committee by means of a telephone conference or video conference or any other means of audio-visual communications where all parties in the meeting can communicate among each other in the meeting, and in such case that 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, subject to these Terms of Reference.
- 2.3 The Nomination, Remuneration and Scheme Committee may invite any persons to be in attendance to assist in its deliberations and/or to make presentations or reports or provide independent advice to the Nomination, Remuneration and Scheme Committee on any matters.

3. Functions and Authority

- 3.1 The functions of the Nomination, Remuneration and Scheme Committee shall be:

3.1.1 Related to Nomination matters

- (i) To evaluate the balance of skills, knowledge and experience on the Board, and hence define the role and capabilities required for a particular appointment, be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise.

In making its recommendations, the Nomination, Remuneration and Scheme Committee shall assess and consider the following attributes or factors:

- (a) skills, knowledge, expertise and experience;
- (b) professionalism;
- (c) commitment (including time commitment) to effectively discharge his/her role as Director;
- (d) contribution and performance;
- (e) background, character, integrity, and competence;
- (f) in the case of candidates for the position of Independent Non-Executive Directors, the Nomination, Remuneration and Scheme Committee shall



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also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and

- (g) Boardroom diversity including age, ethnicity and gender diversity.

In identifying suitable candidates, the Nomination, Remuneration and Scheme Committee may use the services of external advisors to facilitate search and consider candidates on merits and against objective criteria with due regard to diversity in skills, experience, age, cultural background and gender.

- (ii) To recommend to the Board, directors to fill the seats on board committees of the Company.
- (iii) To assess annually the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director including his/her time commitment, character, experience and integrity. In carrying out the assessment, the Nomination, Remuneration and Scheme Committee may engage independent experts to facilitate the board evaluations at such frequency as they may determine.
- (iv) To develop criteria and assess annually the independence of Independent Directors.
- (v) To review succession plan and training programmes of the Board and senior management.
- (vi) To 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.
- (vii) To review annually the required mix of skills, experience and other qualities of the Board, including core competencies which Non-Executive Directors should bring to the Board.
- (viii) To assess the findings from the assessment of the Board Committees and Directors and make appropriate recommendations to Board.
- (ix) To review the term of office and performance of Audit Committee and each of its members annually to determine whether such Audit Committee members have carried out their duties in accordance with their terms of reference.

3.1.2 Related to Remuneration matters

- (i) To review and recommend to the Board the remuneration packages including the terms of employment of the Executive Directors and/or senior management, and to recommend to the Board the remuneration of the Executive Directors and/or senior management in all its forms, drawing from outside advice as necessary.
- (ii) To review the remuneration package for the Non-Executive Directors and the committees to be aligned with their responsibilities and contribution.



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3.1.3 Related to Eastern & Oriental Berhad Long-Term Stock Incentive Plan, 2012

- (i) To determine the grant details of the Eastern & Oriental Berhad Long-Term Stock Incentive Plan, 2012 ("Scheme") including but not limited to eligibility, grant frequency, vesting period, allocation, annual grant and performance metrics/criteria and to recommend to the Board for its approval prior to implementation.
- (ii) To administer the Scheme in accordance with the By-Laws and shall be able to exercise all powers therein conferred on the Nomination, Remuneration and Scheme Committee.
- (iii) To administer the Scheme at its discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Nomination, Remuneration and Scheme Committee and no Executive Directors and members of senior management shall participate in any deliberation or decision in respect of awards granted or to be granted to himself/herself.
- (iv) To make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Scheme) from time to time for the implementation and administration of the Scheme, to give effect to the provisions of the Scheme and/or to enhance the benefits under the awards to the holder of the award (including, where applicable, the executor or personal representative of such holder), as it may, in its discretion, think fit. Any matter pertaining or pursuant to the Scheme and any dispute and uncertainty as to the interpretation of the Scheme or any, rule, regulation or procedure thereunder or any rights under the Scheme shall be determined by the Nomination, Remuneration and Scheme Committee, subject to the Listing Requirements of Bursa Securities.

3.2 The Nomination, Remuneration and Scheme Committee is authorised by the Board to seek appropriate professional advice inside and outside the Group as and when it considers this necessary.

4. Reporting Procedures

The Secretary shall maintain minutes of the proceedings of the meetings of the Nomination, Remuneration and Scheme Committee and circulate such minutes to all members of the Board.

5. Circular Resolutions

A resolution in writing, stating the reasons to arrive at a decision signed by majority of the members shall be valid and effectual as if it had been passed at a meeting duly called and constituted.