

- HLAH, as the financial holding company of the insurance and Takaful entities of the HLF Group (“Insurance Group”) shall align the responsibilities as set out in item (1) and (2) above for the Insurance Group.

Authority

The GBRMC is authorised by the Board of the Company and its subsidiaries to review any activity of the Group within its Terms of Reference. It is authorised to seek any information it requires from any Director or member of management and all employees are directed to co-operate with any request made by the GBRMC.

The GBRMC is authorised by the Board of the Company and its subsidiaries to obtain independent legal or other professional advice if it considers necessary.

Meetings

The GBRMC meets at least six (6) times a year and additional meetings may be called at any time as and when necessary.

The Group Managing Director/Chief Executive Officer, Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief Internal Auditor, Chief Compliance Officer, Head of Risk Management and Compliance, Head of Insurance Audit, Head of Shariah and other senior management may be invited to attend the GBRMC meetings, whenever required.

Issues raised, discussions, deliberations, decisions and conclusions made at the GBRMC meetings are recorded in the minutes of the GBRMC meetings. Where the GBRMC is considering a matter in which a GBRMC member has an interest, such member shall abstain from reviewing and deliberating on the subject matter.

Majority with at least one representative from each of the BNM regulated entities in the HLAH Group in Malaysia, who shall be independent and non-executive, shall constitute a quorum.

After each GBRMC meeting, the GBRMC shall report and update the Board of each of the BNM regulated entities in the HLAH Group in Malaysia on significant issues and concerns discussed during the GBRMC meetings and where appropriate, make the necessary recommendations to the Board of each of the BNM regulated entities in the HLAH Group in Malaysia.

Revision of the Terms of Reference

Any revision or amendment to the Terms of Reference, as proposed by the GBRMC, shall first be presented to the Board of the entities in the HLAH Group in Malaysia for approval. Upon the Boards’ approval, the said revision or amendment shall form part of this Terms of Reference which shall be considered duly revised or amended.

HLA HOLDINGS SDN BHD
- NOMINATION AND REMUNERATION COMMITTEE (“NRC”)**TERMS OF REFERENCE (“TOR”)**

The following sets out the TOR for the NRC:

1. Composition

- 1.1 The NRC shall have a minimum of three members (“the Members”) who shall be appointed by the Board of Directors (“Board”) out of their own number, provided that the majority comprise of independent Directors.
- 1.2 A Member who wishes to retire or resign from the NRC should provide sufficient notice to the Company so that a replacement may be appointed. In the event that any Member ceases to be a Director of the Company, he shall automatically cease to be a Member of the NRC.
- 1.3 In the event that the number of Members is reduced below three, the Board shall appoint such new Members as may be required as soon as practicable provided that the composition of the NRC shall meet the criteria set out in Clause 1.1 above.

2. Chairman

- 2.1 The Members shall elect out of their own number a Chairman from the NRC who is an independent Director of the Company.
- 2.2 The Chairman of the NRC shall preside as Chairman at every meeting save that if at any meeting, the Chairman is not present and there is a quorum, the Members present shall elect a Chairman who is an independent Director.

The Chairman of the Board must not chair any meeting of the NRC.

3. Secretary(ies)

The Secretary(ies) of the Company or such other person as nominated by the Board will be the Secretary(ies) of the NRC.

4. Responsibilities

- 4.1 The nomination responsibilities of NRC are as follows:
 - 4.1.1 Support the Board in carrying out its functions in the following matters concerning the board, senior management and company secretary(ies):
 - (a) appointments and removals;
 - (b) composition;
 - (c) performance evaluation and development; and
 - (d) fit and proper assessments.

4. Responsibilities (cont'd)

- 4.1.2 Recommend to the Board the minimum criteria and skill sets for appointments to the Board, Board Committees and for the position of Chief Executive Officer.
 - 4.1.3 Review and recommend to the Board all Board and Board Committees appointments, re-appointments and removals including of the Chief Executive Officer.
 - 4.1.4 Review annually the overall composition of the Board in terms of the appropriate size and skills, and the balance between executive directors, non-executive directors and independent directors, and mix of skills and other core competencies required.
 - 4.1.5 Assess annually the performance and effectiveness of the Board, Board Committees and each individual director.
 - 4.1.6 Oversee the appointment, management of succession planning and performance evaluation of key senior management officers and recommend if they are found ineffective, errant and negligent in discharging their responsibilities.
 - 4.1.7 Ensure that the Board receives an appropriate continuous training programme.
- 4.2 The remuneration responsibilities of NRC are as follows:
- 4.2.1 Recommend to the Board the framework and policies governing the remuneration of the:
 - Directors;
 - Chief Executive Officer;
 - Senior management officers; and
 - Other material risk takers.
 - 4.2.2 Review and recommend to the Board for approval the specific remuneration packages of executive directors and the Chief Executive Officer.
 - 4.2.3 Review and recommend to the Board for approval the remuneration of senior management officers and other material risk takers.

5. Meetings

5.1 Convening of Meetings

- a. The NRC shall hold at least one meeting (which may include meetings conducted via telephonic and video conference) in each financial year to be convened by the Secretary(ies) to the NRC.
- b. Upon the request of any Member, the Chairman shall convene a meeting of the NRC to consider any matters which the Member believe should be brought to the attention of the NRC.

5. Meetings (cont'd)**5.2 Notice of Meetings**

- a. The notice and agenda for each meeting shall be circulated to all Members specifying the date, time and venue of the meeting and setting out the matters to be discussed.
- b. The NRC may invite such other persons as they deem necessary to the meetings.

5.3 Recording of Proceedings

- a. The Members shall cause minutes to be made of all proceedings and decisions taken at NRC meetings and of the attendances thereat.
- b. A copy of the minutes of each meeting shall be circulated to every member of the Board.
- c. The minutes are to be signed by the Chairman at the next succeeding meeting. Any minutes signed by the Chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts stated therein.
- d. The minutes of the NRC shall be kept by the Secretary(ies) to the NRC at the registered office of the Company and shall be opened to inspection of the Board at any time.

5.4 Quorum

At least half of the number of the NRC Members shall form a quorum.

5.5 Decisions

- a. Any decision to be taken by the NRC or questions arising at any meeting shall be determined by a majority of votes of the Members present and in the case of an equality of votes, the Chairman shall have a second or casting vote.
- b. A member of the NRC shall abstain from participating in discussions and decisions on matters involving himself/herself.

6. Circular Resolutions

- 6.1 A resolution in writing signed by a majority of Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may be contained in a single document or may consist of several documents in like form, each signed by one or more Members.
- 6.2 For the purpose of this provision, "in writing" and "signed" include approval by facsimile and other electronic means.

7. **Others**

The NRC may regulate and amend the provisions relating to its own procedures in particular the calling of the meetings, notice to be given of such meetings, the voting and proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.