



A JCORP Company


TERMS OF REFERENCE

BOARD NOMINATION AND
REMUNERATION COMMITTEE
("BNRC") or ("Committee")

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	JOHOR PLANTATIONS GROUP BERHAD	LEGAL AND SECRETARIAL DEPARTMENT	
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	BOARD NOMINATION AND REMUNERATION COMMITTEE	Issue No.	00
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1.0 OBJECTIVES

The Board Nomination and Remuneration Committee (the “Committee”) of Johor Plantations Group Berhad (the “Company”) was formed by the Board of Directors (“Board”) of the Company. Its primary function, in line with the Malaysian Code on Corporate Governance 2021, is to assist the Board in the following areas:

- 1.1 Proposing new nominees for the Board of the Company and/or its subsidiaries (the “Group”). The actual decision as to who shall be nominated however shall be the responsibility of the full Board after considering the recommendations of the Committee;
- 1.2 Appraise each individual Director, including Independent Non-Executive Directors as well as the Managing Director in terms of their individual’s experience, knowledge, credibility and credentials, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member of the Company;
- 1.3 Examine the ability of each Director, including the Managing Director, to contribute to the effective decision making process of the Board and ensure that the Board of the Company is functioning actively, efficiently and effectively in all its decision making;
- 1.4 Review the remuneration package of Executive Directors and Non-Executive Directors of the Group to ensure it is sufficient to attract, retain and motivate Directors and to recommend to the Board for approval;
- 1.5 Assess the effectiveness, size and composition of the Board of Directors as a whole and the committees of the Board;
- 1.6 Assess and set the remuneration policy for all Directors and Key Senior Management.
- 1.7 Identify comprehensive and relevant training opportunities for the Board, with a specific focus on equipping Directors with the latest developments, emerging trends, and evolving regulatory requirements within Malaysia's corporate landscape.

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2.0 COMPOSITION

- 2.1 The Chairman of the Committee shall be an Independent Non-Executive Director. The membership of the Committee shall comprise exclusively Non-Executive Directors, a majority of whom are independent and number at least three (3) in total.
- 2.2 The quorum of the Committee shall be at least two (2) members.
- 2.3 The members of the Committee shall be appointed by the Board. The appointment of a Committee member terminates when the member ceases to be a director or as determined by the Board.

3.0 QUORUM AND MEETING PROCEDURES

- 3.1 The Committee shall meet at least once a year. More meetings may be conducted if the need arises. The quorum for a meeting of the Committee shall be two (2) members, present in person. A resolution in writing, signed by all the members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one (1) or more Committee members.
- 3.2 In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present who would qualify under these terms of reference to be appointed to that position of the Board.
- 3.3 The Secretary of the Company, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated together with the relevant support papers, at least one (1) week prior to each meeting to the members of the Committee. The minutes of all Committee meetings shall be circulated to members of the Board.
- 3.4 The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.
- 3.5 As a best practice, the Chairman of the Committee should attend the Annual General Meeting to answer any shareholder's questions on the Committee's activities.

4.0 SECRETARY

4.1 The Secretary of the Company shall be secretary (the “Secretary”) of the Committee.

5.0 ADVISERS

5.1 The Committee is authorised by the Board to seek appropriate professional advice inside and outside the Group as and when it considers this necessary at the expense of the Company.

6.0 RESPONSIBILITIES AND DUTIES

In fulfilling its primary objectives, the Committee shall undertake the following responsibilities and duties:-

6.1 NOMINATION

6.1.1 To determine the criteria for Board membership, including qualities, experience, skills, education and other factors that will best qualify a nominee to serve on the Board;

6.1.2 To review annually and recommend to the Board the structure, size, balance and composition of the Board and Committees, including the required mix of skills and experience, core competencies which Non-Executive Directors should bring to the Board and other qualities to function effectively and efficiently;

6.1.3 To consider, evaluate and propose to the Board any new Board appointments, whether Executive or Non-Executive position. In making a recommendation to the Board on the candidate for directorship, the BNRC shall have regard to:

- Size, composition, mix of skills, experience, competencies and other qualities of the existing Board, level of commitment, resources and time that the recommended candidate can contribute to the existing Board;
- Non-Executive Directors should be persons of calibre, credibility and have the necessary skills and experience to bring an independent judgement to bear on issues considered by the Board and that Independent Non-

Executive Directors should make up at least one-third of the membership of the Board; and

- Boardroom diversity by ensuring that women candidates are sought as part of its recruitment exercises.

6.1.4 To propose to the Board the responsibilities of Non-Executive Directors, including membership and Chairmanship of Board Committees;

6.1.5 To evaluate and recommend the appointment of senior executive positions, including that of the Managing Director, their duties and the continuation (or not) of their service;

6.1.6 To establish and implement processes for assessing the effectiveness of the Board as a whole, the Committees of the Board and for assessing the contribution of each Director;

6.1.7 To evaluate on an annual basis:

- The effectiveness of each Director's ability to contribute to the effectiveness of the Board and the relevant Board Committees, in addition to providing the necessary feedback to the Directors in respect of their performance;
- The effectiveness of the Committees of the Board; and
- The effectiveness of the Board as a whole.

6.1.8 To recommend to the Board:

- Whether Directors who are retiring by rotation should be put forward for re-election; and
- Termination of membership of individual Directors in accordance with policy.

6.1.9 To establish appropriate succession plans at Board level, and if appropriate, at senior management level;

6.1.10 To consider other matters as referred to the BNRC by the Board.

6.2 REMUNERATION

6.2.1 To establish and recommend the remuneration structure and policy for Directors and key executives, if applicable, and to review changes to the policy as necessary.

6.2.2 To ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance-related elements of remuneration setting forming a significant proportion of the total remuneration package of Executive Directors.

6.2.3 To review and recommend the entire individual remuneration package for each of the Executive Director and, as appropriate, other senior Executives, including the terms of employment or contract of employment/service; any benefit, pension or incentive scheme entitlement; any other bonuses, fees and expenses; and any compensation payable on the termination of the service contract.

6.2.4 To review with the Managing Director, his/her goals and objectives and to assess his/her performance against these objectives as well as contribution to the corporate strategy.

6.2.5 To review the performance standards for key Executives to be used in implementing the Group's compensation programmes where appropriate.

6.2.6 To consider and approve compensation commitments/severance payments for Executive Directors and key Executives, where appropriate, in the event of early termination of the employment/service contract.

6.2.7 To consider other matters as referred to the BNRC by the Board.

6.2.8 To consider other matters as referred to the BNRC by the Board.

6.3 CONTINUOUS DEVELOPMENT OF DIRECTORS

6.3.1 To provide for adequate training and orientation of new Directors concerning the business, structure and management of the Group as well as the expectations of the Board with regard to their contributions to the Board and Company;

6.3.2 To conduct periodic assessments of the training needs of the Board members to identify knowledge gaps, emerging industry trends, and regulatory changes relevant to the Group's business. Based on the assessment, the BNRC should work with appropriate training providers or experts to develop tailored training programs that address these specific needs,

ensuring that Directors receive relevant and up-to-date information to enhance their effectiveness in governance and decision-making.

6.3.3 To maintain records of the training activities undertaken by each Board member, ensuring compliance with training obligations outlined in relevant laws, regulations, and corporate governance guidelines.


7.0 MINUTES

7.1 The Secretary shall keep all the minutes of meetings of the Committee and copies thereof shall be circulated to all members of the Board.

8.0 SUCCESSION PLANNING FOR BOARD

The Committee shall, as and when required:

- 8.1 Keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- 8.2 Give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in future;
- 8.3 Make recommendations to the Board concerning the succession plans for Executive Directors and in particular for the Managing Director;
- 8.4 Make recommendations to the Board concerning the re-appointment of any non-executive director at the conclusion of his or her specified term of office, re-election of any director under the retirement by rotation provisions in the Company's Constitution, if any;
- 8.5 Make any necessary recommendations to the Board concerning the continuation in office, suspension or termination of service of any director (subject, in the case of Company employees to the provisions of their service contracts, if any); and
- 8.6 Make recommendations to the Board concerning the continuation (or not) in service of any Independent Director who has served consecutively or cumulatively more than 9 years.

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9.0 REVISION OF THE TERMS OF REFERENCE

- 9.1 Any revision or amendment to this Terms of Reference, as proposed by the Board Nomination and Remuneration Committee or any other party, shall first be presented to the Board for its approval.
- 9.2 Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

This Terms of Reference for the Board Nomination and Remuneration Committee was approved and adopted by the Board on 28 May 2023.