

OVERSEA ENTERPRISE BERHAD
Registration No. 199401031473 (317155-U)
(Incorporated in Malaysia)

NOMINATION AND REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. OBJECTIVES

The principal objectives of the Nominating and Remuneration Committee (NRC) are:

- to assist the Board of Directors (Board) in recommending candidates to the Board and Board Committees and assess the performance of the Board, Board Committees and individual Director of the Company on an on-going basis.
- to assist the Board in assessing the remuneration packages of the executive directors.

2. COMPOSITION

The members of the NRC shall be appointed by the Board from among themselves and shall consist of not less than three (3) members. The NRC shall comprise at least three (3) Non-Executive Directors with a majority being independent directors.

3. CHAIRMAN

The members of the NRC shall elect a Chairman from among its members who shall be an Independent Non-Executive Director (INED). The appointment of the Chairman of the NRC shall be approved by the Board.

4. AUTHORITY

The Board has constituted the NRC with the authorities necessary to perform the duties set out in these Terms of Reference (TOR).

- i. full and unrestricted access to information of the Company, their records, properties and personnel of the Company.
- ii. to seek independent professional advise and expertise deemed necessary for the performance of its duties;
- iii. within the scope of NRC's assigned duties, is authorised to seek any information it requires from the Human Resource Department; and
- iv. be provided with sufficient resources, including access to the Company Secretary.

5. SECRETARY

The Company Secretary shall act as Secretary to the NRC and shall be responsible to minute the proceedings and resolutions of all meetings of the NRC, keeping minutes of meetings of the NRC and circulating them to the NRC members.

6. MEETING

The NRC shall meet at least once a year. The Secretary shall on the requisition of the members of the NRC summon a meeting of the NRC. Additional meetings may be held anytime at the Chairman's discretion. The NRC's Chairman shall report the outcome of the NRC meeting to the Board and seek for approval or decision, if required.

Minutes of meeting shall be distributed to the NRC's members and shall be approved by the Chairman of the meeting at which the proceedings are held or by the Chairman of the next succeeding meeting.

7. QUORUM AND CASTING VOTE

The quorum of the meeting shall be two members of whom at least one must be an Independent Director. In the absence of the Chairman, the members shall elect from among themselves the Chairman for the Meeting. The NRC's Chairman shall have a second or casting vote. However, where only two (2) members (including the NRC's Chairman) are competent to vote on question at issue, the NRC's Chairman shall not have a casting vote.

8. CIRCULAR RESOLUTION

The NRC may from time to time and if deemed appropriate, consider and approve and/or recommend relevant matters via a circular resolution in writing, in lieu of formally convening a meeting. The circular resolution shall be as valid and effectual as if it has been passed by a meeting of the NRC duly convened. The NRC's circular resolution must be signed or approved by a majority of the NRC members. The interested NRC's member is required to abstain from deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.

9. ANNUAL PERFORMANCE ASSESSMENT

The NRC shall perform a self-assessment annually to assess its effectiveness in carrying out the duties as set out in this TOR.

The Board shall review the composition, performance and effectiveness of the NRC and each of its members annually to determine the effectiveness of the NRC and each of its members in carrying out the duties as set out in this TOR.

10. DUTIES AND RESPONSIBILITIES

Nomination

- i. To propose nominees for appointment to the Board and Board Committees as additional member or filling up vacancy. In making its recommendations, the NRC should consider the candidates' skills, knowledge, expertise, experience, professionalism, integrity, time commitment, character, competence and number of directorships in companies outside the Company and its subsidiaries, and in the case of candidates for the position of INED, the NRC should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from the INED;
- ii. To oversee the overall composition of the Board and Board Committees in terms of the structure, size and composition (including the required mix of skills, knowledge, background, professionalism, gender, integrity and experience and other qualities) of the Board, and the balance between Executive Directors and INED;
- iii. To assist the Board in carrying out annual assessment on the effectiveness of the Board and Board Committees as a whole, and the contribution, competencies, commitment and performance of each Director;

- iv. To carry out annual assessment on the independence of the Independent Directors;
- v. To assess on an annual basis the tenure of an Independent Director, to ensure it does not exceed a cumulative term of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board provided he/she is re-designated as a Non-Independent Director. In the event the Board intends to retain the said Director as an Independent Director, the Board must justify the decision and seek shareholders' approval at general meeting.

The NRC shall make recommendation to the Board on the re-designation of an Independent Director who has served on the Board for a tenure exceeding a cumulative term of nine years as a Non-Independent Director, unless shareholders' approval is sought to retain the said Director as Independent Director;

- vi. To make recommendation to the Board concerning the re-election of any Director under the retirement by rotation provisions in the Company's Constitution;
- vii. To make recommendation to the Board concerning the continuation (or not) in service of any Director who has reached the age of seventy;
- viii. To recommend to the Board the removal of a Director from the Board if the said Director is ineffective, errant and negligent in discharging his/her responsibilities;
- ix. To identify and assess potential candidates for the position of the Board and key management. The NRC seeks to ensure that an appropriate succession planning framework, including the formulation of the nomination, selection and succession policies and procedures for the succession planning are in place;
- x. To facilitate the achievement of Board Gender Diversity policy to ensure that due consideration is given to female candidates as Directors and/or Board Committee members, as well as the targets and measures to achieve it;
- xi. To undertake an annual assessment of the training needs of the Directors and to ensure that all the Directors receive appropriate continuous training programmes in order to keep abreast with the developments in the industry and with changes in the relevant statutory and regulatory requirements; and
- xii. To arrange for the induction programme to be conducted for any new appointment such as site visits and meetings with senior management personnel, as appropriate, to enable them to have a full understanding of the nature of the business, current issues within the Group and corporate strategies as well as the structure and management of the Group.

Remuneration

- i. To ensure the remuneration for Directors is set at a competitive level to recruit, attract, retain and motivate high calibre individuals;
- ii. To recommend to the Board the remuneration packages for the Executive Directors and to review and assess the remuneration packages of the Executive Directors in all forms, with or without other independent professional advice or other outside advice to reflect the Board's responsibilities, expertise and complexity of the Company's activities;
- iii. To determine and agree with the Board an appropriate framework, assessing Directors' performance against targets and determine resultant annual remuneration levels;
- iv. To determine the policy and scope of service agreements for Directors termination payment and compensation commitments;
- v. To determine and recommend to the Board any performance related pay schemes for the Executive Directors and/or any other persons as the NRC is designated to consider by the Board; and

- vi. Review and recommend to the Board a formal and transparent remuneration policy and framework for Non-Executive Directors.

11. REVIEW OF THE TOR

The NRC shall, from time to time and at any time that it deems necessary, review its TOR to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval. In reviewing the TOR, the NRC shall take into consideration any relevant corporate governance guidelines and may seek advice and input from the NRC's Secretary.

12. APPROVAL

This TOR was reviewed and approved by the Board on 28 October 2025.

HISTORY

Committee	Date	Description
Nominating Committee	6 November 2009	Establishment
	17 May 2010	Revision 1
	30 June 2016	Revision 2
Remuneration Committee	6 November 2009	Establishment
	17 May 2010	Revision 1
	16 May 2011	Revision 2
	30 June 2016	Revision 3
Nomination and Remuneration Committee	28 October 2025	Establishment