

## **PUBLIC INVESTMENT BANK BERHAD**

### **ROLES AND RESPONSIBILITIES OF NOMINATION AND REMUNERATION COMMITTEE**

- i. To establish the minimum requirements on the skills, knowledge, expertise, experience, qualifications and other core competencies of a Director and of the Chief Executive Officer (CEO).
- ii. To assess and recommend to the Board suitable persons for appointment as Directors, Board Committee Members, CEO and other key responsible persons (KRPs) as defined in the Bank Negara Malaysia (BNM) Policy Document on Fit and Proper Criteria.
- iii. In the case of persons for appointment as Independent Non-Executive Director, to assess that the person meets the criteria of Independent Director as may be defined in the BNM Policy Document on Corporate Governance. This includes to assess annually that the Independent Director meets the criteria of an Independent Director as may be defined in the BNM Policy Document on Corporate Governance.
- iv. To assess and recommend to the Board, the Directors/CEO for re-appointment before the application for approval is submitted to BNM.
- v. To oversee the Board succession plan and overall composition of the Board in terms of appropriate size, required mix of skills, experience and core competencies, and adequacy of balance between Executive Directors, Non-Executive Directors and Independent Directors through annual review.
- vi. To establish the mechanisms for the formal assessment of the effectiveness of the Board as a whole; the Board Committees; the effectiveness of each Director; and the performance evaluation of the CEO and other KRPs as defined in the BNM Policy Document on Fit and Proper Criteria. The annual assessment to be conducted would be based on objective performance criteria as approved by the Board.
- vii. To assess, on an annual basis, that the Directors, the CEO, the Company Secretary and other KRPs as defined in the BNM Policy Document on Fit and Proper Criteria are not disqualified under Section 59 of the Financial Services Act 2013 and that the Directors, the CEO, the Company Secretary and other KRPs as defined in the BNM Policy Document on Fit and Proper Criteria continue to meet the fit and proper criteria as stated in the Financial Services Act 2013; BNM Policy Document on Fit and Proper Criteria and the Company's Fit and Proper Policy as approved by the Board.

- viii. To ensure that all Directors receive appropriate continuous training programmes in order to broaden their perspectives and to keep abreast with developments in the market place and with changes in new statutory and regulatory requirements.
- ix. To recommend to the Board the removal of a Director and the CEO if he/she is ineffective, errant or negligent in discharging his/her responsibilities, or if he/she fails to meet the fit and proper criteria as defined in the Financial Services Act 2013, the BNM Policy Document on Fit and Proper Criteria and the Company's Fit and Proper Policy.
- x. To recommend to the Board the removal of KRPs as defined in the BNM Policy Document on Fit and Proper Criteria if they are ineffective, errant or negligent in discharging their responsibilities.
- xi. To review periodically and recommend to the Board the remuneration system for Directors, CEO and other KRPs as defined in the BNM Policy Document on Fit and Proper Criteria to ensure that rewards are in line with the business risk strategy, corporate values and long term interest of the Bank.
- xii. To oversee the performance evaluation of the CEO and other KRPs as defined in the BNM Policy Document on Fit and Proper Criteria and recommend to the Board their promotions, specific adjustments in remuneration and/or reward payments if any, reflecting their contributions for the year; and which are competitive and consistent with the Bank's objectives, culture and strategy.
- xiii. To ensure that the level of remuneration for Non-Executive Directors is linked to their level of responsibilities undertaken and contributions to the effective functioning of the Board.
- xiv. Keeps abreast of the terms and conditions of service of the CEO and other KRPs as defined in the BNM Policy Document on Fit and Proper Criteria including their total remuneration package for market comparability; and reviews and recommends changes to the Board whenever necessary.
- xv. Keeps abreast of the remuneration packages for Members of Board Committees to ensure that they commensurate with the scope of responsibilities held and reviews and recommends changes to the Board whenever necessary.
- xvi. To carry out such other responsibilities as may be specified by BNM or delegated by the Board from time to time.