

Cancer Research Malaysia

**TERMS OF REFERENCE OF
NOMINATION AND REMUNERATION
COMMITTEE**

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1. PURPOSE

- 1.1 The Nomination and Remuneration Committee (**'the Committee'**) is established as a committee of Cancer Research Malaysia (**"the Foundation"**) to assist the Board of Trustees (**"the Board"**) with the following:
- 1.1.1 Review and assess the appointment/ re-appointment of Trustees and key Management members for recommendation to the Board;
 - 1.1.2 Oversee the establishment of a formal and transparent procedure for the performance evaluation of Chief Executive Officer (**"CEO"**);
 - 1.1.3 Establish a process to evaluate the effectiveness of the performance of the Board; and
 - 1.1.4 Advise the Board on the optimal size and mix of skills of the Board and Board Committees.

Note: The listing of key Management members is set out in Appendix 1 of this document.

2. COMPOSITION AND APPOINTMENT

- 2.1 The Committee members shall be appointed by the Board from amongst their number and shall consist of not less than two (2) members, all of whom shall be Non-Executive Trustees and the majority being Independent Trustees.
- 2.2 The Chairman of the Committee shall be an Independent Trustee appointed by the Board. The responsibilities of the Chairman, amongst others, are as follows:
- Planning and conducting meetings;
 - Updating the Board on the activities undertaken by the Committee on a regular basis including significant matters and resolutions made by the Committee at each Board meeting;
 - Encouraging open discussion during meetings; and
 - Developing and maintaining active on-going dialogue with Management.

3. FUNCTIONS AND DUTIES

The main functions and duties of the Committee shall include, but are not limited to the following:

3.1 Appointments

- 3.1.1 To oversee the overall composition of the Board, in terms of the appropriate size, skills, experience, qualification and diversity in terms of gender, ethnicity and age, as well as the balance between Non-Independent Trustees and Independent Trustees.
- 3.1.2 To assess and recommend the nominees for the following position:
 - CEO
- 3.1.3 To assess Trustees for appointments and re-appointments before an application for approval is submitted to the Minister of Domestic Trade, Co-operatives and Consumerism, subject to the approval of the full Board.
- 3.1.4 To oversee the appointment, management succession planning and performance evaluation of CEO.

3.2 Trustee Induction and Development

- 3.2.1 To review the induction and training needs of Trustees, and facilitate Board induction and training programmes to ensure that all Trustees receive appropriate continuous training in order to keep abreast with the latest developments in the industry and be able to discharge their responsibilities effectively.

3.3 Performance Review

- 3.3.1 To establish a process to evaluate the effectiveness of the performance of the Board and recommend measures to improve the effectiveness of the Board and Board Committees.
- 3.3.2 To assess, on an annual basis, that the Independent Trustees meet the criteria laid down in the Memorandum and Articles of Association.
- 3.3.3 To review and oversee the performance evaluation of CEO for Board approval.
- 3.3.4 To review performance evaluation results and to recommend to the Board the removal of CEO if they are ineffective, errant and negligent in discharging their responsibilities.
- 3.3.5 To make recommendations to the Board on any areas within its remit where action or improvement is needed.

3.4 Reporting Responsibilities

- 3.4.1 To regularly update the Board on the Committee's activities on how it has discharged its responsibilities.

4. MEETINGS**4.1 Frequency and Attendance**

- 4.1.1 The Committee shall meet at least annually in a financial year. Additional meetings shall be scheduled as considered necessary by the Chairman of the Committee or should circumstances require.
- 4.1.2 There shall be in attendance at the meeting of the Committee by invitation the CEO and members of Management, and such other persons as deemed necessary by the Committee.

4.2 Meeting Agenda and Papers

- 4.2.1 The Chairman, in consultation with the CEO, sets the agenda for the Committee meetings and ensures that all relevant issues are on the agenda.
- 4.2.2 The agenda and papers shall be circulated to the Committee members at least seven (7) calendar days before each meeting.

4.3 Quorum

- 4.3.1 The quorum for a meeting of the Committee shall be a minimum of two (2) members.
- 4.3.2 In the absence of the Chairman, the remaining members present shall elect one of their Independent Trustees as Chairman of the meeting.

4.4 Meeting Mode

- 4.4.1 A meeting shall be conducted in person or via telephone conference or video conference or similar communication modes or other appropriate means as determined by the Committee to enable effective discussion.
- 4.4.2 The Committee 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 signed by all Committee members, and shall be as valid and effectual as if it has been passed by a meeting of the Committee duly convened.

4.5 Voting

- 4.5.1 All resolutions of the Committee shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the Committee shall have a second or casting vote.
- 4.5.2 A Committee 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.

4.6 Meeting Minutes

- 4.6.1 Minutes shall be duly recorded by the Secretary and approved by the Chairman of the meeting at which the proceedings are held, or by the Chairman of the next succeeding meeting.
- 4.6.2 Minutes of each meeting shall be confirmed by the Committee at the next meeting or by the Chairman of the Committee. The confirmed minutes shall be tabled to the Board.

4.7 Secretary

- 4.7.1 The Company Secretary or nominee shall act as the Secretary of the Committee.