



PROJEK LINTASAN KOTA HOLDINGS SDN. BHD.

199501002180 (331374-X)

TERMS OF REFERENCE FOR NOMINATION AND REMUNERATION COMMITTEE

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1.0 INTRODUCTION

- 1.1 This Terms of Reference (“TOR”) for Nomination and Remuneration Committee (“the Committee”) sets out the requirements of the Board of Directors (“the Board”) of Projek Lintasan Kota Holdings Sdn. Bhd. (“the Company”) for the establishment of the Committee.
- 1.2 This TOR ensures that the NRC functions with transparency, fairness, and accountability in alignment with the organization’s strategic goals and regulatory requirements. It helps the committee in promoting effective leadership, supporting succession planning, and ensuring that remuneration practices attract and retain the right talent while fostering performance and long-term value creation.

2.0 OBJECTIVE

The objectives of the Committee are as follows:

- 2.1 to review, evaluate, analyse and make reports/ recommendation to the Board of Directors’ on all matters relating to the remuneration and nomination of the Group Chief Executive Officer (“GCEO”), the Company’s incentivisation scheme and the Company’s employee’s increment.
- 2.2 to review, evaluate, analyse and make reports/ recommendation to the Board of Directors’ on all matters relating to the nomination of the GCEO and top Management to be appointed and proposed Director to be appoint to the Board.

3.0 COMPOSITION

- 3.1 The members of the Committee shall be appointed by the Board, and shall comprise a minimum of three (3) Non-Executive Directors.
- 3.2 The appointment of members of the Committee shall at all times adhere to all applicable rules, laws and regulations.
- 3.3 The Chairman of the Committee must be a Non-Executive Director appointed by the Board.
- 3.4 No alternate Director shall be appointed as a member of the Committee.

- 3.5 At all Committee meetings, the Chairman of the Committee if present, shall preside. In the absence of the Committee's Chairman, the members present at the meeting shall elect a Chairman of the meeting from amongst the committee members present.
- 3.6 Members of the Committee may relinquish their membership in the Committee with prior written notice to the Secretary. If a member of the Committee resigns or for any reason ceases to be a member of the Committee resulting in non-compliance with the requirement on the minimum number of members as stated in Clause 3.1 above, then the Board shall, as soon as possible, but not later than three (3) months from that event, appoint such number of new members as may be required.
- 3.7 The Committee may invite any Board member or any member of the Senior Management or any relevant employee within the Company who the Committee deems fit to assist in resolving and clarifying matters.

4.0 MEETING PROCEDURES

4.1 Quorum

- 4.1.1 The quorum necessary for the transaction of the business shall be two (2) members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4.2 Frequency of Meeting

- 4.2.1 The meetings shall be conducted at least one (1) time each year and at such other time(s) as it deems necessary to fulfil its responsibilities.

4.3 Notice and Agenda

- 4.3.1 The Company Secretary shall issue and circulate the notice of the meetings confirming the venue, time and date at least five (5) working days before each meeting to the committee members and all those who are required to attend the meeting.

4.3.2 The agenda for each meeting including relevant documents and information requested by the Committee shall be circulated at least five (5) working days before each meeting to the Committee members and all those who are required to attend the meeting.

4.3.3 The Chairman may also invite other members of Management, consultants, or any relevant individuals to attend meetings, as deemed necessary.

4.4 Meeting Mode

4.4.1 The meeting shall normally be conducted face-to-face to enable effective discussion; however, meetings may also be conducted via telephone conferencing, video conferencing or other appropriate means as determined by the Committee.

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 as valid and effectual as if it has been passed by a Committee meeting duly convened. Approval obtained via Circular Resolution must be signed or approved by a majority of the Committee members subject to 4.5.2.

4.5 Voting

4.5.1 Each member of the Committee is entitled to one (1) vote in deciding the matters deliberated in the meeting. In the case of an equality of votes, the Chairman of the Committee shall have a second or casting votes.

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 Secretary of the Committee

4.6.1 The Company Secretary or their nominee shall act as Secretary of the Committee.

4.6.2 The Secretary shall have the following responsibilities:

- a) ensure meetings are arranged and held accordingly;
- b) draw up meeting agendas in consultation with the Chairman of the Committee, which shall be circulated together with the relevant support papers at least five (5) working days prior to each meeting to the members of the Committee;
- c) ensure structured communication between the Board and the Committee;
- d) be in attendance at each Committee meetings;
- e) ensure proceedings of the meetings are recorded and the minutes submitted to and confirmed by Chairman of the Committee before circulating them to the Board; and
- f) ensure the Committee recommendations presented to the Board are supported by papers; including minutes explaining the rationale for the Committee's recommendation.

4.7 Meeting Minutes

4.7.1 The minutes of the meeting shall be action oriented and record the deliberations and decisions of the Committee.

4.7.2 Minutes shall be distributed to Committee 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.

4.7.3 The Committee, through its Chairman, shall update the Board on the activities undertaken by the Committee at each Board meeting.

5.0 RESPONSIBILITIES AND DUTIES

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

A. Nomination Matters

Assessment of Board Composition

- a) To establish a policy formalizing the Company's approach to Boardroom diversity (including diversity in gender, age, culture, skills, experience and independence);
- b) Annually review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and Board Committees during the Board Effectiveness Evaluation and recommend to the Board on any improvements to be made; and
- c) Consider and recommend any policy regarding the period of service of Non-Executive Directors, tenure of Non-Executive Directors and the term of office of Board Committee members, including Chairmen of Board Committees.

Appointments

- a) Consider and recommend to the Board the selection criteria for new appointments as Directors of the Company which may include:
 - Required skills, knowledge, expertise and experience;
 - Time commitment, character, professionalism and integrity;
 - Ability to work cohesively with other members of the Board;
 - Specialist knowledge or technical skills in line with the Company's strategy;
 - Diversity in age, gender and experience/background; and
 - Number of directorships in companies outside the Company.

- b) To ensure that a formal letter of appointment setting out clearly the expected time commitment, Board Committee involvement, involvement outside Board meetings and protocol for accepting new Directorships is provided to the Non-Executive Directors upon appointment to the Board.
- c) Identify, consider and recommend suitable persons for appointment as Directors of the Company, relying on resources from existing Board members, Management, major shareholders, independent search firms and other independent resources.

Retirement and Re-election

- a) To recommend to the Board, candidates for re-election of Directors by shareholders. The tenure of a Non-Executive Director shall be limited to a cumulative period of nine (9) years without further extension.

Computation of the nine-year period starts from the first day a person is appointed as a non-executive director and is calculated based on such person's total years of service on a cumulative basis i.e. to aggregate the person's tenure as non-executive director in the Company and its related corporations.

Succession Planning

- a) Oversee succession planning for the Board of Directors, GCEO and Key Management Position.
- b) To ensure that an appropriate succession planning framework, talent management and human capital development programme is in place for the position of the GCEO and key Management positions. The Committee shall be apprised of the progress of the programme on a regular basis, and at least once a year.
- c) To review the succession planning of GCEO. The key duties are as follows:
 - To identify high potential and selected talents for that position.
 - To approve specific development intervention of selected talent.
 - To review progress, new assignments, hiring external expertise in order to recalibrate development activities to address capability needs for optimum results.

B. Remuneration Matters

- a) To formulate or review the remuneration for the members of the Board, and Board Committees;
- b) To review, appraise and make recommendations to the Board on the GCEO of the Company remuneration, salary increment, performance bonus and compensation;
- c) To review and recommend to the Board on the staff annual salary increment pool and performance bonus pool in respect of each financial year; and
- d) To review and recommend any major changes in remuneration policy and employees benefits structure throughout the Company in line with market practice

6.0 AUTHORITY

6.1 The Committee shall have the following authority as empowered by the Board:

- a) the authority to investigate any activity or matter within its terms of reference;
- b) to acquire the resources which are required to perform its duties;
- c) the authority to obtain external or independent professional advice or expertise (including the advice of independent consultants) and to secure the attendance of external professional advisers at its meetings if it considers this necessary, in each case, at the Company's expenses.

7.0 REVISION OF TERMS OF REFERENCE

7.1 The TOR for the Committee should be reviewed at least every three (3) years or whenever deemed necessary.

7.2 The TOR shall be assessed, reviewed and updated where necessary i.e. when there are changes to the Malaysian Code of Corporate Governance or any other regulatory requirements. It shall also be reviewed and updated when there are changes to the direction and strategies to the Company that may affect the Committee's.