



**CORPORATE  
GOVERNANCE  
COMMITTEE –  
TERMS OF  
REFERENCE**

The Revised Terms of Reference of the Corporate Governance Committee (the “Committee”) was adopted by the Board on 2 October 2024.

## 1. Membership/Composition

- 1.1. It shall consist of a minimum of three members and a maximum of five members.
- 1.2. It shall be composed of a majority of non-executive Directors.
- 1.3. **Chairperson** – Any member of the Corporate Governance Committee but neither an executive director nor Chairperson of the Audit Committee nor the Chairperson of the Board.
- 1.4. The Chairperson of the Committee shall preferably be an independent non-executive director.
- 1.5. In the absence of the Chairperson, the remaining members present shall elect one of themselves to chair the meeting.

## 2. Meetings

- 2.1. Frequency of Meetings - At least once every quarter or more frequently as circumstances require.
- 2.2. Meetings of the Committee shall be convened by the Secretary of the Committee, in his absence by his Deputy or any authorised officer, at the request of the Chairperson or by any of its members.
- 2.3. The notice of each meeting of the Committee confirming the venue, time and date and enclosing an agenda of items to be discussed shall, other than under exceptional circumstances, be forwarded to each member of the Committee at his known registered address or electronic communication/email or Board Vantage.
- 2.4. Agenda, supporting documents and a prior written notice of at least four (4) business days shall be sent to every member for any meeting. In case of urgent matters, a prior notice of two (2) business days will be given.
- 2.5. The requirements provided above may be varied subject to the written consent of all members.
- 2.6. Deliberations assented by all members then entitled to receive notice of a meeting of the Committee, is as valid and effective as if it had been passed at a meeting of the Committee duly convened and held.

## 3. Secretary

The Company Secretary shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

## 4. Quorum

The quorum for any meeting shall be a majority of its members.

## 5. Minutes of Meetings

- 5.1. The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 5.2. Draft minutes of Committee meetings shall be circulated to all members of the Committee, within fifteen (15) Business days of the Meeting or earlier.

## 6. Role & Responsibilities

The duties of the Corporate Governance Committee shall be to:

- 6.1. Determine, agree and develop the Bank's general policy on corporate governance in accordance with the recommendations of the Code of Corporate Governance and other applicable Guidelines.

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- 6.2. Provide corporate governance advice to the Board.
- 6.3. Ensure that disclosures on corporate governance whether in the annual report or on an ongoing basis, are made in accordance with the principles of the Code of Corporate Governance and other applicable Guidelines.
- 6.4. Prepare the corporate governance report to be published in the annual report.
- 6.5. Review the annual corporate social responsibility policies and related budgets.
- 6.6. Recommend to the Board any amendments in the Charter of the Bank's Foundation (AfrAsia Foundation) and make any other recommendations for the proper functioning of the said Foundation.
- 6.7. Ensure that the board members receive thorough orientation on board governance and key strategic issues facing the financial institution.
- 6.8. Receive and deliberate on any matters referred to the Committee by the Remuneration Committee or any other committees for onward submission to the Board.
- 6.9. Receive and validate the Bank's annual corporate KPIs following recommendation from the Strategy Committee for onward submission to the Board.

The Corporate Governance Committee shall also act as the Nomination Committee. Responsibilities as Nomination Committee include:

- 6.10. Recommend to the Board candidates for board positions, including the chair of the Board and chairs of the Board Committees.
- 6.11. Ensure that all directors, potential Board candidates and Senior Officers of the Bank are fit and proper and not disqualified to hold such position in the Bank in line with the requirements of the relevant laws and regulations.
- 6.12. Review the Board structure, size and composition considering the balance of skills and expertise and make recommendations to the Board with regards to any adjustments that are deemed necessary.
- 6.13. Recommend criteria for the selection of board members and criteria for the evaluation of their performance.
- 6.14. Ensure that the provisions of the Constitution of the Bank, the Companies Act, regulations and the BOM requirements, relating to the procedures, selection and appointment of directors and senior officials, are abided to.
- 6.15. Recommend nominees for board committees.
- 6.16. Review the contribution of individual directors to the achievement of corporate objectives as well as on the regularity of their attendance at the board and committee meetings.
- 6.17. When considering an appointment to the Board, the Nomination Committee shall satisfy itself that the candidate is able to commit sufficient time and effort to fulfil its responsibilities effectively, particularly if the candidate has a seat on multiple boards or undertakes other professional or commercial activities.
- 6.18. Ensure that Senior Management team is adequately skilled and resourced, with succession plans in place, to provide ongoing stable leadership and management of the organisation.

## **7. Reporting Responsibilities**

- 7.1. The Committee Chairperson shall report to the Board on its deliberations after each meeting on all significant matters within its duties and responsibilities.
- 7.2. The Committee shall make relevant recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

**8. Other matters**

- 8.1. The Committee is authorised to seek any information from any officer or employee all of whom are directed to co-operate with any request made by the Committee.
- 8.2. The Committee shall have access to outside or other independent professional advice as it considers necessary to carry out its duties at the Bank's expense within any reasonable budgetary guidelines as indicated by the Board.
- 8.3. Regular training on corporate governance should be provided to the members and Board members. The Committee may decide on its focus areas.
- 8.4. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Bank's secretariat for assistance as required.
- 8.5. The Committee shall give due consideration to laws, regulations and any published guidelines or recommendations.
- 8.6. The Committee shall oversee any investigation of activities which are within its terms of reference.
- 8.7. The Committee shall arrange for periodic reviews of its own performance and review its terms of reference on an annual basis to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.