



IJM CORPORATION BERHAD (104131-A)

TERMS OF REFERENCE OF THE NOMINATION & REMUNERATION COMMITTEE

Membership

Members of the Nomination & Remuneration Committee (“NRC”) shall be appointed by the Board of Directors from amongst the non-executive Directors and shall consist of not less than three members, with a majority of them being independent Directors. Where a senior independent Director position exists, the senior independent Director should assume the position of the Chairman of the NRC.

The Board of Directors shall review the term of office and performance of the NRC and each of its members at least once every three years to determine whether the NRC members have carried out their duties in accordance with the terms of reference.

Meetings and Minutes

Meetings shall be held twice a year or more as the NRC deems necessary to fulfil its responsibilities. The quorum shall be of two (2) members present, both of whom must be independent Directors.

The Company Secretary shall act as secretary to the NRC. Minutes of each meeting shall be distributed to each Board member, and the Chairman of the NRC shall report on key issues discussed at each meeting to the Board.

Authority

The NRC shall have the following authority as empowered by the Board:

- to make decision on matters which fall within the purpose and responsibilities of the NRC;
and
- to have sufficient resources in order to carry out its duties, including obtain independent professional advice on any matters within its terms of reference.



Duties

The following are the main duties and responsibilities of the NRC collectively:-

1. To establish and review from time to time the scheme and conditions of service of staff in the Group;
2. To establish and review the remuneration of non-executive Directors and the terms and conditions of employment & remuneration of Executive Directors and senior executives of the Group;
3. To review and approve annual salary increments and bonuses of Executive Directors and senior executives of the Group;
4. To approve the engagement and terms of service of senior executives or re-employment of retiring senior executives;
5. To review, recommend and consider candidates to the Board of the Company, subsidiaries and associates of the Group, including committees of the Board;
6. To review the Board composition and determine the mix of skills, experience and other qualities, including core competencies of non-executive Directors, on an annual basis;
7. To review succession planning and senior management development, including nominations to the Board of Directors of the Company;
8. To assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director and each member of the Board Committees as well as their training needs on an annual basis;
9. To establish and review the criteria to be used in the recruitment process and annual assessment of the Board, Board Committees and each individual Director and each member of the Board Committees, including assessment of the independence of independent Director; and
10. To formulate overall personnel and remuneration policies for the Group;

together with such other functions as may be agreed to by the NRC and the Board of Directors.

The term "senior executive" shall mean staff in Grades 1 and 2 in the Scheme of Service, and any promotions thereto.