

Nomination & Remuneration Committee - Terms of Reference

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The Revised Terms of Reference of the Nomination & Remuneration Committee (the “Committee”) was adopted by the Board on 26 August 2025 and revised on 22 September 2025.

1. Membership/Composition

- 1.1. It shall consist of a minimum of three (3) members and a maximum of five (5) members.
- 1.2. It shall be composed of a majority of non-executive Directors.
- 1.3. **Chairperson** – Any member of the Committee but neither the 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 five (5) 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 by way of circularisation, assented by all members 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.
- 2.7. Only members of the Committee shall have the right to attend the Committee’s meetings however, the Committee may invite non-members and reporting officers.
- 2.8. Members of the Committee are entitled to vote and each member shall have one vote. The Chairperson shall not have a casting vote. The majority of votes shall decide a matter, and in the event of a deadlock, the matter shall be referred to the Board for resolution.

3. Secretary

The Chief People & Culture Officer 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, unless circumstances dictate otherwise under which the Secretary shall then inform the members accordingly.

6. Role & Responsibilities

Responsibilities as Nomination Committee include:

- 6.1. Recommend to the Board candidate(s) for board positions including the appointment of the chairperson of the Board, Committees members and Chairpersons of Committees.
- 6.2. When considering an appointment to the Board, the Committee shall satisfy itself that the candidate is able to commit sufficient time and effort to fulfil its responsibilities effectively, particularly if the candidate sits on multiple boards or undertakes other professional or commercial activities.
- 6.3. Recommend appointment of Senior Officers to the Board.
- 6.4. Ensure that all directors including potential 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.
- 6.5. 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.
- 6.6. Recommend criteria for the selection of board members and criteria for the evaluation of their performance.
- 6.7. Exercise oversight for critical people issues within the Bank including leadership, talent management and development as well as succession planning for key positions.

Responsibilities as Remuneration Committee:

- 6.8. Responsible for recommending to the Board of Directors the remuneration policy for executive directors, Company Secretary, Senior Officers (as defined by Banking Act 2004), Executives and the Chairperson of the Board, including pension rights and any other compensation as per laws and regulations. The Board shall determine the remuneration of the non-executive directors.
- 6.9. Recommend and monitor the level and structure of remuneration for senior management and Senior Officers.
- 6.10. Take into account all factors which it deems necessary including relevant legal and regulatory requirements, the principles of the Code and associated guidance.
- 6.11. Review the on-going appropriateness and relevance of the remuneration policy.
- 6.12. Within the terms of the agreed policy and in consultation with the CEO, as appropriate, recommend to the Board of Directors the total individual compensation package of each executive director, the Board Chairperson, Company Secretary and other designated Senior Officers and Executives including bonuses, pension, incentive payments, allowances and share options or other share awards.
- 6.13. Oversee any major changes in employee benefits structures throughout the Bank.
- 6.14. Work and liaise as necessary with other Board committees.
- 6.15. Agree the policy for authorising claims for expenses from the directors.
- 6.16. Recommend to the Board the design of, and determine targets for, any performance-related pay schemes operated by the Bank and the total annual payments made under such schemes.
- 6.17. Annual review of bonuses and salaries adjustments.

Responsibilities from a governance perspective:

- 6.18. 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.
- 6.19. Provide advice to the Board on corporate governance related-matters.
- 6.20. 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.

- 6.21. Review the annual corporate social responsibility policies and related budgets.
- 6.22. Recommend to the Board any amendments in the Charter of the Bank's Foundation (AfrAsia Foundation) and make any other recommendations to the Board for the proper functioning of the said Foundation.
- 6.23. Ensure that new board members receive thorough orientation on board governance and key strategic issues facing the financial institution.
- 6.24. Recommend the establishment and membership of committees to the Board for approval.
- 6.25. Receive and deliberate on any matters referred to the Committee by any other committees for onward submission to the Board.

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.