



TERMS OF REFERENCE OF

THE BOARD CREDIT AND INVESTMENT COMMITTEE ("BCIVC" or "Committee") OF BANK PERTANIAN MALAYSIA BERHAD ("Agrobank" or "the Bank")

- Membership : At least three (3) directors¹, a majority of whom, including the Chairman should be independent directors.²
- In Attendance :
i. President/Chief Executive Officer
ii. Chief Credit Officer
iii. Chief Risk Officer
iv. Chief Business Officer
v. Chairman is given discretion to invite any relevant person as and when required.
- In the event a person is appointed as "Acting" or "Covering" for a particular position, he or she shall attend the meeting in his or her capacity of that position.
- Secretary : The Company Secretary ("CoSec") or his or her nominee or any person designated by the Committee.
- Quorum : At least three (3) of the BCIVC members³ including the Chairman of the Committee.
- Frequency of Meeting : The BCIVC meeting shall be held at a minimum of 10 meetings a year or such number of time(s) as the Committee requires or deemed necessary to fulfil the Committee's responsibilities.

¹ Directors may refer to Independent Non-Executive Directors and Non-Independent Non-Executive Directors

² Para 12.3 BNM Policy Document on Corporate Governance ("BNM CG Guidelines")

³ Para 12.3 BNM CG Guidelines

1.0 OBJECTIVE

The Committee is to review, affirm or veto against all **approvals and/or decisions on all financing and/or credit related proposals** by Management Credit Committee ("MCC") as per the General Delegation Power ("DP") limit **including the proposed terms and conditions or any variations thereof or** to make recommendations to the Board on the **proposed and/or approved financing and/or credit related proposal and investment activities** of Agrobank.

2.0 AUTHORITY

The Committee is authorised by the Board to act within its Terms of Reference ("TOR"): -

- i. to review and affirm or to recommend to Board on matters within its primary duties and responsibilities within these terms of reference or such limits as may be determined by the Board from time to time;
- ii. to obtain the resources which it requires including but not limited to obtaining an independent professional advice and expert advice, both internal and external, and to have full and unrestricted access to information to enable the Committee to fulfil its objectives; and
- iii. to have direct communication and on a continuous basis with Senior Management to be kept informed of matters affecting the Bank.

3.0 ROLES AND RESPONSIBILITIES

3.1 The Committee shall: -

- i. To deliberate and review with power to veto against all financing approved by Management Credit Committee ("MCC") as per the General Delegation Power ("DP") limit based on Credit Grade for Commercial and/or Corporate Financing under PL-261/8: Credit Approval Authority ("CAA")/ Delegation Power ("DP") Policy;

(Please refer Section 3 of the Latest Delegation Power ("DP") Framework & Limit for reference as per attached).

- ii. deliberate and recommend to the Board financing proposals that exceed the Committee's approving authority and require approval by the Board;
- iii. deliberate matters concerning financing, investments including but not restricted to monitoring other credit related issues to be implemented by the Bank, that may require endorsement by the Board;
- iv. review and revise strategic financing/lending proposals and measures for sustained profitability for endorsement by the Board;

- v. evaluate and propose to the Board any investment in equity which requires Board approval;
- vi. identify, evaluate, monitor and review the performance of the Bank's investment portfolio on a periodic basis and propose appropriate action to improve the performance;
- vii. assess, appoint and terminate the performance of fund managers, brokers and other representatives annually;
- viii. Approve the investment transactions within the specified authority limit under money market investments and capital market investments as per Investment Policy and Approving Authority Matrix.⁴

3.2 To accomplish the above roles and responsibilities, and any other specific or ad-hoc matters that deemed necessary. BCIVC may seek an independent third-party expert's views/advice on the matters determined by the Committee or upon directive from the Board.

⁴ Para 1.2.2 Investment Policy