



**TERMS OF REFERENCE  
OF**

**THE BOARD STRATEGY COMMITTEE  
("BSC" or "the Committee") OF BANK PERTANIAN MALAYSIA BERHAD  
("Agrobank" or "the Bank")**

Membership	:	At least three (3) directors <sup>1</sup> , a majority of whom, including the Chairman should be independent directors. <sup>2</sup>
In Attendance	:	<ul style="list-style-type: none"><li>i. President/Chief Executive Officer</li><li>ii. Chief Strategy Officer</li><li>iii. Chairman is given discretion to invite any relevant person as and when required.</li></ul> <p>In the event a person is appointed as "Acting" or "Covering" for a particular position, he/she shall attend the meeting in his/her capacity of that position.</p>
Secretary	:	The Company Secretary (CoSec") or his other nominee or any person designated by the Committee.
Quorum	:	At least three (3) BSC members including the Chairman of the Committee. <sup>3</sup>
Frequency of Meeting	:	The BSC meeting shall be held on a quarter basis and for such number of time(s) as the Committee requires or may deem necessary to fulfil the Committee's responsibilities.

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<sup>1</sup> Directors may refer to Independent Non-Executive Directors and Non-Independent Non-Executive Directors

<sup>2</sup> Para 12.3 BNM Policy Document on Corporate Governance ("BNM CG Guidelines")

<sup>3</sup> Para 12.3 BNM Policy Document on Corporate Governance ("BNM CG Guidelines")

## **1.0 OBJECTIVE**

The Strategy Committee is a dedicated committee established by the Board and is mainly responsible for making recommendations to the Board on oversight function on the long-term development strategies and development of the business plan decisions of the Bank.

## **2.0 AUTHORITY**

The Committee is authorised by the Board to act within its TOR:-

- i. To review and 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 a direct communication and on continuous basis with Senior Management in order to be kept informed of matters affecting the Bank.

## **3.0 ROLES AND RESPONSIBILITIES**

- 3.1 To assist the Board to ensure the decision of the Board, strategic matters, business plans and budgets are carried out, implemented and/or monitored efficiently and effectively by the Management and that the requirements of good corporate governance practices are observed.
- 3.2 To oversee the implementation and monitoring of the Board's decisions and to provide strategic guidance for the Bank as delegated by the Board in these terms of reference.
- 3.3 The Board Strategy Committee ("the Committee") shall exercise its authorities in the best interest of the Bank in the context of achieving the strategies and objectives of the Bank.
- 3.4 The Committee shall be responsible for strategizing, reviewing, and discussing with the Management of the Bank in relation to any matter within these terms of reference, and shall have the authority to recommend to the Board or to make decision in relation to such matter provided that it is not inconsistent with any decision of the Board, including the following:

- i) to review and provide input and guidance in the implementation and monitoring of strategy(ies) and other matters approved by the Board;
  - ii) to review the strategic, business plans, budgets, capital strategy and resource requirements of the Bank in pursuing the strategies therein;
  - iii) to review the medium- and long-term strategic outcomes proposed by the Management;
  - iv) to review potential investments, mergers, acquisitions, sustainability, demonstration of mandate and divestment of business/assets of the Bank;
  - v) to review management reports from business and support units on key initiatives undertaken by the Bank; and
  - vi) to monitor and evaluate political, economic and business conditions and developments in the financial markets and/or relating to financial institutions on an on-going basis and to discuss with the Management of the Bank to ensure that any potential material impact is identified and managed accordingly.
- 3.5 To oversee the implementation of sustainability and climate change initiatives.
- 3.6 To carry out other duties and responsibilities as may be assigned to the Committee from time to time by the Board.