



BUMIARMADA

BUMI ARMADA BERHAD

Registration No. 199501041194 (370398 – X)

NOMINATION & REMUNERATION COMMITTEE

TERMS OF REFERENCE



1. Status

The Nomination and Remuneration Committee ("Committee" or "NRC") is a committee of the Board of Directors ("Board") of Bumi Armada Berhad ("BAB" or "Company").

2. Definitions

Unless otherwise stated, "Senior Management" means the Executive Director ("ED"), Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief Operating Officer ("COO") and personnel reporting directly to the ED, CEO and Executive Committee.

3. Composition

- a) The Committee shall comprise of no fewer than three (3) members, all of whom shall be Non-Executive Directors, with a majority being Independent Directors. In determining independence, the Board shall observe the requirements of Paragraph 1.01 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and any relevant Practice Notes that may be issued by Bursa Securities from time to time.
- b) In the event of any vacancy in the Committee resulting in the non-compliance of paragraph 3(a), the Company shall fill the vacancy within three (3) months.
- c) All members shall hold office only for so long as they serve as Directors of the Company.
- d) Members may resign from the Committee by giving prior written notice to the Board and may continue to serve as Directors of the Company.

4. Chairman

- a) The Chairman of the Committee shall be an Independent Director appointed by the Board.
- b) In the absence of the Chairman and/or an appointed deputy in any meeting, the remaining members present shall elect one of themselves to chair the meeting.
- c) In accordance with the MCCG, the Chairman shall:
 - (i) Lead the succession planning and appointment of Directors and oversee the development of a diverse pipeline for Board and Senior Management succession, including the future Chairman, ED, CEO, CFO and COO.
 - (ii) Lead the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed.

5. Secretary

- a) The Secretary of the Committee shall be the Company Secretary, or such other person as may be designated by the Board or the Committee to act as the Committee Secretary ("Secretary").
- b) The Secretary shall, in consultation with the Chairman, prepare and circulate the agendas and relevant supporting documentation prior to meetings.
- c) The Secretary shall record the proceedings and minutes of all meetings, including attendance and table them for confirmation at the next meeting.



6. Meeting

- a) No business shall be transacted at any meeting of the Committee unless a quorum is present. The quorum for each meeting shall be two (2) members of the Committee including the Chairman or in the absence of the Chairman, any two (2) members present shall form the quorum with the prior consent of the Chairman.
- b) The Committee shall meet as and when required upon request by the Chairman or any other members, provided that the Committee shall meet at least four (4) times a year or more frequently as deemed necessary.
- c) The Chairman or the Secretary on the requisition of the members, shall at any time summon a meeting by giving three (3) days' notice or such shorter period as may be agreed by the members.
- d) Attendance at a meeting may be in person or by means of video, audio or teleconference or any other means of audio-visual communications. Unless otherwise agreed, Kuala Lumpur shall be deemed as the venue meeting held by teleconference.
- e) An Executive Director or Non-Executive Director shall abstain from deliberations and voting in respect of their remuneration at the Committee level and Board level. However, such Director may attend the Committee meetings on the invitation of the Chairman of the Committee if their presence is required.
- f) The Committee may at its discretion and as the need arises, invite one or more persons, including other Directors, executives and/or outside professionals, to attend its meeting.
- g) Minutes of each meeting shall be distributed to each member of the Committee and the Board.
- h) Minutes of each meeting once confirmed shall be signed by the Chairman and kept at the registered office of the Company under the custody of the Secretary. The minutes may be made available for inspection by Board members, external auditors and the internal auditors, and such other persons as deemed appropriate by the Committee or Secretary.
- i) The Chairman shall report to the Board on any matter that should be brought to the Board's attention and provide recommendations of the Committee requiring Board approval.
- j) Questions arising at any meeting shall be decided by a majority of votes. In the event of an equality of votes, the Chairman shall have a second or casting vote except where only two (2) members are present and form the quorum.
- k) The Committee may deal with matters by way of circular resolutions in lieu of convening a formal meeting, provided that such resolutions are endorsed unanimously by all members.
- l) The Chairman and other Committee members shall promptly declare any actual or perceived conflict of interest and abstain from deliberation and decision-making on the matter concerned. Where the Chairman has a conflict of interest, the remaining members shall appoint an ad hoc Chairman by simple majority for that matter. All conflicts and actions taken shall be recorded in the minutes.

7. Duties & Responsibilities

The duties and responsibilities of the Committee are segregated into two (2) functions i.e. Nomination and Remuneration, and this TOR sets out the respective duties as follows:



7.1 Nomination matters

7.1.1 Board, Board Committees and Independent Directors

- a) To formulate and recommend for Board adoption a Board Diversity Policy and review it from time to time.
- b) To review and recommend to the Board the composition and optimum size of the Board, including the appropriate mix of skills, knowledge, experience, competencies and diversity and to consider the tenure and re-election of Directors based on their performance and contribution.
- c) To formulate and implement transparent procedures for identifying and recommending candidates for appointment or re-appointment to the Board and Board committees or the extension of the tenures of existing members of the Board and Board committees. In doing so, the Committee shall consider the candidates' character, skills, knowledge, expertise and experience, professionalism, integrity, competencies, commitment and ability to contribute to the Company.
- d) To formulate criteria for assessing the independence of Independent Directors and review their independence in accordance with the Listing Requirements.
- e) To recommend and, where applicable, provide justification to the Board on whether shareholders' approval should be sought to retain an Independent Director beyond his/her cumulative term of nine (9) years.
- f) To oversee the induction, training and continuous professional development of Directors.
- g) To ensure that the composition and tenure of the Board are reviewed periodically and that the annual re-election of Directors is considered having regard to their performance and contribution.
- h) To perform other oversight functions relating to Board matters as requested by the Board or required by the regulatory authorities.

7.1.2 ED, CEO, CFO and COO

- a) To review nominations, conduct interviews where appropriate and recommend to the Board candidates for appointment, re-appointment or termination of the ED, CEO, CFO and COO.
- b) To formulate and oversee the nomination, selection, succession and talent management framework for the ED, CEO, CFO and COO.
- c) To consider the candidates' character, experience, integrity, competence and ability to effectively discharge their respective roles including the time commitment required, in accordance with the Listing Requirements.
- d) To oversee succession planning and the development of an appropriate pipeline for the Board and Senior Management.
- e) To recommend the appointment or renewal of contracts of employment of Senior Management, where appropriate.



7.1.3 Board Assessment

- a) To formulate and implement the criteria and process for the annual evaluation of the Board as a whole, Board Committees and individual Directors.
- b) To oversee and undertake the assessment of the effectiveness, competencies, commitment, contribution and performance of the Board, Board Committees and individual Directors.
- c) To engage independent consultants or other appropriate parties to assist with the assessment, where necessary.
- d) To establish a timeline for the assessments and ensure that the assessments are properly documented and to report the findings and recommendations arising from the assessments to the Board
- e) To oversee the implementation of actions arising from the assessment findings and recommendations.

7.2 Remuneration matters

7.2.1 Remuneration Framework and Policy

- a) To review and recommend to the Board the remuneration policy and framework for Directors and Senior Management, ensuring that the procedures for establishing such policy and framework are fair, transparent and aligned with the Company's objectives and strategy.
- b) To review and recommend to the Board the remuneration and terms of service of the ED, CEO, CFO and COO, including salary, bonus, incentives and other benefits, having regard to performance, market practice, responsibilities and the need to attract and retain appropriate talent.
- c) The Board shall have ultimate responsibility for approving the remuneration of the ED, CEO, CFO and COO.
- d) The Committee may obtain advice from independent external remuneration consultants or other professional advisers where appropriate.

7.2.2 Performance and Reward

- a) To review and recommend performance targets that are consistent with the interest of shareholders and appropriately balance short-term and long-term goals.
- b) To review the effectiveness of the Company's performance measurement and reward framework.
- c) To review the performance of the ED, CEO, CFO and COO based on their respective scorecards and Key Performance Indicators ("KPIs"), including corporate goals, individual priorities and employee development, in determining their remuneration and bonus.
- d) To oversee the annual salary increments and bonus for Senior Management and the overall bonus structure of the Company/Group.



7.2.3 Long-Term Incentive Programme

The Committee shall oversee and administer any long-term incentive programme established or approved by the Company from time to time, in accordance with the applicable terms, rules, by-laws and regulatory requirements, including where applicable:

- a) To review and recommend the framework, terms and eligibility criteria of the programme for the Board's approval.
- b) To determine or recommend, as applicable eligible participants, allocations, awards and vesting conditions in accordance with the approved programme.
- c) To review and recommend awards or allocations to Directors, including ED, for approval by the Board and shareholders, with the relevant Director abstaining from deliberation and voting on their own allocation.
- d) To oversee the implementation and administration of the programme and ensuring compliance with the applicable terms, rules, by-laws and regulatory requirements.
- e) To undertake such other matters as may be necessary or appropriate to give effect to the programme, as delegated or authorised by the Board.

7.2.4 Directors' Remuneration

- a) To recommend to the Board the remuneration framework and remuneration of Non-Executive Directors, having regard to their responsibilities, market practice and performance.
- b) The remuneration of Executive Directors shall be determined by the Board as a whole.
- c) Any increase in fees and benefits payable to Non-Executive Directors shall be subject to shareholders' approval where required.
- d) No Director shall participate in deliberations or voting in respect of their own remuneration.

7.3 Other Remuneration and Human Capital Matters

- a) To review the overall organisation structure at a strategic level, where appropriate.
- b) To review key human resource policies and guidelines at a strategic level, where relevant to the Committee's responsibilities and the Company's objectives and strategy.

7.4 Corporate Governance ("CG")

- a) To review and recommend improvements to the Company's CG framework, policies and practices having regard to applicable laws, regulations, the MCCG and recognised best practices.
- b) To monitor developments in the CG and regulatory environment relevant to the Company and recommend appropriate actions to the Board.
- c) To review the Company's corporate governance reports, statements and related disclosures.



- d) To review the policies, processes and measures adopted by the Company in fulfilling its corporate governance responsibilities.

8. Powers and Authorities

- a) Unless otherwise specified by the Board, the Committee shall not have delegated powers from the Board to implement its recommendations but shall report its recommendations to Board for consideration and approval.
- b) In carrying out its duties and responsibilities, the Committee shall have:
 - i) full, free and unrestricted access to any information, records, properties and personnel of the BAB Group; and
 - ii) the power to obtain independent professional advice and expertise necessary for the performance of its duties.
- c) All members of the Committee shall have access to the advice and services of the Company Secretary.

9. Review of the Committee's Terms of Reference ("TOR") and Performance

- a) These TOR were approved by the Board on 27 August 2026.
- b) The Committee shall conduct an annual evaluation of its performance annually and review these TOR at least once every two (2) years, to ensure its effectiveness and continued alignment with applicable regulatory requirements and best governance practices.
- c) Any amendments shall be recommended to the Board for approval, and the updated TOR shall be disclosed on the Company's website.

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