



**KUB MALAYSIA BERHAD**  
(Company No. 6022-D)

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TERMS OF REFERENCE OF THE BOARD INVESTMENT COMMITTEE

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Revised as at 30 May 2016

## **DEFINITIONS AND INTERPRETATION**

In these Terms of Reference, where the context so admits the following expressions shall have the following meanings :-

‘Act’	The Companies Act, 1965 and any other Act or Ordinance for the time being in force concerning companies and affecting the Company;
‘Board’	The Board of Directors of KUB Malaysia Berhad;
‘Board Committees’	Committees that have been or will be set up as authorised by the Board, with the exception of this Committee with specific terms of reference and delegated authority;
‘Committee’ or ‘BIC’	Board Investment Committee;
‘Company Secretary’	Company Secretary/Joint Company Secretaries of KUB Malaysia Berhad;
‘KUB Malaysia Berhad’ or ‘Company’	KUB Malaysia Berhad (6022-D);
‘KUB Group’	KUB Malaysia Berhad and its subsidiaries and associated companies;
‘Independent Director’	A director as defined in Chapter 1 of Bursa Malaysia Securities Berhad (‘Bursa Malaysia’) Main Market Listing Requirements;
‘Listing Requirements’	Bursa Malaysia Securities Berhad Main Market Listing Requirements, including any amendments made from time to time;
‘Member’	A member of the Committee as appointed pursuant to this Terms of Reference;
‘Bursa Malaysia’	Bursa Malaysia Securities Berhad;
‘Secretary’	Secretary of the Committee;
‘Senior Management’	Senior Management which includes the President/Group Managing Director, Executive Director, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and ‘Officer’ as defined in Chapter 1 of Bursa Malaysia Securities Berhad Main Market Listing Requirements of KUB Group;
‘KUBMaG’	KUB Group Management Guidelines;
‘Terms of Reference’	The terms of reference of the Committee;

In this Terms of Reference, unless the context otherwise requires:

Words importing the masculine gender shall include the feminine, neuter genders and vice versa; and

Words importing the singular shall include the plural and vice versa.

**1. OBJECTIVES OF THE COMMITTEE**

- 1.1. The main responsibility of the Committee is to assist the Board in reviewing and recommending to the Board, significant matters related to all existing and potential investments of KUB Group.
- 1.2. The Committee shall also carry out such other duties that may be delegated by the Board.
- 1.3. The actual decision pertaining to the investment shall be the responsibility of the Board after considering the recommendations of the Committee.

**2. COMPOSITION OF THE COMMITTEE**

- 2.1. The Committee shall compose exclusively of Non-Executive Directors with a majority of them being Independent Directors.
- 2.2. The composition of the Committee must not be less than three (3) Members.
- 2.3. Where the Members for any reason are reduced to less than three (3), the Board shall within six (6) months of the event, appoint such number of new Members as may be required to make up the minimum number of three (3) Members.
- 2.4. The Board shall elect a Chairman from amongst the Members who is Independent Director.
- 2.5. All Members shall hold office only for so long as they serve as Directors of the Company.
- 2.6. The change of the Members of the Committee shall be decided by the Board from time to time.

**3. SECRETARY OF THE MEETING**

- 3.1. The Company Secretary and/or his or her representative shall be the Secretary of the Committee.

**4. PROCEEDINGS OF THE COMMITTEE**

- 4.1.** The Committee shall convene meetings as and when required, provided that the Committee shall meet at least once a year.
- 4.2.** The Chairman of the Committee, or the Secretary on the requisition of the Members, shall at any time summon a meeting of the Members by giving due notice. It shall not be necessary to give notice of a Committee meeting to any Member for the time being absent from Malaysia.
- 4.3.** No business shall be transacted at any meeting of the Committee unless a quorum is present. Two (2) Members of the Committee shall constitute a quorum.
- Any decision arising at the meeting shall be decided by a majority of votes, each Member having one vote and a determination by a majority of Member shall for all purposes be deemed a determination of the Members.
- 4.4.** At all meetings of the Committee, the Chairman of the Committee, if present, shall preside. In the absence of the Committee's Chairman, the Members present at the meeting shall elect a Chairman of the meeting.
- 4.5.** The Secretary shall draw up an agenda for each meeting, in consultation with the Chairman of the Committee. The agenda shall be sent to all Members of the Committee and any persons who may be required to attend the meeting.
- 4.6.** The Secretary shall prepare the Minutes of the meeting and distribute it to each Member. The Minutes of the Committee shall be confirmed and signed by the Chairman of the Committee or the presiding Chairman at the next succeeding meeting.
- 4.7.** The Minutes of the Committee meeting shall be maintained by the Secretary and to be made available for notation to the Board. The Minutes book shall be opened for the inspection of the Member of the Committee, Board, external auditors, internal auditors, management and other persons deemed appropriate by the Company Secretary.
- 4.8.** Any resolution in writing, signed or assented to by majority Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held, and may consist of several documents in the like form, each signed by one or more Members of the Committee.
- 4.9.** All recommendations and findings of the Committee shall be submitted to the Board for approval.

**5. DUTIES, RESPONSIBILITIES AND FUNCTIONS OF THE COMMITTEE (THE LIST IS NOT EXHAUSTIVE)**

**5.1.** Review KUB Group's Investment Policy, the strategic direction and strategic plan of KUB Group pertaining to the investments and divestments activities.

**5.2.** Review KUB Group's investment portfolio to assess the performance of KUB Group's investments, including emerging risks and opportunities, market outlook (i.e. market study and market analysis), economic indicators, currency market, industry/regulatory developments as well as key business developments, which may effect the investment portfolio, KUB Group's investment strategy and financial health.

Any required changes to KUB Group's investment portfolio and investment strategy shall be tabled to the Board for approval.

**5.3.** Review and recommend to the Board, any proposed investments and divestments, including their funding requirements. Proposals on new investments and divestments, include and is not limited to existing and new merger and acquisitions, and acquisitions of land and buildings.

**5.4.** Review and recommend due diligence expenses for investment in or acquisition of businesses, companies, land and buildings, within limits set out in KUBMaG and Investment Policy of KUB Group.

**5.5.** Review the investment objectives and strategies of the Company and its core businesses.

**5.6.** Review and evaluate, as may be appropriate, information relating to the Company's investable assets, its investment policies, strategies, objectives and activities.

**5.7.** Review and make appropriate recommendations to the Board on all investments and divestments or for investments that do not fall under the main core businesses of KUB Group.

**5.8.** Review Group's capital expenditure of amount exceeding RM1 million which is outside the ordinary course of business.

**6. AUTHORITY**

**6.1.** The Committee is authorised by the Board to review, recommend and approve any matters within its Terms of Reference. The Committee shall have:

- 6.1.1.** Full and unrestricted access to any information pertaining to the Company and the Group.
- 6.1.2.** Full access to the advice and services of the Company Secretary.
- 6.1.3.** Full access to independent professional advice and expertise necessary for the performance of its duties.
- 6.1.4.** Full and unrestricted access to any employee or member of the management; and
- 6.1.5.** The resources, which are required to perform its duties.

**6.2.** In discharging its duties, the Committee shall at all times be mindful of the provision of all applicable laws, regulations and guidelines.

**7. DISCLOSURE**

**7.1.** The Committee may assist the Board in making certain disclosures concerning the activities of the Committee such as in the Corporate Governance Statement in the Annual Report in accordance with the Listing Requirements.

**8. REVISION OF THE TERMS OF REFERENCE**

**8.1.** Any revision or amendment to the Terms of Reference, as proposed by the Committee shall be first presented to the Board for its approval.

**8.2.** Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

Revision Approved by: BODM (5/2016) dated 30 May 2016 Revision Recommended by: BIC (2/2016) dated 19 April 2016
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