



Ranhill

RANHILL HOLDINGS BERHAD (1091059-K)

BOARD CHARTER

(Version 1.0)

TABLE OF CONTENTS**PAGE**

1.0	INTRODUCTION	3
2.0	OBJECTIVES	3
3.0	REFERENCE	3
4.0	ABBREVIATION	3
5.0	SIZE, COMPOSITION AND INDEPENDENCE	4
6.0	APPOINTMENT, REAPPOINTMENT AND REMOVAL.....	4
7.0	INDUCTION AND TRAINING	6
8.0	BOARD ROLE AND RESPONSIBILITIES	6
9.0	BOARD COMMITTEES	7
10.0	INDIVIDUAL ROLE AND RESPONSIBILITIES	8
11.0	BOARD REMUNERATION	10
12.0	BOARD MEETING	10
13.0	BOARD PERFORMANCE EVALUATION.....	13
14.0	CODE OF CONDUCT AND BUSINESS ETHICS (CCBE)	14
15.0	BOARD DYNAMICS AND RIGHTS	12
16.0	SECRETARIAL ASSISTANCE	13
17.0	REVIEW OF THE BOARD CHARTER.....	13
	APPENDICES.....	17

1.0 INTRODUCTION

The Board of Directors (“the Board”) is accountable and responsible for the performance and affairs of Ranhill Holdings Berhad (“the Company” or “Ranhill”), including practising a high level of good governance. This Charter sets out the key corporate governance principles adopted by the Board. In discharging the responsibilities set out in this Charter, all Board members are expected to show good stewardship and act in a professional manner, as well as upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities and in accordance with the laws in serving the interest of its shareholders, employees, clients, the community and other stakeholders.

2.0 OBJECTIVES

- 2.1 The Board Charter is developed to ensure that all Board members are aware of their duties and responsibilities as Board members.
- 2.2 It is also a statement of intent and expectation as to how the Board will discharge its duties.
- 2.3 It serves as a source of reference and induction for prospective and new Board members, and senior management.
- 2.4 The Charter will be the basis for the Board to conduct its assessment on its own performance and that of each individual director.

3.0 REFERENCE

- Bursa Malaysia Securities Berhad Main Market Listing Requirements
- Companies Act 1965
- Capital Markets and Services Act 2007
- Malaysian Code on Corporate Governance
- Code of Conduct and Business Ethics Policy and Procedures
- Board Manual
- Ranhill Authority Manual

4.0 ABBREVIATION

AC	Audit Committee
AGM	Annual General Meeting
BMSB	Bursa Malaysia Securities Berhad
Board	Board of Directors
GRMC	Governance and Risk Management Committee
INED	Independent Non-Executive Directors
NED	Non-Executive Directors
NRC	Nominating and Remuneration Committee
President & CE	President & Chief Executive
SIC	Strategy and Investment Committee

the Company	Ranhill Holdings Berhad
the Group	Ranhill Holdings Berhad and its Subsidiaries.

5.0 SIZE, COMPOSITION AND INDEPENDENCE

- 5.1 The Company shall have a minimum of two (2) directors and a maximum of fifteen (15) directors.
- 5.2 The Chairperson of the Board and respective Committee shall be an independent and non-executive Director. In the event that the Chairperson is non-independent, the regulator has to be informed.
- 5.3 Independent Non-Executive Directors (INED) shall make up at least one third of the membership of the Board. If the number of directors of the listed issuer is not 3 or a multiple of 3, then the number nearest to 1/3 must be used¹. In the event that the Chairperson is non-independent, the membership of the Board shall comprises a majority of INED.
- 5.4 An INED shall be a person who possesses the right character, experience, integrity, competence and time to effectively discharge his/her duties as Director and to provide independent judgement on matters involving strategy, performance and resources including key appointments and standards of conduct.
- 5.5 The Board shall assess the independence of the Directors annually by taking into consideration of their disclosed interests and relationships.
- 5.6 The composition of the Board shall be diverse in terms of age, skills, experience, gender, race, culture and nationality in order to facilitate optimal decision making by harnessing different insights and perspectives.
- 5.7 The composition and size of the Board shall be reviewed from time to time to ensure its appropriateness.
- 5.8 The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director.
- 5.9 Any exception shall be subject to assessment by NRC where the independent director upon completion of nine (9) years can still remain as Independent Director, subject to strong justification from the Board and approval by the shareholders at a general meeting.
- 5.10 In the event of any vacancy in the board of directors, resulting in non-compliance with the subparagraph 5.3 above, the vacancy must be filled within 3 months.

6.0 APPOINTMENT, REAPPOINTMENT AND REMOVAL

- 6.1 The NRC shall be responsible for identifying, considering and recommending to the Board, candidates for Directorship and membership of Board Committees.

¹ Subparagraph 15.02(2) Chapter 15 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

- 6.2 A Director shall be a person of high calibre, integrity and credibility, and possess the necessary skills and experience to effectively discharge the Board's responsibilities and for driving the Group's growth and future direction.
- 6.3 No person shall be appointed or allowed to act as a Director or be involved whether directly or indirectly in the management, including acting in an advisory capacity in relation to the Group, if he or she:-
- a) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a corporation; or
 - b) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence involving fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or
 - c) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence under the securities laws² or the Companies Act 1965;
- within a period of 5 years from the date of conviction or if sentenced to imprisonment from the date of release from prison, as the case may be³.
- 6.4 Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a director shall ipso facto become vacant if the Director during his or her term of office:-
- a) becomes of unsound mind or becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - b) is absent without permission of the Board of Directors for more than 50% of the total of Board meetings held during a financial year (if a Director is appointed after the commencement of a financial year, then only the Board of Directors' meetings held after the appointment will be taken into account); or
 - c) is removed by the Company at a general meeting in accordance with the provisions of the Companies Act, 1965; or
 - d) is prohibited from being a Director by any order made under any law; or
 - e) resigns his office by notice in writing to the Company and such letter of resignation is deposited at the registered office of the Company; or
 - f) has been convicted by a court of law whether in Malaysia or elsewhere, in relation to the offences under any Act.
- 6.5 The newly appointed Director shall be subjected to re-election at the immediate Annual General Meeting.
- 6.6 Upon the appointment of a Director, the said Director shall provide to BMSB Malaysia an undertaking prescribed by BMSB⁴ immediately and in any event not later than 14 days after his/her appointment.

² For the purpose of the above, securities laws means the CMSA, the Securities Industry (Central Depositories) Act 1991 and the Securities Commission Act 1993.

³ Subparagraph 15.05(1) Chapter 15 of the BMSB Main Market Listing Requirements.

- 6.7 All Board members shall notify the Chairman of the Board before accepting any new directorship. The notification shall include an indication of time that will be spent on the new appointment.
- 6.8 The Board shall appoint a Senior Independent Director who will attend to any query or concern raised by shareholders.
- 6.9 The Directorship held by any Board member at any one time shall not exceed five (5) in listed companies.
- 6.10 Where a Director is removed from office, the Company shall forward to BMSB a copy of any written representations made by the Director and at the same time, copies of such representation are send to shareholders as required under the Companies Act,1965⁵.
- 6.11 The Policy and Procedures for Appointment, Reappointment and Removal of Directors are included in the Board Manual.

7.0 INDUCTION AND TRAINING

- 7.1 An induction and orientation on the Group shall be provided for newly appointed Board members.
- 7.2 Continuous training shall be provided to ensure that Directors are equipped with the necessary skills and knowledge to meet the challenges of the Board. Appropriate training courses, seminars and conferences shall be identified for the Directors' participation. Internal technical updates and briefings on financials, current development and trends in related industries and changes in regulatory and legal requirements shall also be provided where necessary.
- 7.3 Policy and Procedures for Training and Induction of Director are included in the Board Manual.

8.0 BOARD ROLE AND RESPONSIBILITIES

- 8.1 The Board's role is to govern and set the strategic direction of the Company and the Group rather than manage it. It is the role of senior management to manage the Company and the Group in accordance with the strategic direction and delegation of authority by the Board. The responsibility of the Board is to oversee the activities of management in carrying out these delegated duties as summarised below:-
- a) Establishing and reviewing the overall strategic plans for the Company and Group;
 - b) Establishing business sustainability strategy in line with the overall strategic plans of the Company and Group that meet the needs of stakeholders in the aspect of environment, social and governance;
 - c) Overseeing the conduct of the business of the Company and Group;

⁴ Subparagraph 15.03 Section 15 of the BMSB Main Market Listing Requirements.

⁵ Section 128(3)(b) under Companies Act, 1965 and Subparagraph 15.05(5) Section 15 of the BMSB Main Market Listing Requirements.

- d) Identifying principal risks and ensuring the implementation of appropriate risk management system and mitigation measures;
 - e) Overseeing the succession planning and human capital management;
 - f) Overseeing the development and implementation of an investors relation programme or a shareholder communication policy for the Company;
 - g) Reviewing the adequacy and the integrity of the management information and internal control system of the Company and the Group;
 - h) Establishing formal schedule of matters specifically reserved for Board's decisions to ensure that the direction and control of the Company is firmly in the Board's hands and should be kept up to date. A schedule of matters shall be given to Directors upon their appointment by the Company Secretary; and
 - i) Determining the rules to ascertain the materiality of any transaction and establish clearly which transactions require multiple Board signatures. Board shall also agree on the procedures to be followed especially when decisions are required between Board meetings.
- 8.2 The Board may delegate certain authority to Board Committees or Management but still retain the overall responsibility in the running of the Company.
- 8.3 The Board reserves full decision-making power on the following matters:-
- b) Approval of strategic and corporate plans;
 - c) Approval of annual budgets, including major capital commitments;
 - d) Approval of material acquisitions and disposals of undertakings and assets; and
 - e) Changes to the management and control structure within the Company and its subsidiaries, including key policies and delegated authority limits.

9.0 BOARD COMMITTEES

- 9.1 The Board shall delegate certain responsibilities to its Committees in order for the Board to function effectively as follows:
- a) **Strategy and Investment Committee ("SIC")** shall ensure that the strategies for achieving the corporate objectives are formulated and monitored and the overall investment strategies and guidelines of the Group are consistent with the objective to enhance shareholders' value.
 - b) **Audit Committee ("AC")** shall ensure the system of internal controls is in place and working order, all policies, procedures, regulations and laws are adhered to and Group assets are safeguarded.
 - c) **Governance and Risk Management Committee ("GRMC")** shall ensure that the Group is applying the principles and good practices of corporate governance, sustainability and corporate responsibility and to ensure that the Group is complying with applicable regulatory and legal

requirements. GRMC shall also review and recommend the risk management policies, strategies including risk appetite policy and its processes for the Group.

- d) **Nominating and Remuneration Committee (“NRC”)** shall ensure that the Board and Senior Management has an effective structure, composition, size and skills set, the reward system is in place and fair, and the succession plan is developed and implemented. NRC shall also review the Board performance annually.

9.2 The Committees shall operate under clearly defined Terms of Reference. The Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their Terms of Reference.

9.3 The Terms of Reference for Strategy and Investment Committee, Audit Committee, Governance and Risk Management Committee, and Nominating and Remuneration Committee are attached as Appendix I, II, III and IV respectively.

9.4 The Chairman of the respective Committees shall report to the Board on the outcome of each Committee meetings and such reports or minutes shall be included in the Board papers.

10.0 INDIVIDUAL ROLE AND RESPONSIBILITIES

10.1 The role of the Non-Executive Chairman and the President/Chief Executive (“CE”) is distinct and separate to ensure there is a balance of power and authority. The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the President/CE has overall responsibility for the day-to-day management of the business and implementation of the Board’s policies and decisions.

10.2 Chairman

The duties of the Chairman, amongst others, are as follows:-

- a) Lead the Board and ensure the effectiveness of all aspects of its role;
- b) Ensure the efficient organisation and conduct of the Board’s function and meetings;
- c) Facilitate the effective contribution of all Directors at Board Meeting;
- d) Promote constructive and respectful relations between Directors, and between the Board and Management; and
- e) Ensure the effectiveness of communication with shareholders and relevant stakeholders.

10.3 President & CE

The responsibilities of the President & CE, amongst others, are as follows:-

- a) Develop and implement corporate strategies for the Group;

- b) Supervise heads of divisions and departments who are responsible for all functions contributing to the success of the Group;
- c) Ensure the efficiency and effectiveness of the operation for the Group;
- d) Assess business opportunities which are of potential benefit to the Group; and
- e) Bring material and other relevant matters to the attention of the Board in an accurate and timely manner.

10.4 **Non-Executive Directors (NED) / Independent Non-Executive Directors (INED)**

The duties of the NED/ INED, amongst others, are as follows:-

- a) Review Management's corporate strategy proposal so as to provide an objective judgement to the strategic planning process and also responsible in monitoring Management's success in implementing the strategy.
- b) Oversee the conduct of the Company's business and to evaluate if business is properly managed. The NED/INED must ensure that there are objectives in place against which Management's performance can be measured.
- c) Represent their interests to the Board in the case of NEDs representing substantial shareholders and to provide a balanced and independent view to the Board. In the case of INEDs, they should bring independence of judgement and objectivity to Board deliberations.
- d) Acquire and provide the necessary skills and experience to bring an independent judgement on issues relating to strategies, performance and resources including key appointments and standard of conduct.
- e) Ensure that each item of special business included in the notice must be accompanied by a full explanation of the effects of a proposed resolution.
- f) Keep abreast of issues relating to the Company between meetings.

10.5 **Senior Independent Non-Executive Director**

The Board shall appoint a Senior Independent Director to address the needs and issues of concern of the shareholders and Non-Executive Directors. Among his or her responsibilities are to:-

- a) Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through normal channels of contact with the Chairman or President/CE;
- b) Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues;
- c) Receive report(s) made by employees or external parties for the purpose of whistle blowing in the form as prescribed under the Whistleblowing Policy and Procedures, and thereafter submit the same to the AC Chairman with

an opinion as to whether the report is frivolous or vexatious based on alleged facts;

- d) Ensure all Independent Directors have the opportunity to provide input on meeting agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by management that is necessary or appropriate for the Independent Directors to perform their duties effectively;
- e) Consult with the Chairman regarding Board meeting schedules to ensure Independent Directors can perform their duties responsibly and with sufficient time for discussion of all meeting agenda items; and
- f) Chair meetings of the Board in the absence of the Chairman or his abstention.

11.0 BOARD REMUNERATION

- 11.1 The Company shall set Board remuneration at levels which are sufficient to attract and retain the Directors needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved.
- 11.2 The Directors shall be rewarded with Director fees which are paid quarterly and meeting allowance for every meeting attended. The level of remuneration and any other compensation for the Directors shall be reviewed by the NRC.
- 11.3 Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting.
- 11.4 The level of remuneration for the President/CE and Executive Directors is determined by the NRC after giving consideration to the compensation levels for comparable positions among other similar Malaysian listed companies.
- 11.5 The remuneration package for each Director shall be approved by the Board.
- 11.6 The Policy and Procedures for Director Remuneration are included in the Board Manual.

12.0 BOARD MEETING

- 12.1 The Board shall conduct at least four (4) scheduled meetings annually, with additional meetings to be convened as and when necessary.
- 12.2 A resolution in writing signed by all the Directors present in Malaysia for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members.
- 12.3 All Directors shall be provided with the performance and progress reports on a timely basis prior to the scheduled Board meetings. A full agenda of the meeting and all Board papers shall be distributed in advance to ensure the Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification from the Company Secretary, should such a

need arise. Where necessary, the services of other Senior Management or external consultants shall be arranged to brief and help the Directors clear any doubt or concern.

13.0 BOARD PERFORMANCE EVALUATION

13.1 The Board shall conduct an annual evaluation of individual performance of director, collective performance of the Board and each Committee.

13.2 The set of criteria for the assessment of all Directors including Independent Directors are enumerated below.

Criteria for Board evaluation:-

- Assessment of achievement against mandate.
- Evaluation of organisation performance against industry norms and measurement of performance indicators.
- Dealing fairly with staff and others.
- Achievement of Board objectives, quality of decisions (value-adding).
- Ability to conduct business honestly, ethically and professionally.
- Effective committee structures.
- Collective responsibility and teamwork demonstrated.
- Compliance with Code of Corporate Governance.
- Frequency and duration of board meetings appropriate; quality of board papers; relevance and completeness of agendas.
- Information and advice received was relevant, adequate and timely.
- Effective reporting – disclosure, transparency, clarity.
- Monitoring and feedback process effective.
- Ability to innovate, change, improve and learn.
- Ability to interact with shareholders effectively.

Criteria for Director evaluation:-

- Commitment in terms of time and effort.
- Attendance at Board meetings.
- Ability to participate actively and contribute, and ask tough questions.
- Exposure to orientation, upgrading knowledge base.
- Knowledge of company, industry.
- Understanding company's mission, vision, strategic plans.
- Bringing special expertise to the Board.
- Level of preparation at meetings.
- Team player.
- No conflict of interest.

13.3 The Policy and Procedures on Assessment of Directors' Performance is included in the Board Manual.

14.0 CODE OF CONDUCT AND BUSINESS ETHICS (CCBE)

- 14.1 The Directors and all employees of the Group shall observe the Company's CCBE which cover the following core areas:-
- Workplace culture
 - Conflict of interest
 - Safeguarding against bribery, corruption and unethical practices
 - Donation
 - Protecting Ranhill
 - Dealing with business partners and outsiders
- 14.2 Where any of the Board members has an interest in a transaction entered into by the Company or the Group, he shall declare his interest and shall abstain from any decision making in respect of that transaction.
- 14.3 Directors are required to sign off the Acknowledgement and Declaration Form of CCBE.
- 14.4 The Directors shall also observe the Fraud & Whistleblowing Policy and Procedures of the Group developed to manage improper conduct such as criminal activity, breach of legal obligation (including negligence, breach of contract, breach of law), miscarriage of justice, danger of health and safety or to the environment. This policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.
- 14.5 The CCBE is included in the Board Manual.

15.0 BOARD DYNAMICS AND RIGHTS

- 15.1 The Board shall present a clear and balanced assessment of the Company's financial position and future prospects submitted to regulators and other stakeholders.
- 15.2 The Board shall ensure that the financial statements are prepared in accordance with the Companies Act and applicable approved accounting standards, so as to give a true and fair view of the state of affairs of the Group and the Company.
- 15.3 The Board shall ensure that an enterprise risk management system is in place and practised, and the system of internal controls is reviewed on a regular basis and complied with.
- 15.4 The Board shall keep the shareholders and investors informed of all material business matters affecting the Group by adopting an open and transparent Corporate Disclosure Policy.
- 15.5 The Board shall adopt the following measures as a means of communication with the shareholders and investors:
- a) Timely announcements and disclosures made to Bursa Malaysia Securities Berhad, which includes quarterly financial results, material contract awarded, changes in the composition of the Group and any other material information that may affect investors' decision making;
 - b) Conduct analysts briefing;
 - c) Hold a press conference after each AGM or on a-need-to basis;

- d) Issue press release;
- e) Conduct dialogue with shareholders at the AGM;
- f) Ensure that the Company's website provides easy access to corporate information pertaining to the Company and its activities and is continuously updated; and
- g) Adopt any other form of communication in disseminating information to shareholders and investors.

16.6 The Board, collectively or individually, may seek independent professional advice in furtherance of their duties at the Company's expense.

16.7 The Board shall have full and unrestricted access to any information pertaining to the Group and the Company.

16.0 SECRETARIAL ASSISTANCE

16.1 The Board shall appoint a suitably qualified and competent company secretary, who plays an important advisory role to the Board and Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and Group.

16.2 The Company Secretary shall be of a senior position with adequate authority and shall report directly to the Board. The removal of the Company Secretary shall be a matter for the Board as a whole.

16.3 The Board members have full and unlimited access to the professional advice and services of the Company Secretary.

17.0 REVIEW OF THE BOARD CHARTER

17.1 The Board Charter and any subsequent amendment to it shall only be approved by the Board.

17.2 The Board Charter will be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

17.3 The Board Charter is made available for reference in the Company's website at www.ranhill.com.my .

APPENDICES

Appendix I: STRATEGY AND INVESTMENT COMMITTEE: TERMS OF REFERENCE

The Strategy and Investment Committee (“SIC”) is a committee of the Board of Ranhill Holdings Berhad (“the Company”). The authority, functions, responsibilities and duties of SIC are extended to all its subsidiary companies (“the Group”).

1.0	Primary Functions	<p>To assist the Board in:</p> <ul style="list-style-type: none"> a) Formulating strategies for achieving the corporate objectives set by the Board. b) Making the right investment decision, including major projects, acquisition, divestments, mergers and funding in line with the strategy set by the Board c) Reviewing and monitoring of the strategies
2.0	Composition	<ul style="list-style-type: none"> a) Shall consist at least 3 Board members, of whom all must be non-executive directors, with a majority of them being independent directors. b) Chairman of the SIC shall be a Non-Executive Director. c) If a member of the SIC resigns or for any reason ceases to be a member with the result that the number of members is reduced below 3, the Board shall within 3 months of the event, appoint such number of new member as may be required to fill the vacancy.
3.0	Meetings	<p><u>Frequency</u> Shall meet at least twice annually or more frequently as considered necessary by the Chairman of SIC.</p> <p><u>Quorum</u></p> <ul style="list-style-type: none"> a) Quorum for the meeting shall be 2 members; both of whom shall be Independent Non-Executive Directors including the Chairman. In absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present. b) The President/ Chief Executive (“PCE”), Group Chief Operating Officer (“GCOO), Head of Group Business Development (“HGBD”) and Group Chief Financial Officer (“GCFO”) shall be permanent invitees unless otherwise decided by the Chairman. Other members of the Board, Business Heads and Senior Management may be invited to the meetings where necessary. <p><u>Conduct of meetings</u></p> <ul style="list-style-type: none"> a) The notice and agenda of meetings shall be circulated at least 1 week before each meeting. The meeting agenda shall be the responsibility of the Chairman with input from the members. b) All resolutions of the SIC shall be adopted by a simple majority vote. In case of a tie, the Chairman shall have a second or casting vote.

		<p>c) The minutes of the meeting shall record the deliberations, decisions and agreed actions of the SIC. Copies of the draft minutes shall be distributed to SIC members within a week from the meeting and finalised within 3 weeks. Minutes of the meetings shall be duly entered in the books provided, and be circulated to members of the SIC and Board, PCE, GCOO, HGBD, GCFO and senior management members.</p> <p>d) A meeting shall normally be conducted face-to-face, however, meetings may also be conducted via teleconferencing or video conferencing as determined by the SIC.</p> <p>e) The Company Secretaries shall be appointed Secretaries of the SIC.</p>
4.0	Authority	<p>The SIC is authorised by the Board to:</p> <p>a) Review any matter within its terms of reference.</p> <p>b) Have full and unrestricted access to any information pertaining to the Group.</p> <p>c) Have direct communication channels with all employees of the Group; and</p> <p>d) Obtain independent professional or other advice, if required.</p>
5.0	Responsibilities	<p><u>Strategic Plan</u></p> <p>a) Oversee the formulation of the strategic plan developed by management.</p> <p>b) Review and provide guidance to the Group's Strategic Plan proposed by management.</p> <p>c) Recommend the Group's Strategic Plan for adoption by the Board.</p> <p>d) Monitor and review the implementation of the approved Strategic Plan and report its progress to the Board.</p> <p><u>Investment</u></p> <p>a) Determine and regularly review a clearly articulated investment policy for the Company. The policy shall specify asset allocation, investment and fund management guidelines which provide reasonable assurance that the Company can meet its business and financial objectives with a balance between risk, return and cost.</p> <p>b) Review the overall investment strategies and guidelines of the Group which are consistent with the objective to enhance shareholders' value.</p> <p>c) Assessing the viability of all project investments and divestments proposed to our Board for consideration. Project investments include BOT projects, mergers and acquisitions, and concession /privatisation</p>

		<p>d) SIC shall review the investments in accordance to the threshold triggered pursuant to the RAM.</p> <p>e) Evaluate the risk exposure of any business proposal to ascertain that it does not breach the risk appetite of the Group.</p> <p>f) Evaluate the terms of any business agreements entered into by the Company.</p> <p>g) Evaluate the terms of any form of funding (excluding project financing) which amount is greater than 30% of the Net Asset Value (NAV) based on latest available audited consolidated financial statements, proposed to the Board for consideration</p>
6.0	Reporting	<p>The Chairman of SIC shall:</p> <p>a) Formally report to the Board on its proceedings, whereby the approved minutes of SIC meetings shall be tabled to the Board for notation.</p> <p>b) Attend the Annual General Meeting, prepared to respond to any question from the shareholders on the SIC's activities.</p>
7.0	Performance	<p>The reviews on terms of office and performance of the SIC and each of its members shall be evaluated by Nominating and Remuneration Committee on annual basis.</p>

Appendix II: AUDIT COMMITTEE: TERMS OF REFERENCE

The Audit Committee (“AC”) is a committee of the Board of Ranhill Holdings Berhad (“the Company”). The authority, functions, responsibilities and duties of AC are extended to all its subsidiary companies (“the Group”).

1.0	Primary Functions	<p>To assist the Board in:</p> <ul style="list-style-type: none"> a) fulfilling its statutory and fiduciary responsibilities of monitoring the Group’s operational and financial performance; b) reviewing the Group’s business processes, the quality of the accounting function, financial reporting and the system of internal controls; c) enhancing the independence of the external and internal audit functions by providing direction to and oversight of these functions on behalf of the Board; and d) ensuring an effective ethics programme is implemented, and monitor compliance with established Policies and procedures.
2.0	Composition	<ul style="list-style-type: none"> a) Shall consist at least 3 Board members, of whom all must be non-executive directors, with a majority of them being independent directors. b) Chairman of the AC shall be an Independent Non-Executive Director. c) No alternate director shall be appointed as a member of AC. d) At least one member of the AC shall be member of the Malaysian Institute of Accountants or shall fulfill such other requirements as prescribed in the Listing Requirement. e) All members of the AC shall be financially literate and have the ability to read, understand and analyse financial statements, understand and interpret the application of approved accounting standards. f) If a member of the AC resigns or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of the event, appoint such number of new member as may be required to fill the vacancy. g) Reappointment of AC members shall be subjected to a performance review of the AC and each member by the Board. h) A director’s tenure on AC shall be limited for a period of three years. However, a director could continue to serve as an AC member if the Board, upon an assessment is satisfied with the director’s performance on the committee and the director continues to meet the criteria for membership of the AC.
3.0	Meetings	<p><u>Frequency</u> Shall meet at least four times annually or more frequently as considered necessary by the Chairman of AC.</p>

		<p><u>Quorum</u></p> <ul style="list-style-type: none"> a) Quorum for the meeting shall be two (2) members; both of whom shall be Independent Non-Executive Directors including the Chairman. In absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present. b) The Head of Group Corporate Assurance Division (“HGCAD”) shall be a permanent invitee unless otherwise decided by the Chairman. The President /Chief Executive (“President/CE”), Group Chief Operating Officer (“GCOO”) and Group Chief Financial Officer (“GCFO”) shall normally be invited to attend the meetings. Other members of the Board, Business Heads and any employee may be invited to the meetings where necessary. c) At least once a year, the AC shall meet with the external and internal auditors without the presence of any executive board member and senior management. <p><u>Conduct of meetings</u></p> <ul style="list-style-type: none"> a) The notice and agenda of meetings shall be circulated at least 1 week before each meeting. The meeting agenda shall be the responsibility of the Chairman with input from the members. b) All resolutions of the AC shall be adopted by a simple majority vote. In case of a tie, the Chairman shall have a second or casting vote. c) The minutes of the meeting shall record the deliberations, decisions and agreed actions of the AC. Copies of the draft minutes shall be distributed to AC members within a week from the meeting and finalised within 3 weeks. Minutes of the meetings shall be duly entered in the books provided, and be circulated to members of the AC and Board, HGCAD, GCOO, GCFO and other relevant senior management members. d) A meeting shall normally be conducted face-to-face, however, meetings may also be conducted via teleconferencing or video conferencing as determined by the AC. e) The Company Secretaries shall be appointed Secretaries of the AC.
4.0	Authority	<p>The AC is authorised by the Board to:</p> <ul style="list-style-type: none"> a) review and investigate any matter within its terms of reference. b) have adequate resources to perform its duties. c) have full and unrestricted access to any information pertaining to the Group. d) have direct communication channels with external auditors and all employees of the Group. e) obtain independent professional or other advice, if required.

5.0	Responsibilities	<p><u>Oversight of Financial Reporting</u></p> <p>a) Review quarterly and annual financial statements with management and internal auditors, prior to approval by the Board, focusing on any change in accounting policies and practices and its implementation, significant adjustments arising from the audit, going concern assumptions, significant and unusual events, significant matters highlighted in the financial statements, significant judgements made by management, and compliance with accounting standards and regulatory requirements. The review by the external auditors of the quarterly statements would be on a case to case basis, when necessary;</p> <p>b) Review audited financial statements with the external auditors, prior to approval by the Board, on whether there is any:</p> <ul style="list-style-type: none"> ▪ Qualification in the auditor’s report which must be discussed and acted upon; ▪ Significant change and adjustment to the presentation of financial statements; ▪ Non-compliance with laws and accounting standards; ▪ Material fluctuation in balances; ▪ Significant variation in audit scope and approach; and ▪ Significant commitment or contingent liability. <p>c) Discuss problems and issues arising from the audits, and any matter the external and /or internal auditors and /or Head of Corporate Assurance may wish to discuss in the absence of Management, where necessary; and</p> <p>d) Provide the Board with assurance on the quality and reliability of financial information used by the Board and of the financial information issued publicly by the Group.</p> <p><u>Oversight of Assurance, Compliance and Controls Environment</u></p> <p>a) Oversee the internal controls framework to ensure operational effectiveness and adequate protection of the Group’s assets;</p> <p>b) Review, challenge and approve the Internal Audit Charter, Internal Audit Annual Budget, audit and compliance plans, risk assessment and audit methodology and ensure adequacy of their scopes, robustness in the planning process and sufficient resources to implement the plans independently and objectively, and that they have the necessary authority to carry out their work;</p> <p>c) Review internal audits and compliance reports, discuss major findings and deficiencies in internal controls and Management response and ensure agreed actions are taken timely;</p> <p>d) Approve the appointment or termination of the HGCAD and assess his/her performance;</p> <p>e) Review any difficulties encountered in the course of audit work, including any restrictions on the scope of activities or access to required information;</p> <p>f) Appraise or assess the internal audit function and competency; and</p>
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- g) To take cognisance of the resignation and termination of senior management in the Group Corporate Assurance Division and provide the resigning and terminated staff, an opportunity to submit his/her reasons for resigning.

Dealings with External Auditors

- a) Review and recommend to the Board, the appointment and any resignation or dismissal of the external auditors, and the audit fee;
- b) Discuss with the external auditors the nature and scope of the audit, the audit plan, evaluation of the system of internal controls, effectiveness of management information system, and the audit reports;
- c) Convene a meeting upon request of the external auditors to consider any matter the external auditors believe shall be brought to the attention of the directors or shareholders; and
- d) Monitor the extent of non-audit work to be performed by the external auditors.

Related Party Transactions

- a) Review related party transactions to ensure that they are in the best interest of the Group, fair, reasonable, at arm's length and undertaken on the Group's normal commercial terms, and not detrimental to the interests of the minority shareholders; and
- b) Ensure internal control procedures with regard to such transactions are sufficient and review any conflict of interest situations.

Other Matters

- a) Prepare a report on the AC at the end of the financial year for inclusion in the Annual Report pursuant to the Listing Requirements. The report shall include:
- the composition of the AC, including the name, designation (indicating the Chairman) and directorship of the members (indicating whether the directors are independent or otherwise);
 - the number of AC meetings held during the financial year and details of attendance of each AC member;
 - a summary of the work of the AC in the discharge of its functions and duties for that financial year and how it has met its responsibilities; and
 - a summary of the work of the internal audit function.
- b) Review and recommend to the Board the statement to be incorporated in the Annual Report on Director's responsibility in preparing the annual audited financial statements;
- c) Review with the external auditor and propose to the Board the Statement on Risk Management and Internal Control to be incorporated in the Annual Report;
- d) Ensure that proper processes and procedures are in place to comply with all laws, regulations and rules established by all

		<p>relevant regulatory bodies; and</p> <p>e) Undertake any such other function as may be determined by the Board from time to time.</p>
6.0	Reporting	<p>The Chairman of AC shall:</p> <p>a) formally report to the Board on its proceedings, whereby the approved minutes of AC meetings shall be tabled to the Board for notation.</p> <p>b) attend the Annual General Meeting, prepared to respond to any question from the shareholders on the AC's activities.</p> <p>c) promptly report to Bursa Malaysia Securities Berhad, if the AC views that a matter resulting in the breach of Bursa Malaysia Securities Berhad Listing Requirements reported by AC to the Board has not been satisfactorily resolved by the Board.</p>
7.0	Performance	<p>The reviews on terms of office and performance of the AC and each of its members shall be evaluated by Nominating and Remuneration Committee on annual basis.</p>

Appendix III: GOVERNANCE AND RISK MANAGEMENT COMMITTEE: TERMS OF REFERENCE

The Governance and Risk Management Committee (“GRMC”) is a committee of the Board of Ranhill Holdings Berhad (“the Company”). The authority, functions, responsibilities and duties of GRMC are extended to all its subsidiary companies (“the Group”).

1.0	Primary Functions	<p>To assist Board in:</p> <ul style="list-style-type: none"> a) applying the principles and good practices of corporate governance, sustainability and corporate responsibility towards the stakeholders and to ensure compliance with applicable regulatory and legal requirements. b) providing in-depth governance of risk for the Group. c) fulfilling its corporate governance, risk management and statutory responsibilities in order to effectively manage the overall risk exposure of the Group. d) ensuring an effective Fraud, & Whistle Blowing Policy and Procedures and Fraud Risk Management Programme are implemented and monitor its compliance.
2.0	Composition	<ul style="list-style-type: none"> a) Shall consist of at least 3 Board members, of whom all must be non-executive directors, with a majority of them being independent directors. b) Chairman of the GRMC shall be an Independent Non-Executive Director.
3.0	Meetings	<p><u>Frequency</u> Shall meet at least four times annually or more frequently as considered necessary by the Chairman of GRMC.</p> <p><u>Quorum</u></p> <ul style="list-style-type: none"> a) Quorum for the meeting shall be two (2) members; both of whom shall be Independent Non-Executive Directors including the Chairman. In absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present. b) The President & Chief Executive (“PCE”) and Group Chief Operating Officer (“GCOO”) and Group Chief Financial Officer (“GCFO”) shall normally be invited to attend the meetings. Other members of the Board and Business Heads may be invited to the meetings where necessary. <p><u>Conduct of meetings</u></p> <ul style="list-style-type: none"> a) The notice and agenda of meetings shall be circulated at least 1 week before each meeting. The meeting agenda shall be the responsibility of the Chairman with input from the members. b) All resolutions of the GRMC shall be adopted by a simple majority vote. In case of a tie, the Chairman shall have a second or casting vote. c) The minutes of the meeting shall record the deliberations, decisions

		<p>and agreed actions of the GRMC. Copies of the draft minutes shall be distributed to GRMC members within a week from the meeting and finalised within 3 weeks. Minutes of the meetings shall be duly entered in the books provided, and be circulated to members of the GRMC and Board, and senior management members.</p> <p>d) A meeting shall normally be conducted face-to-face, however, meetings may also be conducted via teleconferencing or video conferencing as determined by the AC.</p> <p>e) The Company Secretaries shall be appointed Secretaries of the GRMC.</p>
4.0	Authority	<p>The GRMC is authorised by the Board to:</p> <p>a) review any matter within its terms of reference.</p> <p>b) have full and unrestricted access to any information pertaining to the Group.</p> <p>c) have direct communication channels with all employees of the Group.</p> <p>d) authorise an investigation where there is possible fraud, illegal acts or suspected violation of the Code of Conduct and Business Ethics involving Senior management or member of the Board</p> <p>e) have adequate resources to perform its duties.</p> <p>f) obtain independent professional or other advice, if required.</p>
5.0	Responsibilities	<p><u>Governance Oversight</u></p> <p>a) Periodically review and assess the adequacy of the Group's Corporate Governance Practices and Principles including the terms of reference for the Board and the Company's Articles of Association and recommend the necessary enhancement and updates;</p> <p>b) Review the Corporate Governance Statement with reference to the MCCG or such other applicable best practices in the annual report for Board's approval together with reasons for not complying with the MCCG and the alternative measures adopted by the Company;</p> <p>c) Review the mechanisms in engaging stakeholders as a means to monitor stakeholder relations in order to gauge and assess their input;</p> <p>d) Drive the Ethics Programme across the Group, including ensuring the implementation of the Code of Conduct and Business Ethics ("CCBE") and Fraud Risk Management Programme are complied with;</p> <p>e) Review and endorse the ethics programme for Board's approval and monitor progress of implementation. Assess its effectiveness and the ethical climate of the entire organisation, and recommend necessary changes to the Board;</p>

- f) Review reports on violations of the CCBE, and report on fraud and whistleblowing; and
- g) Ensure all material matters that affect the Group are brought to the Board's attention in a timely manner to promote effective decision making by the Board.

Risk Strategy

- a) Review the Group's Enterprise Risk Management ("ERM") philosophy and strategy and to recommend to the Board for approval;
- b) Review the ERM policies, controls and systems of the Group in line with the approved risk management philosophy and strategy, and to recommend to the Board for approval;
- c) Formulate and propose to the Board the Risk Appetite and tolerance for the Company and its entities proposed by the management; and
- d) Maintain continued awareness of any changes in the Group's risk profile to ensure that the Group's business activities are in line with the overall ERM Risk Strategy.

Risk Organisation

- a) Oversee the overall management of all risks covering the businesses, markets, reputation and operations;
- b) Ensure that there are clear and independent organisational reporting lines and responsibilities for the management of risk;
- c) Cultivate a proactive risk management culture within the Group so that risk management processes are applied in the day-to-day business and activities; and
- d) Conduct independent review of the Group's risk management infrastructure, capabilities, environment and processes whenever necessary.

Risk Management

- a) Approve risk methodologies for measuring and managing risks arising from the Group's business and operational activities;
- b) Ensure that risk management processes for the identification, measurement and analysis, reporting, and mitigation of risks are in place within the Group and are operating in an efficient and effective manner;
- c) Review Group risk profile and monitor management action plan to manage its critical and significant risks;
- d) Periodically (at least quarterly) review risk exposures of the Group in line with its risk strategy and objectives; and
- e) Ensure the adequacy of tools, systems and resources for the

		<p>successful management of risk within the Group.</p> <p><u>Sustainability</u></p> <ul style="list-style-type: none"> a) Review and assess sustainable impacts of major business decisions and recommend appropriate actions required; b) Review and recommend to the Board the sustainability strategies and plans that will create long term shareholder value including the budget required in implementing sustainability initiatives; c) Advise the Board to adopt the Corporate Sustainability (“CS”) targets and innovative initiatives; d) Examine the annual assessment of Ranhill’s environmental performance and progress, to consider and approve methods of measuring, assessing or validating the Group’s Corporate Sustainability performance, and where appropriate, to commission an external independent assessment of the direct and indirect impact of any aspect of the Group’s operations; e) Assess the effectiveness of the Group policies and systems in identifying and managing the health, safety, environment and community risks that are material to the achievement of the Company objectives; f) Monitor and provide recommendations to our Board on public policy, consumer, stakeholder, corporate, and general public trends, issues, and developments that could impact the Group; and g) Review business continuity management including emergency plans and crisis readiness. Review incidents within the scope of GRMC and assess the remedial actions. h) Review and recommend the Sustainability Report to be incorporated in the Annual Report for Board approval. <p><u>Other Matters</u></p> <p>The Chairman of GRMC shall coordinate with the Chairman of AC to review the Group’s risks in ensuring that the appropriate internal controls are developed accordingly.</p>
6.0	Reporting	<p>The Chairman of GRMC shall:</p> <ul style="list-style-type: none"> a) formally report to the Board on its proceedings, whereby the approved minutes of GRMC meetings shall be tabled to the Board for notation. b) attend the Annual General Meeting, prepared to respond to any question from the shareholders on GRMC’s activities.
7.0	Performance	<p>The review on terms of office and performance of the GRMC and each of its members shall be evaluated by Nominating and Remuneration Committee on annual basis.</p>

APPENDIX IV: NOMINATING AND REMUNERATION COMMITTEE: TERMS OF REFERENCE

The Nomination and Remuneration Committee (“NRC”) is a committee of the Board of Ranhill Holdings Berhad (“the Company”). The authority, functions, responsibilities and duties of NRC are extended to all its subsidiary companies (“the Group”).

1.0	Primary Functions	<p>To assist the Board in:-</p> <ul style="list-style-type: none"> a) identifying and nominating new Directors and assessing the performance of the Board and its members; b) enabling the Group to attract, retain and motivate Senior Management and Directors (executive and non-executive) who will create sustainable value for shareholders and other stakeholders; c) rewarding Senior Management (Executive Vice President and above) and Directors fairly and responsibly based on the performance of the Group, the performance of the individual and the external compensation environment; d) achieving its objective of ensuring the Company has a Board with effective composition, size and commitment to adequately discharge its responsibilities and duties; e) establishing a clear succession plan to ensure continuity in the strategic and tactical functioning of the Group; and f) ensuring an effective Director Induction and Training Programme is implemented and monitor compliance with established Policies and Procedures.
2.0	Composition	<ul style="list-style-type: none"> a) Shall consist at least 3 Board members, of whom all must be non-executive directors, with a majority of them being independent directors. b) Chairman of the NRC shall be a Senior Independent Non-Executive Director.
3.0	Meetings	<p><u>Frequency</u> Shall meet at least two times annually or more frequently as considered necessary by the Chairman of NRC.</p> <p><u>Quorum</u></p> <ul style="list-style-type: none"> a) Quorum for the meeting shall be two (2) members; both of whom shall be Independent Non-Executive Directors including the Chairman. In absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present. b) The Head of Group Human Capital (“HGHC”) shall be a permanent invitee unless otherwise decided by the Chairman. The President and Chief Executive (“PCE”) shall normally be invited to attend the meetings. Other members of the Board and Business Heads may be invited to the meetings where necessary. <p><u>Conduct of meetings</u></p> <ul style="list-style-type: none"> a) The notice and agenda of meetings shall be circulated at least 1 week before each meeting. The meeting agenda shall be the

		<p>responsibility of the Chairman with input from the members.</p> <p>b) All resolutions of the NRC shall be adopted by a simple majority vote. In case of a tie, the Chairman shall have a second or casting vote.</p> <p>c) The minutes of the meeting shall record the deliberations, decisions and agreed actions of the NRC. Copies of the draft minutes shall be distributed to NRC members within a week from the meeting and finalised within 3 weeks. Minutes of the meetings shall be duly entered in the books provided, and be circulated to members of the NRC and Board, HGHC and senior management members.</p> <p>d) A meeting shall normally be conducted face-to-face, however, meetings may also be conducted via teleconferencing or video conferencing as determined by the AC.</p> <p>e) The Company Secretaries shall be appointed Secretaries of the NRC.</p>
4.0	Authority	<p>The NRC is authorised by the Board to:</p> <p>a) review any matter within its terms of reference</p> <p>b) have full and unrestricted access to any information pertaining to the Group</p> <p>c) have direct communication channels with all employees of the Group</p> <p>d) obtain independent professional or other advice, if required.</p>
5.0	Responsibilities	<p><u>Assessment and Appointment</u></p> <p>a) Identify candidates for any directorship of the Board and its committees to be filled, taking into consideration the candidates' skill, knowledge, expertise and experience, professionalism, integrity and in the case of candidates for the position of independent non-executive directors, the candidates' ability to discharge such responsibilities/functions as expected of independent non-executive directors.</p> <p>b) Review annually:</p> <ul style="list-style-type: none"> • The required mix of skills, experience and competencies required of Board members including its structure, composition and the optimum size of the Board and its committees to best serve the Group and its businesses and operations as a whole; and • The role and responsibilities of the Directors and assess the contributions of each individual Director and the effectiveness of the Group, as a whole. <p>c) Determine the required skills and criteria of the chief executive or a person occupying such position by whatever name called, identify and recommend such suitable candidate to fill the position should a vacancy arises;</p> <p>d) Conduct rigorous review to determine whether a director can continue to be independent in character and judgement, and also to</p>

		<p>take into account the need for progressive refreshing of the Board.</p> <p>e) Establish a set of quantitative and qualitative performance criteria to evaluate the performance of each member of the Board, the Chief Executive Officer, Company Secretaries of Ranhill and the Group's key management personnel.</p> <p><u>Retirement and Re-election</u></p> <p>Facilitate the re-election by shareholders of any Director under the "retirement by rotation" provisions in the Company's Articles of Association having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.</p> <p><u>Succession Planning</u></p> <p>Review plans for succession for the Executive Directors and for the Executive Vice Presidents (or such other persons whom the NRC view as critical positions in senior management) and any matters relating to the continuation in office of such person at any time including the suspension or termination of service as an employee or otherwise, subject to the provisions of the law and their service contract.</p> <p><u>Training and Development</u></p> <p>a) Identify and recommend suitable induction, educational and training programmes to continuously train and better equip the existing and new Directors in discharging their duties;</p> <p>b) Review the human capital development (training) and management policies, including the terms and conditions of service of the Group and the incentive schemes for the employees of the Group.</p> <p><u>Remuneration and Benefit</u></p> <p>a) Review the overall Group policy on all elements of remuneration and benefits packages such as salary, reward structure, compensation package (in the event of early termination) and other related terms of employment of the executive directors and senior management, and review the on-going appropriateness and relevance of such remuneration policy;</p> <p>b) Review the remuneration package for non-executive directors and Board committees to be aligned to their responsibilities and contributions; and</p> <p>c) Ensure that the remuneration package is aligned with the business strategy and long term objectives of the Group.</p> <p><u>Other Matters</u></p> <p>a) Review and approve statement on the NRC activities at the end of the financial year that will be disclosed in the annual report pursuant to the Listing Requirements. The statement shall include:</p> <ul style="list-style-type: none"> i. the policy on Board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet; ii. the Board nomination and election process of directors and criteria used by nominating committee in the selection process; and
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		<ul style="list-style-type: none"> iii. the assessment undertaken by NRC in respect of its Board, committees and individual directors together with the criteria used for such assessment. <p>b) Review and approve the statement on the training attended by its directors that will be disclosed in the annual report pursuant to the Listing Requirements. The statement shall include the following information:</p> <ul style="list-style-type: none"> i. the Board has undertaken an assessment of training needs by each director; ii. a brief description on the type of training that the directors have attended for the financial year; and iii. in exception circumstances where any director has not attended any training during the financial year, valid justifications for non-attendance of such director.
6.0	Reporting	<p>The Chairman of NRC shall:</p> <ul style="list-style-type: none"> a) formally report to the Board on its proceedings, whereby the approved minutes of NRC meetings shall be tabled to the Board for notation. b) attend the Annual General Meeting, prepared to respond to any question from the shareholders on the NRC's activities.
7.0	Performance	<p>The reviews on terms of office and performance of the NRC and each of its members shall be evaluated by Board on annual basis.</p>