



## **KPJ HEALTHCARE BERHAD INVESTMENT COMMITTEE**

### **TERMS OF REFERENCE**

#### **2.1 INTRODUCTION**

The Investment Committee (IC) is established as a committee of KPJ Healthcare Berhad (KPJ) Board of Directors (the Board).

The IC is appointed by the Board of Directors for the purpose of making decisions and/or advising the Board of Directors on matters pertaining to the business, investments, disposals and other forms of key corporate exercises.

The IC also possesses important responsibilities in governing investment policy of the group.

#### **2.2 OBJECTIVES**

The IC's objectives are as follows:

- i. To review, monitor and recommend to the Board significant matters related to all existing and potential investments of the Group, in line with the Company's prevailing Group's Limit of Authorities ("Group LOA") and Group's Investment Policy.
- ii. To facilitate the Main Board's statutory and fiduciary responsibility relating to the functions and duties of the Committee.
- iii. To practice governance responsibilities through the setting of policies, periodical evaluation of such policies and overseeing such business, investments, disposals and key corporate exercises.
- iv. To exercise independent thought prior to arriving to any business judgements, advising the Board of Directors or overseeing the governance aspects in matters pertaining to business, investments, disposals and other forms of key corporate exercises.

## **2.3 COMPOSITION**

- i. The committee membership and the Chairman of the Committee shall be appointed by the Board, and shall comprise of not less than three (3) members from amongst the Board of Directors of the Company.
- ii. Majority of the Committee members shall be Independent Non-Executive Directors.
- iii. Chairman of the Committee shall be an Independent Non-Executive Director.
- iv. The Committee may invite members of KPJ Management or staff or outside parties to attend and participate in the meeting of IC when necessary.
- v. Members of the committee shall be paid meeting allowances in the amount to be determined by KPJ Board of Directors

## **2.4 MEETINGS – FREQUENCY, QUORUM AND MINUTES**

- i. The Committee shall meet at least 4 times annually and at such other times as the Committee deems to be appropriate.
- ii. The quorum of the Committee shall be 3 members.
- iii. The minutes of the meeting shall be action oriented and record the deliberations and decisions of the Committee. The minutes shall include compiled Board instructions as Matters Arising for discussion to ensure proper follow through.
- iv. The minutes of the IC meeting shall be circulated within two (2) weeks after the meeting.
- v. The conclusiveness to conduct a decision through circular resolution/normal meeting shall be made by the Chairman after receiving recommendation from the Management.
- vi. Circular resolution papers may be circulated manually or electronically but in all cases security measures shall be ensured to protect confidentiality of circulated information and submission of individual member's decisions.

## **PRE-MEETING CONDUCT**

- i. The secretary of the Committee shall advise and communicate the date, time and venue of the meeting via an official notice in writing at least seven (7) days prior to the meeting date.
- ii. All papers/proposals for deliberation, approval, information and/or update shall be submitted by the Secretary to the members of the Committee at least three (3) days prior to the meeting. They may be submitted either personally, by post, courier or through emails or
- iii. Papers/proposals which are submitted less than three (3) days prior to the meeting will require the Chairman's consent to be included as part of the meeting agenda.

## **CONDUCT OF MEETING**

- i. The conduct of meeting of the Committee shall be under the direction and control of the Chairman, subject always to the prescribed terms of reference, process and procedures stipulated herein.

## **2.5 AGENDA**

- i. The notice and agenda of Committee Meeting shall be issued and circulated confirming the venue, time and date at least three (3) working days before each meeting to the committee members and all those who are required to attend the meeting.
- ii. The relevant documents and information shall be circulated at least three (3) working days before each meeting to the committee members and all those who are required to attend the meeting. However, documents related to the tender process will be distributed during the meeting.
- iii. The meeting agenda shall be the responsibility of the Chairman with input from the members. The Chairman may also invite members of Management and other persons to participate in this process, if necessary.

## 2.6 DUTIES AND FUNCTIONS

The duties and functions of the committee, at best endeavors, shall cover the objectives of this Term of Reference and will include but not limited to the following:

- i. Review and recommend to the Board for approval of the Group's Investment policies. Review and approve proposed business transactions, investments, disposals or key corporate exercises by KPJ Group, subject always to the amount prescribed by the Limits of Authority;
- ii. Review and make the necessary recommendations with regard to proposed business transactions, investments, disposals or key corporate exercises by KPJ Group to KPJ Board of Directors, subject to the amount prescribed by the Limits of Authority;
- iii. Review and approve/endorse proposed business transactions, investments, disposals or key corporate exercises by KPJ which require the approval of KPJ Group, as the case may be, in their capacity as shareholders;
- iv. Review and approve/endorse proposed business transactions, investments, disposals and key corporate exercises by KPJ Group of companies which:
  - a. May cast significant impact/change to KPJ Group;
  - b. May create significant consequential change to KPJ Group;
  - c. May invite significant risk to KPJ Group; and
  - d. Entails participation by KPJ Group in new industries/business areas.
- v. Update KPJ Board of Directors with regard to the implementation status/progress of selected business transactions, investments, disposals or key corporate exercises by KPJ Group;
- vi. Ensure the adequacy of the governance framework (i.e. policies, system, process and structure) for KPJ's business, investments, disposals and/or key corporate exercises;
- vii. Catalyze effective and efficient implementation of the governance framework for business transactions, investments, disposals and/or key corporate exercised by KPJ and/or its Group of companies; and
- viii. Invite the relevant parties to assist and facilitate deliberations pertaining to business transactions, investments, disposals and key corporate exercised.

## **2.7 LIMIT OF AUTHORITY**

The IC shall/do not have authority to approve any procurement, financial or commercial proposals

## **2.8 REPORTING TO THE BOARD**

The Chairman of the Committee shall report to the KPJ Board following each meeting. The report will cover on the matters as set out in the Committee's duties and functions.

## **2.9 ACCESS TO INFORMATION**

The Committee has the right to obtain all information necessary for the performance of its duties and functions including obtaining independent professional or other advice.

## **2.10 REVIEW**

The terms of reference shall be reviewed on an annual basis to ensure that it reflects the current best practices in the Investment Committee.

## **2.11 WRITTEN RESOLUTION**

- i. Decision by the IC Committee may be made via written resolution
- ii. Decision made via written resolution is deemed effective after being executed by majority of the members who are present in Malaysia

All decisions and / or approvals made via written resolution shall be presented at the subsequent Committee meeting for notation.