



POLICY ON NOMINATION PROCESS FOR APPOINTMENT OF CHAIRMAN, DIRECTOR AND CHIEF EXECUTIVE OFFICER OF LICENSED INSTITUTIONS IN MAYBANK GROUP

1. Introduction

- a) For the purpose of this policy, a licensed institution shall be referable to any institution licensed by the Minister and regulated by Bank Negara Malaysia (“BNM”) pursuant to the banking, insurance and takaful legislations.
- b) Generally, the Nomination & Remuneration Committee of Maybank (“NRC”) will consider the appointment of directors and chief executive officers (“CEOs”) of Maybank and its subsidiaries which are licensed institutions. The NRC will then make the relevant recommendation to the Board of Maybank and Board of subsidiaries for the appointment of the directors and CEOs.
- c) This nomination process also takes into account the Terms of Reference of the NRC and any changes to the same may result in certain adjustments to be made to the nomination process.
- d) This policy on nomination process is applicable to Maybank and all financial institutions (“FIs”) in the Group.
- e) In line with good corporate governance and compliance with the above guidelines and to provide clarity on the nomination process for Maybank Group, a 4-stage nomination process is implemented.

2. Nomination Process

There are four main stages in the nomination process of the appointment of chairman, director and CEO of FIs in Maybank Group.

Stage 1: Identification of Candidates

- (a) The name and profile of a candidate, which includes details of his qualifications and experience may first be put forth by various parties, including Directors of the Group, major shareholders and/or the Senior Management, to the Chairman of the NRC for his consideration.
- (b) Upon assessing the profile of the candidate and if suitable, the Chairman of the NRC may request the Chairman of the Board and/or members of the NRC to meet with the proposed candidate.

Stage 2: Engagement with Candidates

- (a) The Company Secretary of the Board or the Company Secretary of the respective Subsidiary (if the candidate is proposed to be appointed to the Board of Subsidiary) shall contact the candidate to inform his proposed candidacy as Director or Senior Management of Maybank or as Director or CEO of the Identified Entities (as defined in the Terms of Reference of the NRC) (“Key Personnel”) and to arrange for an engagement session with the candidate.
- (b) During the meeting, the representative of the relevant board shall meet the candidate and in pursuance thereof form his views on the suitability of the candidate. The engagement with the candidate would cover the following:-

POLICY ON NOMINATION PROCESS FOR APPOINTMENT OF CHAIRMAN, DIRECTOR AND CHIEF EXECUTIVE OFFICER OF LICENSED INSTITUTIONS IN MAYBANK GROUP

- (i) assess the experience, skills and suitability of the candidate; and
 - (ii) clarify the expectations of the company / Board and gauge the candidate's willingness and ability to ensure sufficient time commitment in order to be able to effectively perform the duties of Key Personnel, including in respect of regular attendance at Board and Board Committee (if applicable).
- (c) After the engagement session with the candidate, the NRC shall form their views on the suitability of the candidate to be appointed as the Key Personnel.
- (d) The Chairman of the NRC shall if he deems appropriate, notify the Secretary of the NRC to include a proposal on the nomination of the candidate at the next scheduled NRC meeting to deliberate on the proposal.

Stage 3 : Deliberation by NRC

- (a) The NRC shall then deliberate on the suitability of the candidate's credentials based on the outcome of the engagement session and ensure all requisite criteria, attributes and qualification are satisfactorily met in accordance with Maybank's Policy on Fit and Proper Criteria for Appointment / Re-Appointment of Key Responsible Persons of Licensed Institutions in Maybank Group and any other applicable minimum fit and proper criteria as well as other regulatory requirements.
- (b) If the NRC is satisfied with the proposal to nominate the candidate and considers the candidate as suitable, the NRC will recommend the appointment of the potential candidate together with the endorsement and appropriate justifications for the nominations to the Board or the Board of the respective Subsidiary for approval.

Stage 4: Recommendation to Board of Maybank or Board of Subsidiaries

- (a) The Company Secretaries of the relevant Boards shall table to their respective Boards for approval the recommendation of the Nomination & Remuneration Committee pertaining to the appointment of director of Maybank or its subsidiaries. Apart from seeking the approval from the relevant Boards on the appointment of director, the Company Secretaries should also include in the proposal that subject to the approval by BNM being obtained on the said appointment, the Boards shall delegate to the Chairmen of the relevant Boards to determine the effective date of appointment of the said director.
- (b) The Boards of Maybank or its subsidiaries, as applicable will consider the recommendation of the NRC pertaining to the appointment of directors and CEOs of Maybank or its subsidiaries, as the case may be.
- (c) The relevant Boards shall deliberate on the NRC's recommendations and should the same be accepted and approved, the relevant Company Secretaries will submit an application to BNM on the application for the approval of the appointment of the said candidate together with the NRC's endorsement and justifications in accordance with the relevant statutory provisions and guidelines of BNM.

POLICY ON NOMINATION PROCESS FOR APPOINTMENT OF CHAIRMAN, DIRECTOR AND CHIEF EXECUTIVE OFFICER OF LICENSED INSTITUTIONS IN MAYBANK GROUP

- (d) Upon obtaining the approval from BNM, the Company Secretaries shall inform the relevant Boards of the said approval and for the Boards to endorse the effective date of the appointment of the candidate. Alternatively, the Company Secretaries may recommend to the Boards the delegation to the Chairmen of the relevant Boards to determine the effective date of the appointment.

3. General

- (a) The appointment of the candidate shall be confirmed upon receipt of approval from BNM and the candidate's compliance with the relevant statutory and regulatory requirements relating to his appointment. The Company Secretaries of the relevant Boards shall notify the Chairmen of their respective Boards of the said approval and the Chairmen shall in accordance with the authority delegated to him as per stage 4(a) above then determine the effective date of appointment of the candidate as director of Maybank or its subsidiaries.
- (b) Notwithstanding the abovementioned nomination process, the appointment of existing directors of Maybank or internal candidates from within the Maybank Group as director or CEO of the relevant subsidiaries may if deemed appropriate and necessary be considered by the NRC, however this involves a less rigorous application of the procedures referred to in Stages 1 to 4 above.
- (c) Similarly, a less strict application of the procedures may also be applied to the nomination of candidates in respect of non-BNM regulated entities.
- (d) A flowchart of the above process is as enclosed.

First issued: 24 August 2006

Revised: 27 March 2013 (as approved by Maybank Board)

POLICY ON NOMINATION PROCESS FOR APPOINTMENT OF CHAIRMAN, DIRECTOR AND CHIEF EXECUTIVE OFFICER OF LICENSED INSTITUTIONS IN MAYBANK GROUP

FLOWCHART

Various sources of identification of candidates:

