



MICG

MALAYSIAN INSTITUTE OF
CORPORATE GOVERNANCE

Terms of Reference

Strategy Committee





TERMS OF REFERENCE OF THE STRATEGY COMMITTEE

(Reviewed 16 January 2023)

1.0 PURPOSE

- A. The primary objective of the Strategy Committee (STC) is to support and advise the Board of Governors of the Institute (BOG) in:
 - i. setting strategy and structure in meeting the Institutes objectives.
 - ii. discharging its oversight duties with respect to the development and implementation of the Institute’s strategic plan and the risks associated with such plan.
- B. The BOG recognises that it is the responsibility of Management to effectively implement the board’s strategic policies and to continuously review, benchmark, measure and report on the effectiveness of such policies, to ensure the Institute’s strategic roadmap remains relevant and effective. The STC will to this end, guide and advice the Management and foster a collaborative strategic planning process between the BOG and Management.
- C. The purposes and responsibilities outlined in this Terms of Reference are meant to serve as guidelines rather than as inflexible rules. The STC is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to achieve its responsibilities provided that such procedures are consistent with the By-Laws, corporate governance principles and any applicable law.

2.0 COMPOSITION AND SIZE

The STC shall consist of five (5) members. The Chief Executive Officer (CEO) will also be invited as a member of the STC.

Chair : Chairman

Alternate : Deputy Chairman

Note: The Alternate Chair will chair the meeting in the Chair’s absence.

Members :

- i. Deputy Chairman
- ii. Governor 3
- iii. Governor 4
- iv. Governor 5
- v. CEO

Each member must attend at least 75% of the meetings held in every financial year.

In Attendance : Any other person(s) identified by the Committee whenever necessary. Any person in attendance, shall not carry any voting right.

3.0 QUORUM

The quorum for all STC meetings (whether physical meeting or a meeting via audio or audio-visual conference) shall be three(3) members including the Chair. If within half an hour from the appointed time of holding the meeting, a quorum is not present, then the meeting shall be adjourned to such other day to be agreed by all STC members.

If the appointed Chair of the meeting is not present, the Alternate Chair will chair the meeting.

4.0 SECRETARY

The Company Secretary or his/her nominee or any person designated by CEO.

5.0 DECISIONS

All matters to be decided by the SC shall be by a simple majority vote in the case of all members being present. In the event of an equality of votes, the Chair of the Meeting shall have the casting vote. Any issues not resolved by the STC shall be referred to the BOG for decision.

The minutes of the meeting shall be tabled for endorsement at the next STC meeting. The Committee shall confirm all the minutes of meetings and signed/endorsed by the Chair of the meeting.

A resolution in writing of the SC members shall be valid and effectual as if it had been passed at a meeting of the SC duly convened and held, if the resolution is signed by all the SC members. All such resolutions passed shall be circulated to all the SC members.

Any urgent matters that require immediate decision or direction from the STC, can be circularised to the members, subject to concurrence by the Chair. Approval by circularization must be by all members who are entitled to receive notice of meeting.

6.0 TIMING OF MEETINGS

The Strategy Committee shall meet twice a year or as and when required. Meetings may be conducted physically or virtually, provided all participants are allowed to communicate with each other simultaneously.

7.0 DUTIES AND AUTHORITY OF STRATEGY COMMITTEE

Key Tasks:

Within the authorities delegated to it by the BOG, the key tasks of the STC are:

- A. Review periodically and make recommendations to the Board regarding:
 - i. The Institute's strategic plan and overall strategy,

- ii. The Institute’s overall strategy with respect to collaboration and joint ventures, and
 - iii. Any strategic initiatives identified by the BOG or Management from time to time, including exit from existing lines of business and entry into new lines of business, investments, dispositions of business and assets and business expansions.
 - iv. To jointly with the Audit Committee undertake periodic risk assessments for the business of the Institute and effectiveness of its operations as part of the Institute’s risk management.
- B. Oversee and guide Management in the development of the Institute’s strategy, including reviewing and discussing with management the strategic direction and initiatives of the Institute and the risks associated with the Institute’s strategy. In this regard the STC shall meet with Management periodically to monitor the Institute’s progress against its strategic goals.
- C. Ensure the Board is regularly apprised of the Institute’s progress with respect to implementation of any approved strategy as well as any issues of concern, and to engage Management and review its reports in this regard.

Management’s Key Responsibilities:

- A. The Management shall submit Reports on the implementation of the strategic plan and the effectiveness of the initiatives undertaken effectiveness of the reports.
- B. Highlight and where appropriate escalate key issues of concern, and external developments impacting the Institute’s strategy, with recommendations for action or mechanisms to address the same.

8.0 REVIEW OF TERMS OF REFERENCE

The Terms of Reference shall be reviewed periodically in order to ensure that the Institute remains at the forefront of best practices in corporate governance and compliance with the requirements of rules, laws and regulations of Malaysia.

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