

TERMS OF REFERENCE FOR NOMINATIONS & HUMAN RESOURCE COMMITTEE

1. PURPOSE

- 1.1 The purposes of the Human Resource & Nominations Committee (the Committee) are to ensure that CFS has the right staff, Board and Committee members to carry out its work efficiently and effectively.

2. MEMBERSHIP

- 2.1 The Committee shall be appointed by the Board and all the members of the Committee shall be a Board members.
- 2.2 The Committee members shall be appointed by the Chair of the Human Resource & Nomination Committee.
- 2.3 The Committee will have at least three (3) members, all non-executive.
- 2.4 The membership term limit will correspond with CFS Board's term and renewal process. Members of the Committee can serve a maximum of three (3) consecutive terms. Any member of the Committee, after completion of three (3) terms may be reappointed after a break of one (1) year.
- 2.5 The members of the Committee must be appropriately qualified to discharge their responsibilities.

3. DUTIES

- 3.1 With respect to Nominations, the Committee shall:
- 3.1.1 regularly review the structure, size and composition of the Board in relation to the Memorandum and Articles of Association and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- 3.1.2 be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;

- 3.1.3 satisfy itself with regard to succession planning, that the processes and plans are in place with regard to both Board and senior appointments; and
 - 3.1.4 ensure on appointment that a candidate understands his role and responsibilities, and is sufficiently committed to undertake the role.
- 3.2 It shall also make recommendations to the Board:
- 3.2.1 as regards the re-appointment of any director at the conclusion of his or her specified term of office; especially when they have concluded their second term,
 - 3.2.2 concerning the re-election by members of any director under the 'retirement by rotation' provisions in the company's articles of association;
 - 3.2.3 concerning any matters relating to the continuation in office as a director, of any director at any time;
 - 3.2.4 concerning the appointment of any director to executive or other office other than to the positions of Chairman and Chief Executive, the recommendation for which would need to be approved by:
 - all the directors regarding the position of Chief Executive and;
 - all Members regarding the position of Chairman;
 - 3.2.5 detailing items, if any, that should be published in the company's Annual Report relating to the activities of The Committee.
- 3.3 With respect to Human Resource, the Committee shall:
- 3.3.1 review significant HR development and policies, organisational structure and recommend any significant changes to the board annually or when necessary;
 - 3.3.2 oversee CFS' compensation and benefits philosophy, principles, policies and practices; and
 - 3.3.3 review and endorse on the remuneration and terms of service for the Chief Executive Officer (CEO) including benefits and performance related elements prior to submission to the board for approval;

4. AUTHORITY

- 4.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information from any employee. All employees will be directed to co-operate with any request made by the Committee.

5. MEETINGS

- 5.1 The quorum of members of the Committee shall be two (2). A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 5.2 The Committee shall meet not less than once a year and at such other times as the Chair of the Committee shall require.
- 5.3 Any member of the Committee or Management may request for a meeting at any time if they consider it necessary.
- 5.4 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be given to the members of the Committee prior to the meeting in a timely manner.
- 5.5 The proceedings and resolutions of all Committee meetings, including the names of those present and in attendance, shall be duly minuted.
- 5.6 Minutes of Committee meetings shall be circulated to all members of the Committee and to the Chairman of the Board, and made available on request to other members of the Board.
- 5.7 Care should be taken to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence.
- 5.8 The Chairman of the Committee, when required, shall attend the Annual General Meeting to respond to any member's questions on The Committee's activities.

6. TERMS OF REFERENCE

- 6.1 CFS Management will review, adjust and seek approval for the terms of reference when necessary to ensure that they remain relevant.

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