

## **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

---

### **1. KEY OBJECTIVES**

The principal objectives of the Nomination Committee (“NC”) are as follows:-

- 1.1. To assess and recommend suitable candidates for appointment to the Board and Board Committees of the Company with a view to ensure that the Board Composition meets the needs, objectives and aspirations of the Company. Considerations should be given to the competencies commitment, contribution and performance;
- 1.2. To assess and recommend suitable candidates for appointment to the Board of the entities where the Company has interests, to work in the best interest of the respective entities and to also safeguard the interest of the Company;
- 1.3. To assess the Directors of the Company on an on-going basis, with the view to ensure that the Board has the appropriate mix of skills, experiences and other qualities, and the appropriate Board size;

### **2. COMPOSITION AND APPOINTMENT**

- 2.1. The NC shall be appointed by the Board of Directors and shall consist of not less than two (2) members of which comprising exclusively non-executive directors, the majority of whom shall be independent directors.
- 2.2. In the event of any vacancy in the NC resulting in the non-compliance of the above, the Company must fill the vacancy within 3 months.
- 2.3. The Board of Directors must review the term of office and performance of the NC and each of its members at least once every 3 years to determine whether such NC and members have carried out their duties in accordance with their terms of reference.

### **3. CHAIRMAN**

- 3.1. The Chairman shall be an Independent Director or Senior Independent Non-Executive Director or identified by the Board.
- 3.2. In the absence of the Chairman of the NC, the members may elect from themselves the Chairman for the meeting.

### **4. FUNCTION AND DUTIES**

The NC shall:-

- 4.1. To recommend to the Board of Directors, the candidates for all directorships to be filled by the shareholders or the Board of Directors. In making its recommendations, the NC should consider the candidates’:-

## TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

---

- skills, knowledge, expertise and experience;
  - professionalism;
  - integrity; and
  - in the case of candidates for the position of independent non-executive directors, the NC should also evaluate the candidate's ability to discharge such responsibilities/functions as expected from independent non-executive directors;
- 4.2. To consider, in making its recommendations, candidates for directorships proposed by the Chairman, Group Chief Executive Officer and Executive Directors and within the bounds of practicability, by any other senior executive or any director or shareholder;
- 4.3. To recommend to the Board, directors to fill the seats on board committees;
- 4.4. To assess annually the effectiveness of the board as a whole, the NC of the Board and the contribution of each existing individual director and thereafter, recommend its findings to the Board;
- 4.5. To ensure that all directors undergo appropriate induction programs and receive continuous training;
- 4.6. To evaluate and review annually the required mix of skills and experience and other qualities, including core competencies which the Board members should bring to the Board to best serve the business and operations of the Group as a whole and thereafter, recommend its findings to the board.
- 4.7. To apply the process as determined by the Board of Directors, for assessing the effectiveness of the board as a whole, the committees of the board, and for assessing the contribution of each individual director, including independent non-executive directors, as well as the Chief Executive Officer and Executive Director where all assessments and evaluations carried out by the NC in the discharge of all its functions should be properly documented.
- 4.8. To assist the Board in nominating the membership of other Board Committee members. For the membership of the Audit Committee, in line with the requirements of Malaysian Code of Corporate Governance 2017 ("MCCG 2017"), a former key audit partner must observe a cooling-period of at least two years before being appointed as a member of the Audit Committee.
- 4.9. To recommend to the Board to justify and seek shareholder's approval annually where an independent director is retained as an independent director after his tenure has exceeded a cumulative term of nine years and in the event the tenure has exceeded 12 years, two-tier voting at the shareholders meeting approving the matter shall apply.

In discharging its duties, the NC shall at all times be mindful of the Listing Requirements of Bursa Malaysia Securities Berhad, MCCG 2017 and all applicable laws, regulations and guidelines including any amendments thereto.

## **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

---

### **5. MEETINGS**

#### **5.1 Frequency**

- 5.1.1 The NC shall meet at least once in a financial year or when required by the Chairman or any NC member to perform the duties set out in these Terms of Reference.

#### **5.2 Notice and Agenda**

- 5.2.1 Unless otherwise agreed by all the members of the NC, the notice of the NC meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of NC at least seven (7) day before each meeting or any other shorter period as may be agreed by the members amongst themselves.
- 5.2.2 The agenda for each meeting including relevant documents and information requested by the NC shall be circulated at least five (5) business days, or a shorter period where it is unavoidable, prior to the meeting to the NC members.

#### **5.3 Quorum**

- 5.3.1 The quorum shall be 2 members with majority of independent directors.

#### **5.4 Meeting Mode**

- 5.4.1 A meeting of the NC shall normally be conducted face-to-face to enable effective discussion; however, meetings may also be conducted via telephone conferencing, video conferencing or any communication technology, which allows all members of NC participating in the meeting to communicate simultaneously with each other, or other appropriate means as determined by the NC.

#### **5.5 Voting**

- 5.5.1 All resolutions of the NC shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the NC shall have a second or casting vote.
- 5.5.2 A NC member is required to abstain from deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.

#### **5.6 Meeting Minutes**

- 5.6.1 Minutes of each meeting shall be kept at the Registered Office and distributed to each member of the NC and also to other members of the Board for notation.
- 5.6.2 The minutes of the NC meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

## **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

---

### **5.7 Circular Resolution**

- 5.7.1 A resolution in writing signed by a majority of the members of the NC shall be valid and effectual as if it had been passed at a meeting of the NC.
- 5.7.2 Such resolution shall be described as “Nomination Committee Circular Resolution” and shall be recorded by the Secretary in the Minutes Book.

### **5.8 Secretary**

- 5.8.1 The Secretary to the NC shall be the Company Secretary or a person recommended by the Company Secretary.

## **6. ACCESS TO ADVICE**

The NC shall have access to the advice and services of the Company Secretary and where necessary, to obtain independent professional or other advice at the expense of the Company and to invite outsiders with relevant experience and expertise to attend the NC meetings (if required) and to brief the NC.

## **7. REVIEW OF THE TERMS OF REFERENCE**

The NC shall recommend any changes to its Terms of Reference in such manner as the NC deems appropriate to the Board for approval. The Terms of Reference shall be assessed, reviewed and updated where necessary i.e. when there are changes to the MCCG, Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements. It should also be reviewed and updated when there are changes to the direction or strategies of the Group that may affect the NC’s role.

\*\*\*\*\*