





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

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## 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.
- 3.3. The roles of Chairman of NC shall be as follows:-
  - lead the succession planning and appointment of directors, and oversee the development of a diverse pipeline for board and management succession, including the future Chairman, Executive Directors, Group CEO and/ Deputy of Group CEO; and
  - lead the annual review of board effectiveness, ensuring that the performance of each individual director and Chairman of the board are independently assessed.

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#### 4. SECRETARY OF THE NOMINATION COMMITTEE

- 4.1 The Company Secretaries of the Company or such substitute as appointed by the Directors from time to time shall act as the secretary of the NC during the term of his/her appointment.
- 4.2 The Secretary of the NC shall be entrusted to record all proceedings and minutes of all meetings of the NC, including the names of those present and in attendance. Meeting minutes shall be approved by the NC at its next meeting.

#### 5. FUNCTION AND DUTIES


The NC shall:-

- 5.1. To recommend to the Board of Directors, the candidates for all directorships of the Company and Key Senior Management to be filled by the shareholders or the Board of Directors. In making its recommendations, the NC should consider the candidates':-
  - 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;

**Note:-**

For the purpose of this Terms of Reference, Key Senior Management refers to C-Suite Executives, including the Group Chief Executive Officer ("GCEO"), Group Chief Financial Officer ("GCFO"), Chief Operating Officer ("COO"), and any other key management positions as determined by the Board of the Company.

- 5.2. Consider candidates for directorships or Key Senior Management proposed by existing Directors, Management or major shareholders, including utilising independent sources to identify suitably qualified candidates. This include developing, maintain and reviewing the criteria to be used in the recruitment process, including the need for candidates to make declaration of any conflict of interest.
- 5.3. To recommend to the Board, directors to fill the seats on board committees;
- 5.4. 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;
- 5.5. To ensure that all directors undergo appropriate induction programs and receive continuous training;

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- 5.6. To evaluate and review annually the required mix of skills and experience and other qualities, including core competencies which the Board members or Key Senior Management 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.
- 5.7. 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 Group 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.
- 5.8. 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 2021, a former key audit partner must observe a cooling-period of at least three years before being appointed as a member of the Audit Committee.
- 5.9. Consider the need for the composition of the Board to be refreshed periodically. The tenure of each Director shall be reviewed by the NC and the annual re-election of a Director shall be contingent on the satisfactory outcome of evaluation of the Directors' performance and contribution to the Board.
- 5.10. 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, 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 2021, Gender Diversity Policy adopted by NC and all applicable laws, regulations and guidelines including any amendments thereto.


## **6. PROCEDURE OF NC MEETINGS**

### **6.1 Frequency of Meetings**

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.

### **6.2 Notice and Agenda**

- 6.2.1 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.

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6.2.2 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.

### 6.3 Quorum

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

### 6.4 Meeting Mode

Personal attendance of NC at meetings is preferred. But, the NC Meeting may be held at two (2) or more venues within or outside Malaysia using any technology by means of telephone conference, video conference or any other form of audio or audio-visual instantaneous communication that enable the NC members as a whole to participate for the entire duration of the meeting pursuant to this provision shall constitute presence in person/quorum at such meeting. All resolutions agreed upon by the members of NC at such a meeting shall deemed to be as effective as a resolution passed at a meeting in person of the members NC duly convened and held. All information and documents for the meeting must be made available to all members prior to or at the meeting. A minute of the proceedings of such meeting is sufficient evidence of the proceedings to which it relates.

### 6.5 Voting

6.5.1 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.

6.5.2 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.


### 6.6 Meeting Minutes

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.

### 6.7 Circular Resolution

6.7.1 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.

6.7.2 Such resolution shall be described as “Nomination Committee Circular Resolution” and shall be recorded by the Secretary in the Minutes Book.

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### **6.8 Custody, production and inspection of such minutes**

The minutes shall kept by the Company at the Registered Office or the principal place of business in Malaysia of the Company as part of the statutory record of the Company upon confirmation by the Board and a copy shall be distributed to each member of the NC; and shall be open to the inspection of any member of the NC without charge.

## **7. 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.

## **8. 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.

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