

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. Authority and General Scope

- 1.1 The Board has constituted the Nomination Committee with the authorities necessary to perform the duties as outlined in these Terms of Reference.
- 1.2 The Nomination Committee is authorized to assess and propose new nominees for the Board and further empowered to assess the existing directors on an on-going basis. The actual decision as to who shall be appointed shall be the responsibility of the full Board after considering the recommendations of the Nomination Committee.
- 1.3 The Nomination Committee in carrying out its tasks under these Terms of Reference may obtain such external or other independent professional advice as it considers necessary to carry out its duties.
- 1.4 The Board will ensure that the Nomination Committee will have access to professional advice both internally and externally at the Company's expense in order for it to perform its duties.
- 1.5 These Terms of Reference may from time to time be amended as required, subject to the approval of the Board.

2. Membership

- 2.1 The Nomination Committee shall consist of not less than 3 Directors appointed by the Board of Directors, all of whom should be exclusively Non-Executive Directors, a majority of whom must be independent.
- 2.2 The Chairman of the Nomination Committee shall be appointed by the Board and he should be the independent director as identified by the Board. In the absence of the Committee Chairman, the remaining members present shall elect one of their members, who shall be an Independent Non-Executive Director to chair the meeting.
- 2.3 If the number of members, for whatever reasons, falls below three (3), the Board of Directors shall, within three (3) months of the event, appoints such number of new members as may be required to make up the minimum number of three (3) members.
- 2.4 A member who wishes to retire or resign from the Nomination Committee, while he is still a member of the Board, shall notify the Board in writing by giving at least three (3) months' notice, unless waived or shortened by the Board.
- 2.5 The office of a member shall become vacant upon the member's resignation/retirement/removal or disqualification as a Director of the Company, or as determined by the Board.
- 2.6 The Nomination Committee shall have no executive powers.

3. Duties and Responsibilities

- 3.1 Recommend to the Board, candidates for directorship and Board Committee membership take into consideration the candidates' skills, knowledge, expertise, experience, professionalism, integrity and women candidates shall be sought as part of its recruitment exercise. In the case of candidates for the position of independent non-executive directors, the Nomination Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- 3.2 The Nomination Committee shall also consider candidates for directorships proposed by the Managing Director and within the bounds of practicality, by any other senior management or any director or shareholder.
- 3.3 To determine the core competencies and skills required of Directors to best serve the business and operations of the Group as a whole and the optimum size of the Board to reflect the desired skills and competencies.
- 3.4 Assess, review and recommend to the Board, candidates to fill the seats on Board Committees. In assessing suitability of candidates, the qualities to look for are competencies, commitment, contribution and performance.
- 3.5 The Nomination Committee shall ensure that time commitment is obtained from a Director on his appointment and the expectations are met.
- 3.6 To evaluate and recommend the appointment of senior executive positions, including that of the Managing Director or Chief Executive and their duties and the continuation (or not) of their service.
- 3.7 Regularly review the Board structure, size and composition and make recommendations to the Board with regards to any adjustment that are deemed necessary.
- 3.8 To ensure that the positions of the Chairman and Managing Director are held by different individuals and the Chairman shall be a non-executive member of the Board. The NC shall ensure that the composition of the Board shall consist of at least a majority of independent directors should the Chairman be an executive member of the Board.
- 3.9 Review the size and core competencies of Non-Executive Directors, Board balance and determine if additional Directors are required and also to ensure that at least 50% of the Board is independent.
- 3.10 Assist the Board to do an annual assessment of independence of its Independent directors and also ensure that the tenure of the Independent directors do not exceed a cumulative term of nine years. The Board is to recommend the director for shareholders' approval in the event it retains as an Independent director, the director who had served in that capacity for more than nine years.
- 3.11 Assist the Board to implement a procedure to be carried out by the NC for annual assessment on the effectiveness of the Board as a whole, the Board Committee and the contribution of each individual Director, including independent non-executive directors and Managing Director. Conduct an annual review the term of office and performance of an audit committee and each of its members to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference. All assessments and evaluation carried out by the NC in the discharge of all its functions should be properly documented.

- 3.12 Conduct an annual review on the Board members, Managing Director and Chief Financial Officer on the required mix of skills, character, experience, integrity, competence and time to effectively discharge their roles.
- 3.13 Establish a clear succession plan and periodically reporting to the Board on succession planning for the Board Chairman and CEO. The NC should work with the Board to evaluate potential successors.
- 3.14 Make recommendations to the Board for the continuation (or not) in services of any Director who has reached the age of 70 (seventy).
- 3.15 Recommend Directors who are retiring by rotation under the Articles of Association to be put forward for re-election.
- 3.16 Have due regard to the principles of governance and code of best practice.
- 3.17 Keep under review the leadership needs of the organization with a view of ensuring the continued ability to compete effectively in the organization's marketplace.
- 3.18 Facilitate board induction and training for newly appointed Directors.
- 3.19 Review training programs for the Board.
- 3.20 Propose to the Board the responsibilities of non-executive Directors, including membership and Chairpersonship of Board Committees.
- 3.21 Review its own performance, at least once a year, and recommend any necessary changes to its Terms of Reference.

4.0 Meetings

The Company Secretary shall be the secretary of the Committee.

4.1 *Frequency of meetings and attendance*

- 4.1.1 Meetings of the Nomination Committee will be held as the Nomination Committee deems to be appropriate; however, the NC should meet at least once a year.
- 4.1.2 Meetings should be organized so that attendance is maximized.
- 4.1.3 A meeting may be called, at any other time, by the Chairman of the Nomination Committee or any member of the Nomination Committee. Any Director or management may be invited to the meetings.

4.2 *Quorum and voting*

- 4.2.1 The quorum for decisions of the Nomination Committee shall be any two (2) members, including at least one independent Director, present and voting on the matter for decision.
- 4.2.2 Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.

- 4.2.3 The notice of each meeting confirming the date, time, venue and agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Nomination Committee in advance of each scheduled meeting date. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

4.3 *Minutes of Meetings*

- 4.3.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Nomination Committee, including the names of those present and in attendance.
- 4.3.2 Minutes of all meetings shall be confirmed by the Chairman of the meeting and circulated to all the members of the NC. Such minutes signed by the Chairman of the Nomination Committee shall be conclusive evidence without any further proof of the facts thereon stated.
- 4.3.3 If the Chairman of the Nomination Committee so decides the minutes shall be circulated to other members of the Board Any Director may, provided that there is no conflict of interest and with the agreement of the Chairman, obtain copies of the Nomination Committee's minutes.

4.4 *Annual General Meeting*

The Chairman (or in his absence, an alternate to the member of the Nomination Committee) of the Nomination Committee shall attend the Annual General Meeting and be prepared to answer questions concerning the appointment of executive and non-executive Directors and the Nomination Committee's scope.

5.0 *Reporting Procedures*

- 5.1 The Nomination Committee is authorized to regulate its own procedures and in particulars the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.
- 5.2 The minutes of meetings shall be circulated by the Secretary of the Committee to the Committee members. The Chairman of the Committee shall report to the Board after each Nomination Committee meeting.
- 5.3 The Nomination Committee shall liaise with the Board to produce a Nomination Committee's report to be included in the Company's annual report about its activities, nomination and election process of board members and any other information as the Nomination Committee deems necessary to assist the Board in making disclosure in the annual report in accordance with the Best Practices of the Malaysian Code on Corporate Governance.

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. Authority and General Scope

- 1.1 The Board has constituted the Remuneration Committee with the authorities necessary to perform the duties and responsibilities as outlined in these Terms of Reference.
- 1.2 The RC in carrying out its tasks under these terms of reference may obtain external legal or other independent professional advice, as it considers necessary and reasonable to carry out its duties, at the expense of the Company.
- 1.3 The Board will ensure that the Remuneration Committee has sufficient resources to undertake its duties, including access to the services of the Company Secretary on all Remuneration Committee matters, seek any information it requires from employees, company officers and external parties.
- 1.4 The Board as a whole determines the remuneration of the Executive and Non-Executive Directors (including Non-Executive Chairman). Individual directors abstain from discussion on their own remuneration packages.
- 1.5 These terms of reference may from time to time be amended as required, subject to the approval of the Board.

2. Membership

- 2.1 The Remuneration Committee shall be appointed by the Board of Directors from amongst their members and comprising wholly or mainly of Non-Executive Directors. The Remuneration Committee shall consist of not less than three (3) members, at least one of whom shall be independent.
- 2.2 The Chairman shall be appointed by the Board. In the absence of the Committee Chairman, the Committee shall elect a Chairman from amongst their number who shall be Independent Non-Executive Director.
- 2.3 If the number of members, for whatever reasons, falls below three (3), the Board of Directors shall, within three (3) months of the event, appoints such number of new members as may be required to make up the minimum number of three (3) members.
- 2.4 A member who wishes to retire or resign from the Remuneration Committee, while he is still a member of the Board, shall notify the Board in writing by giving at least three (3) months' notice, unless waived or shortened by the Board.
- 2.5 The office of a member shall become vacant upon the member's resignation/retirement/removal or disqualification as a Director of the Company.

3. Duties and Responsibilities

- 3.1 Develop and agree with the Board the framework remuneration policy for the executive Director, Executive Directors and Senior Management with the aim to attract, retain and motivate high calibre individuals required by the Board on long term basis and so structured as to align their interests with those of the Company and its shareholders.

- 3.2 Review and make recommendations to the Board the remuneration packages and other terms of employment for each of the Managing Director, Executive Directors and Senior Management, taking into account the market rates so as to link rewards to the Group and individual performance, drawing from external advice as necessary. The Executive Directors should play no part in the decisions of their own remuneration.
- 3.3 To review and recommend to the Board the remuneration packages for Non-Executive Directors, taking due account of their experience and degree of responsibilities undertaken.
- 3.4 To review indemnity and liability insurance policies for the Directors and Officers of the Company.
- 3.5 To carry out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the Remuneration Committee by the Board of Directors from time to time as to be in line with the directions of the Board.
- 3.6 Review the on-going appropriateness and relevance of the remuneration policy.
- 3.7 To consider and examine such other matters as the Remuneration Committee considers appropriate.

4. Meetings

The Company Secretary shall be the secretary of the Committee.

4.1 *Frequency of meetings and attendance*

- 4.1.1 The meetings shall be held at least once a year. Additional meetings may also be held by the Remuneration Committee to discuss other issues, which the Remuneration Committee considers necessary.
- 4.1.2 Meetings should be organized so that attendance is maximized.
- 4.1.3 The Remuneration Committee shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.

4.2 *Quorum and Voting*

- 4.2.1 The quorum necessary for the transaction of business shall be two (2), of whom at least one must be an Independent Director. A duly convened meeting of the Remuneration Committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion vested or exercisable by the Committee.
- 4.2.2 Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.
- 4.2.3 In the absence of the Chairman of the Committee, the members present shall elect one of their members to chair the meeting.

4.3 Notice of Meetings

- 4.3.1 Meetings of the Remuneration Committee shall be arranged by the Secretary at the request of the RC Chairman or any other member of the Remuneration Committee.
- 4.3.2 The notice of each meeting confirming the date, time, venue and agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Remuneration Committee in advance of each scheduled meeting date. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

4.4 Minutes of Meetings

- 4.4.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Remuneration Committee, including the names of those present and in attendance.
- 4.4.2 Minutes of all meetings shall be confirmed by the Chairman of the meeting and circulated promptly to all members of the RC, once agreed, to all members of the Board, unless a conflict of interest exists.

5. Reporting Procedures

- 5.1 The Remuneration Committee is authorized to regulate its own procedures and in particulars the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.
- 5.2 The minutes of meetings shall be circulated by the Secretary of the Committee to the Committee members. The Chairman of the Committee shall report to the Board after each Remuneration Committee meeting.
- 5.3 The Remuneration Committee shall produce a report on the Company's remuneration policy and practices which will form part of the Company's annual report and ensure each year that it is put to shareholders for approval at the Annual General Meeting.

6. Advisors

- 6.1 The Committee is authorized by the Board to appoint internal or external professional advisors as and when it is considered necessary.