



MYNEWS HOLDINGS BERHAD

Company Registration No. 201301010004 (1039846-T)

TERMS OF REFERENCE

OF

NOMINATING COMMITTEE

[Updated on 26 September 2023]

Applicable Laws/Guidelines

The Main Market Listing Requirements (“**MMLR**”) issued by Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) including but not limited to the Capital Markets and Services Act 2007, the Companies Act 2016, the Malaysian Code on Corporate Governance 2021 issued by the Securities Commission, any prevailing laws, where applicable, and the provisions of the Constitution of Mynews Holdings Berhad (the “**Company**”).

Objectives/Principles

The principal objective of the **Nominating Committee** is to assist the Board of Directors of the Company (“**Board**”) in their responsibilities in identifying, nominating and orientating new nominees to the Board and Senior Management of the Company and its subsidiaries. The Nominating Committee shall ensure that the composition meets the needs of the Company and its subsidiaries (“**Group**”), consistent with all legal and regulatory requirements including but not limited to the MMLR. The Nominating Committee shall also assess the Directors of the Company on an on-going basis.

The “Senior Management” herein shall consist of Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer and any other C-suite management of the Company and its subsidiaries (“**Senior Management**”).

The Board shall annually review the terms of reference of the Nominating Committee to ensure objectivity and clarity in its responsibilities as approved by the Board.

Role and Responsibilities

1. To recommend to the Board based on the adopted Fit and Proper Policy, candidates for all directorships and Senior Management to be approved by the shareholders or the Board. In making its recommendations, the Nominating Committee considers the following attributes of candidates:
 - (a) skills, knowledge, expertise and experience;
 - (b) character;
 - (c) professionalism;
 - (d) integrity;
 - (e) competencies, commitment (including time commitment), contribution and performance;
 - (f) potential conflict of interest situations and/or related party interests; and
 - (g) in the case of the candidates for the position of Independent Non-Executive Directors, the Nominating Committee would also evaluate the candidates’ ability to discharge such responsibilities as expected from Independent Non-Executive Directors.

2. To consider, in making its recommendations, candidates for directorships and Senior Management proposed by the Chief Executive Officer and within the bounds of practicability, by any other Senior Management or any Director or shareholder and to take steps to ensure that women candidates are sought as part of its recruitment exercise.
3. To recommend to the Board the nominees to fill the seats on Board Committees, including the suitable candidates for the role of a Senior Independent Director.
4. To prepare the description of the roles and responsibility required for a particular appointment for the Board's consideration, including time commitment expected for the appointment of a Chairman and any significant commitment should be disclosed to the Board prior to appointment and any changes should be reported to the Board as they arise.
5. To ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Board Committee involvements and involvement outside board meetings.
6. To assess on an annual basis, the effectiveness of the Board as a whole and each individual Director/committee of the Board, including:
 - (a) the desirability of the overall composition of the Board, considering the structure and development of the excessive number of directorships, to ensure appropriate size, skills and professionalism;
 - (b) the balance between executive Directors, Non-Executive Directors and Independent Directors are maintained in accordance with the MMLR and in consideration of corporate governance best practices;
 - (c) the required mix of skills, experience, diversity and other qualities, including core competencies, which the Non-Executive and Executive Directors should bring to the Board;
 - (d) the desirable number of Independent Directors and independence of the Board's Independent Directors consistent with all legal and regulatory requirements including, but not limited to, the MMLR and MCCG21;
 - (e) the desirability of renewing existing directorships, with due consideration given to the extent to which the interplay of Directors' expertise, skills, knowledge and experience was demonstrated with those of other Board members; and
 - (f) the possible representations of interest groups on the Board as part of boardroom diversity;

All assessments and evaluations carried out by the Nominating Committee in the discharge of all its functions shall be properly documented.

7. To act in line with the directions of the Board.

8. To ensure that the composition of the Board is refreshed periodically.
9. To explain why a certain source was used but not other sources if the selection of a candidate was based on recommendations made by existing Directors/Senior Management/major shareholders.
10. To recommend the removal of any Director, if the Director is ineffective, errant and/or negligent in discharging his/her duties and obligations as a Director of the Company.
11. To review and assess annually the time required of Non-Executive and Independent Directors to carry out their duties and to assess whether the Directors in general are spending enough time fulfilling their duties.
12. To review and assess annually the Board's and Senior Management's performance in addressing the Company's material sustainability risks and opportunities.
13. To consider and examine such other matters as the Nominating Committee considers appropriate.
14. To develop the competency framework for Directors, skills assessment, recruitment, succession planning and performance evaluation.
15. To evaluate and appraise the performance of the Chairman of the Board.
16. To review the Board's succession planning, taking into account the challenges and opportunities the Company may have, the skills and expertise, including diversity needed on the Board in the future.
17. The Chairman of the Nominating Committee to report to the Board, after each Nominating Committee Meeting, with any appropriate recommendations, proposals, remedial actions or improvement plans.
- ~~18. To consider and if thought fit to include a Nominating Committee report for inclusion in the Company's annual report containing the Nominating Committee's activities where required by the Board.~~
18. To disclose in the Annual Report a statement about the activities of the Nominating Committee in the discharge of its duties for the financial year and that such statement must include the application of the Company's fit and proper policy in the nomination and election of its Directors, amongst others.
19. To ensure that orientation and education programmes are provided for new members of the Board, to review the Directors' continuing education programmes for existing members of the Board and to ensure that the education programmes attended by the Directors must be one that aids the Director in the discharge of his/her duties.
20. To recommend the Directors who are to retire by rotation.

Authority and Powers

The Nominating Committee shall, in accordance with the procedure or process to be determined and established by the Board and at the expense of the Company:

1. prepare and recommend its working guidelines for the selection of member of the Board including criteria, for an independence evaluation of the Board;
2. annually review the required mix of skills, independence, diversity (including gender, ethnicity and age diversity) and experience and other qualities, including core competencies which Non-Executive and Executive Directors should have;
3. assess on an annual basis, the performance and effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director;
4. ensure on an annual basis, the tenure of an Independent Director should not exceed a consecutive or cumulative term of 9 years. Upon completion of the 9 years, the said Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. To continue as an Independent Director, the Board (on the recommendation of the Nominating Committee) must justify and seek shareholders' approval annually through a two-tier voting process. The 2-tier voting process is applied to the re-election of Independent Directors from the 9th year up to the 12th year only. Under the 2-tier voting process, shareholders' votes will be cast in the following manner at the same shareholders meeting:

Tier 1 - Only the Large Shareholder (holding 33% voting power) votes; and

Tier 2 - Shareholders other than the Large Shareholder votes.

5. ensure no Director of the Company serves as Independent Director of the Company for a cumulative period of more than 12 years;
6. respond to any questions relating to the Nominating Committee's activities at the Annual General Meeting of shareholders, where required;
7. be entitled to the services of a Company Secretary who must ensure that all appointments are properly made, the necessary information is obtained from Directors, for the Company's records and for the purposes of compliance with statutory obligations, as well as obligations arising from the MMLR or other regulatory requirements; and
8. be able to obtain external legal or other independent professional or other advice or other necessary resources at the Company's expense to perform its duties and to secure the attendance of outsiders with relevant experience and expertise to provide advice if it considers necessary.

Notwithstanding anything to the contrary herein before stated, the Nominating Committee shall report to the Board on matters considered and its recommendations thereon, pertaining to the Company and the Group. For the avoidance of doubt, the Board remains responsible for considering and approving such appointments as recommended by the Nominating Committee.

Members

1. The Board shall elect the Nominating Committee members comprising at least 3 Directors who are Non-Executive Directors where majority of them are Independent Directors. No alternate Director can be appointed as a member of the Nominating Committee.

In this respect, the definition of "Independent Director" as per the MMLR shall be observed.

2. The term of office and performance of the Nominating Committee and each of its members shall be reviewed by the Nominating Committee itself annually to determine whether its members have carried out their duties in accordance with their terms of reference.
3. Any Director of the Company, upon his/her resignation, shall relinquish his/her position in the Nominating Committee.
4. In any event that the number of Nominating Committee members is reduced below 3 the Board shall, within 3 months subject to the MMLR, appoint such number of new members as may be required.
5. One of the members of the Nominating Committee shall be the Senior Independent Director.

For avoidance of conflict of interests, a member of the Nominating Committee shall abstain from participating in discussions and decisions on any matters involving his/her re-election.

When there is a specific need for information or clarification on any matters, the relevant staff may be invited to attend the specific part(s) of the Nominating Committee's meeting(s).

Chairman

The Chairman of the Nominating Committee shall be elected from amongst the Nominating Committee members and appointed by the Board.

The Chairman of the Nominating Committee should assume, amongst others, the following responsibilities:

1. lead the succession planning and appointment of Board members, including the future Chairman and Chief Executive Officer whilst maintaining contact with principal shareholders; and
2. lead governance issues, particularly the annual review of the Board's effectiveness, ensuring that the performance of individual Directors is independently assessed.

In addition, the Chairman of the Nominating Committee shall assume, amongst others, the following responsibilities:

1. planning and conducting the Nominating Committee meetings;

2. overseeing reporting to the Board;
3. encouraging open discussion during Nominating Committee meetings; and
4. attending the Company's annual general meetings (including extraordinary general meetings) and to reply to questions by shareholders relating to the Nominating Committee's activities, areas pertaining to proposed resolutions on the appointment or re- appointment of Directors.

In the absence of the Chairman of the Nominating Committee, the other members of the Nominating Committee shall amongst themselves elect a Chairman who must be an Independent Director to chair the meeting.

Meetings

1. The Nominating Committee shall meet for the dispatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary.
2. The quorum for a Nominating Committee Meeting shall be at least 2 members (or majority of the members), whichever is higher, 1 of whom shall be an Independent Director.
3. The Chairman may call for additional meetings at any time at the Chairman's discretion.
4. Questions arising at any meeting of the Nominating Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Nominating Committee shall have a second or casting vote.
5. The Company Secretary shall act as Secretary of the Nominating Committee and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meeting together with the supporting explanatory documentation to members prior to each meeting.
6. The Secretary of the Nominating Committee shall be entrusted to record all proceedings and minutes of all meetings of the Nominating Committee. The Secretary of the Nominating Committee shall circulate the notice at least 7 calendar days prior to the Nominating Committee Meeting except where the said notice period has been waived by all the members of the Nominating Committee. Reasonable time shall be given for Nominating Committee members and to other attendees as appropriate, to consider all relevant papers and materials prior to the Nominating Committee Meeting.
7. The minutes of the Nominating Committee 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.

8. A resolution in writing signed or approved by letter or other written electronic communications by majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a Meeting. All such resolutions shall be described as “Nominating Committee Members’ Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in like form, each signed by one or more members.

Effect of MMLR and Prevailing Laws, Rules and Regulations

Notwithstanding anything contained in this Terms of Reference:

1. If the MMLR and other prevailing laws, rules and regulations (collectively, “Laws”) require an act to be done or not to be done, authority is given for that act to be done or not to be done, as the case may be.
2. If the Laws require this Terms of Reference to contain a provision and it does not contain such a provision, this Terms of Reference is deemed to contain that provision.
3. If the Laws require this Terms of Reference not to contain a provision and it contains such a provision, this Terms of Reference is deemed not to contain that provision.
4. If any provision of this Terms of Reference is or becomes inconsistent with the Laws, this Terms of Reference is deemed not to contain that provision to the extent of the inconsistency.

Conclusion

These terms of reference may change from time to time mainly to align with the MMLR or, where appropriate, to adopt the recommended best practices of corporate governance.