

**TERMS OF REFERENCE OF NOMINATION COMMITTEE**

**1. OBJECTIVE**

The principal objective of the Nomination Committee is to assist the Board of Directors in its responsibilities in nominating new nominees to the Board of Directors. The Nomination Committee shall also assess the directors of the Company on an on-going basis.

**2. COMPOSITION**

The Board of Directors shall elect the Nomination Committee members from amongst themselves, comprising three (3) members exclusively of non-executive directors, a majority of whom are independent.

The Chairman of the Nomination Committee shall be elected from amongst the Nomination Committee members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

**3. SECRETARY**

The Company Secretary of the Company shall be the secretary of the Nomination Committee.

**4. QUORUM AND VOTING**

The quorum for all meetings of the Nomination Committee shall not be less than two (2) members.

All resolutions of the Nomination Committee shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the meeting shall have a second or casting vote.

**5. MEETINGS**

The Nomination Committee may meet together for the despatch of business, adjourn and otherwise regulate the meetings at least once a year or more frequent as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman's discretion. A resolution in writing, signed by all the members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Nomination Committee members.

The Nomination Committee may conduct its meeting to include participation thereat by any member or invitee via video or teleconferencing or any other means of audio or audio – visual communications.

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The Secretary shall on the requisition of the members of the Nomination Committee summon a meeting of the Nomination Committee and, except in the case of an emergency, reasonable notice of every Nomination Committee meeting shall be given in writing.

**6. AUTHORITY**

The Nomination Committee in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company:-

- 6.1 shall annually review the required mix of skills and experience and other qualities, including core competencies which non-executive and executive directors should have;
- 6.2 shall assess on an annual basis, the effectiveness of the Board of Directors as a whole, the committees of the Board and for assessing the contribution of each individual director; and
- 6.3 shall be entitled to the services of the Company Secretary who must ensure that all appointments are properly made that all necessary information is obtained from the directors, both for the Company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") or other regulatory requirements.

The ultimate decision on the appointment of directors to the Board is the responsibility of the Board of Directors or the shareholders after due consideration of the recommendations of the Nomination Committee.

The Nomination Committee shall take into cognizance in its deliberations the ACE Market Listing Requirements of Bursa Securities and the Malaysian Code on Corporate Governance, and any other pertinent regulations and laws, as well as revisions which may come into force from time-to time.

**7. RESPONSIBILITIES AND DUTIES**

The duties and responsibilities of the Nomination Committee are as follows:-

- 7.1 Identify and recommend to the Board, candidates for directorships of the Company to be filled by the shareholders or the Board. In making its recommendations, the Committee will also consider boardroom diversity including gender, age, experience and ethnicity diversity. In making its recommendations, the Committee shall consider the candidates':-
  - skills, knowledge, expertise and experience;
  - professionalism;
  - commitment (including time commitment) to effectively discharge his/her role as a Director;
  - contribution and performance;

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- background, character, competence and integrity;
  - any business interest that may result in a conflict of interest; and
  - in the case of candidates for the position of independent non-executive directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/function as are expected from independent non-executive directors.
- 7.2 Recommend to the Board, directors to fill the seats on Board Committees.
- 7.3 Review annually the required mix of skills and experience of the Board, including the core competencies which directors should bring to the Board.
- 7.4 Evaluate the effectiveness of the Board and Board Committees (including its size and composition) and the contribution of each individual director including independent non-executive directors as well as the chief executive officer and chief financial officer. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions shall be properly documented.
- 7.5 Review, at least once a year, its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 7.6 Evaluate the independence of its independent directors annually.
- 7.7 Determine appropriate training for Directors, review the fulfillment of such training, and disclose details in the annual report as appropriate, in accordance with Bursa Securities' guidelines on Continuing Education.
- 7.8 Consider and recommend the Directors for re-election/re-appointment at each Annual General Meeting.
- 7.9 Ensure an appropriate framework and plan for Board succession for the Group.
- 7.10 Facilitate Board induction programme for newly appointed Directors;
- 7.11 Consider and examine such other matters as the Nomination Committee considers appropriate.
- 7.12 Consider other matters as referred to the Nomination Committee by the Board.
- 7.13 Assess annually the term of office and performance of the 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.

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The Nomination Committee is authorised by the Board to seek professional advice inside and outside the Group at the Company's expense, as and when it considers this necessary in the discharge of its responsibilities.

**8. PERIODIC REVIEW**

This Terms of Reference shall be reviewed annually by the Nomination Committee.

**9. REVISION OF THE TERMS OF REFERENCE**

9.1 Any revisions or amendments to this Terms of Reference, as proposed by the Nomination Committee or any third party, shall be presented to the Board for approval; and

9.2 Upon the Board's approval, the said revisions or amendments shall form part of this Term of Reference and this Term of Reference shall be considered duly revised or amended.