

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. OBJECTIVE

The primary objective of the Nominating Committee (“Committee”) is to ensure the Board comprise of individuals with an optimal mix of qualifications, skills and experience.

2. COMPOSITION

The members of the Committee shall be appointed by the Board from amongst the Directors of the Company and shall be composed exclusively of Non- Executive Directors.

The Committee shall elect a Chairman from among its members and the elected Chairman shall be an Independent Non- Executive Director.

The term of office and performance of the Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their Terms of Reference.

Members of the Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as a Director of the Company.

If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below 3, the Board shall, within 3 months from the date of that event, appoint such number of new members as may be required to make up the minimum number of 3 members

3. AUTHORITY

- a) The Committee is authorised to seek any information it requires from management of the Company in order to perform its duties.
- b) The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- c) The Committee is authorised by the Board to obtain, at the Company’s expense, external legal or other professional advice on any matters within its Terms of Reference.

4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the Committee shall undertake, amongst others, the following duties and responsibilities:

- a) The Committee shall take into consideration, the present size, structure and composition of the Board and Board Committees as well as the required mix of skills, experience and competency required and make recommendations to the Board with regards to any adjustments that are deemed necessary; including core competencies which Non-Executive Directors should bring to the Board;

- b) The Committee shall implement a process annually for:
 - i) assessing the effectiveness of the Board as a whole;
 - ii) assessing the mix of skill, experience and diversity of the committees of the Board; and
 - iii) the contribution of each individual Director, including Independent Non-Executive Directors. All assessments and evaluations carried out by the Committee in the discharge of its function should be properly documented;
- c) The Committee shall not have the delegate power from the Board to implement its recommendations but should be obliged to report its recommendations back to the Board for its consideration and implementation;
- d) The Committee shall give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities faced by the Company, and the skills and expertise needed on the Board in future;
- e) The Committee shall ensure that the appointment of Board and Senior Management are based on objective criteria and ensure diversity in skills, experience, age, cultural background and gender;
- f) The Committee shall be responsible for identifying and making recommendations to the Board on new candidates for election/appointment to the Board or to fill Board vacancies as and when they arise;
- g) The Committee shall ensure that orientation and education programmes are provided for new members of the Board. Where required, the members of the Committee would meet up with potential candidates for the position of Director to conduct an assessment of the suitability and also consider utilising independent sources to identify suitably qualified candidates;
- h) The Committee shall recommend to the Board whether Directors who are retiring by rotation should be put forward for re-election/re-appointment at the Annual General Meeting;
- i) In determining suitable candidates, the Committee will ensure that an appropriate review is undertaken to ensure that the requirement and qualification of the nominated candidate is based on a prescribed set of criteria comprising but not limited to the following:
 - i) skills, knowledge, expertise and experience;
 - ii) professionalism and integrity;
 - iii) existing number of directorships held;
 - iv) confirmation of not being an undischarged bankrupt or involved in any court proceedings in connection with the promotion, formation or management of a corporation or involving fraud or dishonesty punishable on conviction with imprisonment or subject to any investigation by any regulatory authority under any legislation; and
 - v) in the case of candidates being considered for the position of Independent Directors, such potential candidates have the ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors. Amongst others, the potential candidates must meet the definition of "Independent Directors" prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and able to bring independent and objective judgement to the Board;

- j) The Committee shall undertake an annual review of the training programmes attended by the Directors for each financial year as well as the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends; and
- k) The Committee shall assess and recommend to the Board, the continuation of terms of office of Independent Directors in compliance with the Code of Corporate Governance. If the Board intends to retain an Independent Director beyond 9 years, the Board should justify and seek annual shareholder's approval at the Annual General Meeting. However, if the Board continues to retain the Independent Director after the 12th year, the Board should seek annual shareholders' approval through a two-tier voting process.

5. MEETINGS OF THE COMMITTEE

The Committee shall meet at least once a year. However, additional meetings may be carried at any time at the Chairman's discretion.

In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non- Executive Director.

Subject to the notice and quorum requirements as provided in the Terms of Reference, meeting of the Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

6. QUORUM

The quorum for a meeting of the Committee shall be formed if there is a majority of members present at the meeting.

7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than 7 days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

8. SECRETARY AND MINUTES

The Company Secretary and/or his or her representative or such other persons authorised by the Board shall act as the Secretary of the Committee. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Committee and ensure that the minutes are properly kept and produced for inspection if required.

9. CIRCULAR RESOLUTION

A resolution in writing, signed by a majority of the Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Committee, shall be as valid and effectual as if it had 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 of the members of the Committee.

10. REVISION AND UPDATES

This Terms of Reference will be reviewed and updated at least once a year to ensure it remains consistent with the Committee's objectives and responsibilities.