



## **NOMINATION COMMITTEE TERMS OF REFERENCE**

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The terms of reference of the Nomination Committee are as follows:

### **1. OBJECTIVES**

The Nomination Committee is responsible for implementing the Company's Policy on Nomination and Election Process and the Directors' Fit and Proper Policy, assessing candidates for appointment to the Board of Directors ("the Board") and evaluating directors who are seeking for annual re-election. The Committee is responsible for ensuring that the Board and its various Committees have the right group of people, with an appropriate mix of skills, knowledge, experience and independent elements that fit the Company's objectives and strategic goals, thereby contributes to the Company's success and sustainability.

### **2. COMPOSITION**

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise exclusively non-executive Directors, a majority of whom are independent. It shall consist of not less than three (3) members. No alternate director can be a member of the Nomination Committee. The Chairman of the Nomination Committee shall not be the Chairman of the Board.

If the membership of the Nomination Committee for any reason falls below three (3) members, the Board shall, within three (3) months of that event, appoint such number of new members as may be required to fulfill the minimum requirement.

### **3. CHAIRMAN**

The Chairman of the Committee shall be an Independent Director or the Senior Independent Director identified by the Board. In the absence of the Chairman of the Nomination Committee, the remaining members present shall elect one of their members as Chairman of the meeting.

### **4. SECRETARY**

The Secretary to the Nomination Committee shall be the Company Secretary.

### **5. QUORUM, MEETINGS AND MINUTES**

- (a) Two (2) members shall form a quorum for meetings.
- (b) The Nomination Committee shall meet at least once a year or more as the Chairman of the Committee deemed necessary.



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- (c) Notice of the meeting of the Committee may be given by telephone or facsimile and the contemporaneous linking together by telephone or such other electronic communication of a number of the members being not less than the quorum shall be deemed to constitute a meeting of the Committee wherever in the world they are, as long as:
  - (i) the quorum of members is met;
  - (ii) at the commencement of the meeting each member acknowledges the presence thereof to all the other members taking part and such participation shall be deemed to be presence in person;
  - (iii) each of the members taking part is able to hear each of them subject as hereinafter mentioned throughout the meeting;
  - (iv) the members present at the commencement of the meeting do not leave the meeting by disconnecting the telephone, but the meeting shall be deemed to have been conducted validly notwithstanding that a member's telephone is accidentally disconnected during the meeting and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected;
  - (v) all information and documents are made equally available to all participants prior to or at/during the meeting; and
  - (vi) minutes of the proceedings shall be sufficient evidence thereof and of the observance of all necessary formalities if certified by both the Chairman and the Secretary of the Committee.
- (d) Notice of meeting and board papers shall be given to all members of the Committee at least fourteen (14) working days and five (5) working days respectively before the date of meeting.
- (e) The Secretary shall discuss with the Senior Management and Chief Executive Officer/Group Managing Director on the agenda item. The final agenda for the meeting will be approved by the Committee's Chairman or in his absence, by any one of the Committee's members. The Secretary will inform/remind the relevant head of department to submit their report/materials on presentation to him/her at least six (6) working days before the date of meeting. In the case where the subject matter/agenda item is sensitive or otherwise confidential or in a state of flux, the report/materials/paper shall be directly circulated/presented at the meeting.



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- (f) Minutes of each 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 and shall be accepted as prima facie evidence without further proof of the facts stated therein. Such minutes shall be kept by the Secretary.
- (g) Any such resolution may consist of several documents in like form, each signed by one (1) or more members. Any such resolution may be accepted as sufficiently signed by a member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message purporting to include a signature of the member, followed by the original copy to be delivered to the Secretary of the Committee as soon as possible.
- (h) Question arising shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote provided that where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote.

### 6. FUNCTIONS AND DUTIES

- (a) To review regularly the Board's structure, size and composition, and make recommendations to the Board with regard to any adjustments that are deemed necessary, ensuring that:
  - (i) at least two (2) directors or one-third (1/3) of the Board, whichever is the higher, are independent;
  - (ii) at least one (1) director is a woman;
  - (iii) a director shall not hold more than 5 directorships in listed issuers;
  - (iv) none of the individual directors has exceeded their cumulative terms of nine (9) years; and
  - (v) Board and its Committees comprise an appropriate mix of skills, knowledge, experience, competencies, and diversity (including age and gender).
- (b) To ensure that individual directors who have exceeded their cumulative terms of nine (9) years, if continue to serve on the Board, must be re-designated to non-independent directors by obtaining shareholders' approval through a two-tier voting process.
- (c) To implement Policy on Nomination and Election Process and the Directors' Fit and Proper Policy for the appointment and re-election of Directors of the Company and its subsidiaries.



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- (d) To establish criteria and procedures necessary for assessing the effectiveness of the Board as a whole, its Committees and the contribution of each individual director.
- (e) To establish, maintain and periodically review the criteria used in the director recruitment process and annual performance assessments.
- (f) To select, assess and recommend new nominees for appointments to the Board.
- (g) To recommend to the Board the re-appointment of directors who are due for retirement by rotation at the annual general meeting.
- (h) To consider recommendations for candidates from a range of sources, including existing directors, major shareholders, management, and independent third parties.
- (i) To evaluate each director, chief executive officer and chief financial officer to ensure that they have the character, experience, integrity, competence and time to effectively discharge their roles.
- (j) To help new Board members get oriented and identify the training programs directors should take.
- (k) To review the Board's succession plans.
- (l) To establish a policy formalizing the Board's approach to boardroom diversity.
- (m) To introduce regulations, guidelines, and procedures to help the Committee to function effectively and achieve its objectives.

### **7. AUTHORITY**

The Nomination Committee has no authority to act on behalf of the Board but shall have authority to examine all the issues at hand and to report back to the Board with recommendations. It shall be governed by its terms of reference duly approved by the Board and which may be amended from time to time by resolution.

### **8. REPORTING PROCEDURE**

- (a) The actual decision as to who shall be appointed to the Board shall be the responsibility of the full Board after considering the recommendation of the Committee.



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- (b) Reporting to the full Board from time to time its recommendations for consideration and implementation.

### **9. REVIEW OF NOMINATION COMMITTEE**

The Board shall review the effectiveness of Nomination Committee and its members' term of office annually.