

Terms of Reference of Nomination Committee

1. Composition

The Nomination Committee shall comprise exclusively of non-executive directors, a majority of whom must be independent. The Nomination Committee shall be chaired by an independent director or senior independent director identified by the Board of Directors (“the Board”).

2. Responsibilities of the Nomination Committee

The Nomination Committee shall assume the following responsibilities:-

- (i) To recommend to the Board new candidate(s) for appointment (taking into account the gender diversity) and to recommend to the Board re-appointment/re-election of directors. In making a recommendation to the Board on the candidate(s) for directorship, the Nomination Committee should consider the skills, knowledge, ability, expertise, experience, professionalism and integrity of the candidate(s), and any potential conflict of interest. In the case of candidates for the position of independent non-executive directors, the Nomination Committee shall also evaluate the candidates’ ability to discharge such responsibilities or functions as expected from independent non-executive directors.
- (ii) To conduct annual assessment on Board, Board Committees and individual Directors and to annually review, or as required, the required mix of skills, diversity, business and professional experiences that should be added to the Board.
- (iii) To appraise each individual Director in terms of his experience, knowledge, credibility and credential, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member.
- (iv) To examine the ability of each Director in contributing to the effective decision making process of the Board and ensure that the Board and Board Committees are functioning actively, efficiently and effectively in all its decision making.
- (v) To review, when necessary, the criteria to assess independence of the Independent Directors of the company.
- (vi) To assess the effectiveness of the Board as a whole and the Committees of the Board.
- (vii) To annually review the term of office and performance of the Audit and Risk Management Committee.
- (viii) To review the Board’s succession plans from time to time, taking into account the challenges faced by and/or opportunities available to the Company, the skills and knowledge, including diversity needed by the Board in future.

- (ix) To ensure orientation and educational programmes are provided for new members of the Board, and to review/evaluate and/or determine the Directors' continuing education programmes that aid the Directors in discharge of their duties.
- (x) To carry out such other functions or assignments as may be delegated by the Board from time to time within the scope of the Nomination Committee.

3. Chairman

The Chairman of the Nomination Committee shall:-

- (i) Lead the succession planning and appointment of members of the Board, including the future Chairman and Managing Director and/or Chief Executive Officer.
- (ii) Lead the annual review of the Board effectiveness, ensuring that the performance of each individual director is independently assessed.

4. Nomination and election process

The nomination and election process of new member(s) of the Board are as follows:-

- (i) review annual Board assessment and evaluation.
- (ii) determine required mix of skills and experience of the current Board.
- (iii) source for suitable candidate(s), and to utilise independent sources to identify suitable candidate(s), if necessary.
- (iv) evaluate and match the criteria of the candidate(s); and
- (v) recommend the candidate(s) to the Board for appointment.

5. Meetings

The Nomination Committee shall meet at least once a year or as and when necessary.

Notice of Meeting together with the agenda shall be issued not less than 7 days before the Meeting unless such requirement is waived by the Nomination Committee. The quorum for a Meeting shall be 2 members. The Meetings and proceedings of the Nomination Committee are governed by the provisions of the Company's Constitution.

6. Secretaries

The Company Secretaries shall be the Secretaries of the Nomination Committee and, with the concurrence of the Chairman, to draw up and circulate the notice of Meeting inclusive of agenda prior to a Meeting.

The Secretaries of the Committee shall be entrusted to record all proceedings and minutes of each Meeting. The minutes of each Meeting shall be kept at the registered office of the Company and minutes of the Meetings shall be circulated to the Committee and be tabled to the Board.

7. Circular Resolution

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

This Terms of Reference is approved and adopted by the Board on 13 February 2020 and is also available for reference in the Company's website at www.anekajaringan.com.my. This Terms of Reference shall be reviewed from time to time and updated in accordance with the needs of the Nomination Committee and the Company, and any new regulations that may have an impact on discharge of responsibilities of the Nomination Committee.