

KJTS GROUP BERHAD
Registration No. 202201020004 (1465701-T)

TERMS OF REFERENCE OF THE NOMINATING COMMITTEE

1. PURPOSE AND OBJECTIVES

The objective of the Terms of Reference of the Nominating Committee (“NC”) is to establish a documented, formal and transparent procedure for the NC to support and advise the Board of Directors (“Board”) of KJTS Group Berhad (“Company”) in fulfilling their responsibilities in overseeing the selection and also assessment of the performance of the Directors, Board Committees and senior management on an on-going basis.

2. COMPOSITION AND MEMBERSHIP

2.1 Members of the NC shall be appointed by the Board amongst its Directors and shall comprise at least three (3) members, all of whom must be Non-Executive Directors, and a majority of whom must be Independent Non-Executive Directors.

2.2 The Chairman of the Board must not be a member of the NC.

2.3 Where the members of the NC for any reason are reduced to less than three (3), the Board shall based on the recommendation of the NC, within three (3) months from the occurrence of the event, appoint such number of new member(s) as may be required to make up the minimum number of three (3) members.

3. CHAIRMAN

3.1 The Chairman of the NC shall be appointed by the Board and shall be an Independent Non-Executive Director or the Senior Independent Non-Executive Director.

3.2 In the absence of the Chairman of the NC, the other members of the NC shall amongst themselves elect a Chairman who must be an Independent Non-Executive Director to chair the meeting.

4. SECRETARY

The Company Secretary shall be the Secretary of the NC.

5. QUORUM AND MEETING PROCEDURES

5.1 The NC shall meet at least once a year or as and when the NC deems necessary to fulfil its responsibilities.

5.2 If any member is unable to be physically present, he/she may choose to participate by means of a conference telephone or any other audio, or audio-visual, communication equipment which allows all persons participating in the meeting to hear and speak with each other and the person shall be deemed to be present in person and shall be entitled to vote or be counted in a quorum accordingly.

KJTS GROUP BERHAD
Registration No. 202201020004 (1465701-T)
Terms of Reference of the Nominating Committee

- 5.3 The main venue of the meeting shall be the place where the Chairman is present.
- 5.4 The quorum for the meeting shall be two (2) members; majority of members present must be Independent Non-Executive Directors.
- 5.5 The Company Secretary, in consultation with the Chairman of the NC, shall draw up the agenda of the meeting. The agenda, together with the relevant supporting papers, shall be circulated at least five (5) business days, or shorter notice where it is unavoidable prior to each meeting to the members of the NC.
- 5.6 The NC may, as and when deemed necessary, invite any Board members or any member of management or consultants, who the NC thinks fit, to attend its meetings to assist and provide pertinent information as necessary.
- 5.7 A matter put to vote at the NC meetings shall be decided by a simple majority of the votes, each member of the NC having one (1) vote. In the event of an equality of votes, the Chairman has a second or casting vote.
- 5.8 A member of the NC who has an interest or is involved directly or indirectly in any matter under consideration by the meeting, shall abstain from deliberating and voting.

6. MINUTES

- 6.1 Upon conclusion of the NC meeting, the minutes are to be circulated in a timely manner. The Company shall cause minutes of all proceedings of the NC meeting to be entered in books for that purpose. Minutes of each meeting shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 6.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any NC member or Board member.
- 6.3 The minutes of each NC meeting shall be distributed to the Board members for notation.

7. WRITTEN RESOLUTION

- 7.1 A resolution in writing signed by a majority of the NC members for the time being (in accordance with the quorum that is required for a NC meeting) shall be as valid and effectual as if it had been passed at a meeting of the NC duly called and constituted.
- 7.2 The resolution may consist of several documents in like form, each signed by one (1) or more NC members. Such document may be accepted as sufficiently signed by a NC member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said NC member.

8. REPORTING

The NC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each NC meeting. When presenting any recommendations to the Board for approval, the NC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

9. AUTHORITY

The NC shall in accordance with a procedure to be determined by the Board and at the expense of the Company:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to all information and documents within the Group to perform its duties;
- (c) obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary; and
- (d) use a variety of approaches and sources to ensure that it is able to identify suitable candidates.

All the recommendations of the NC are subject to the approval of the Board of the Company.

10. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the NC are as follows:-

10.1 Size and composition of the Board and Board Committees

- (a) consider and recommend to the Board for approval, the appropriate size of the Board and Board Committees to facilitate effective decision making after taking into consideration the scope and nature of the operations of the Group; and
- (b) recommend to the Board the appointment of members of the Board and each Board Committee;

10.2 Directors and senior management

- (a) identify, consider and recommend to the Board suitable candidates for appointment of Directors including the current composition of the board and the tenure of each director. The NC shall not solely rely on recommendations from existing board members, management or major shareholders, but will also utilise independent sources to identify suitably qualified candidates. In making the recommendations, the NC shall:-

KJTS GROUP BERHAD

Registration No. 202201020004 (1465701-T)

Terms of Reference of the Nominating Committee

- assess the candidates' skills, expertise, experience, professionalism, reputation and track record, commitment; integrity, character and competence;
 - consider Board diversity including age and gender diversity;
 - in the case of candidates for the position of Independent Non-Executive Directors, evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors including the fulfilment of the independence criteria;
 - ability to understand financial statements and form a view on the information presented; and
 - such other criteria and attributes that may be deemed relevant by the NC.
- (b) if the selection of candidates was solely based on recommendations made by existing Board members, management or major shareholders, the NC should explain why these sources are deemed sufficient and other sources were not used;
- (c) evaluate, review and assess performance of the Board and senior management including, taking into consideration the Company's performance in managing material sustainability risks and opportunities and the achievement of sustainability targets;
- (d) to establish and review the terms and conditions of employment of Executive Directors and key senior management of the Group having regard to their duties and responsibilities;
- (e) conduct the fit and proper assessment prior to making recommendation for the appointment of any candidate as a Director or making recommendation for the re-election of an existing Director who is retiring by rotation pursuant to the Company's Constitution at the annual general meeting of the Company;
- (f) recommend to the Board the appointment, cessation, suspension, dismissal and/or any senior management movement including re-designation, re-deployment, transfer or secondment of such senior management of the Group;
- (g) develop and review criteria for the annual assessment of the Board, Board Committees and Directors;
- (h) review and recommend to the Board, the development and implementation of the relevant policies and procedures on nomination related matters concerning the Group;
- (i) establish and oversee the application of the Company's diversity policy for the Board and key senior management;
- (j) ensure the Board maintain at least 30% women directors and to review the participation of women in senior management to ensure there is healthy talent pipeline;

- (k) review Board and senior management succession plans and overseeing the development of a diverse pipeline for Board and management succession, including the future chairman, managing director and executive director(s);
- (l) recommend to the Board the removal of a Director or senior management if he/she is ineffective, errant or negligent in discharging his/her responsibilities;
- (m) review the application of the Company's fit and proper policy in the nomination and re-election of its Directors into the Nomination Committee Statement in the Annual Report;
- (n) facilitate Board induction programme for newly appointed Directors; and
- (o) to undertake an annual review of the training programmes attended by the Directors for each financial year as well as training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with development in the industry, regulatory changes and board business trends;

10.3 Annual Assessment

- a) assess annually the effectiveness of the Board as a whole, Board Committees, and the contribution of each individual Director and the Managing Director having regard to his/her character, competence, integrity, experience and time commitment, the required mix of skills and experience and other qualities including core competencies which Non-Executive Directors should bring to the Board. All assessments and evaluation carried out by the NC in the discharge of its duties shall be disclosed in the Annual Report;
- b) review the tenure of each Director and ensure that the annual re-election of a Director is based on satisfactory evaluation of the Director's performance and contribution to the Board;
- c) review and assess the independence of Independent Directors on an annual basis and determine if the Independent Directors can bring independence and objective judgement for Board deliberations;
- d) review annually the term of office, effectiveness and performance of the Board Committees and each of its members to determine whether the Board Committees and its members have carried out their duties in accordance with their respective terms of reference; and
- e) review the NC's own performance annually and to present the results to the Board;

10.4 Others

- a) consider and examine such matters as the NC considers appropriate; and
- b) carry out such other duties or functions as may be delegated by the Board from time to time or required by the regulatory authority.

11. REVIEW OF THE WRITTEN TERMS OF REFERENCE

11.1 Any amendments to these terms of reference of the NC shall be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the NC's responsibilities.

11.2 The written terms of reference will be made to public on the Company's website.