



KWANTAS CORPORATION BERHAD

Nomination Committee Terms of Reference

1. Purpose

In discharging the Board duties, the Board of Directors of Kwantas Corporation Berhad (“Kwantas” or “the Company”) has established a committee of the Board to be known as the Nomination Committee on 15 November 2001. The Nomination Committee is entrusted by the Board to identify, recommend and appoint the right candidates to the Board and it is governed by the terms of reference set forth below.

2. Membership and Composition

The Nomination Committee members shall be appointed by the Board from among themselves and shall comprise of not less than three (3) members. The members comprise exclusively of Independent Non-Executive Directors. No Alternate Director shall be appointed as a member of the Nomination Committee.

In the event of any vacancy in the Nomination Committee resulting in the non-compliance of the above, the Board of Kwantas must fill the vacancy within three (3) months from the date of change.

3. Chairman

The Chairman of the Nomination Committee shall be selected from amongst the Nomination Committee members who shall be a Senior Independent Non-Executive Director.

4. Secretary

The Company Secretary of the Company shall be the Secretary of the Nomination Committee. The Secretary shall:-

- (i) ensure all appointments to the Nomination Committee are properly made;
- (ii) ensure the Nomination Committee meetings are arranged and held accordingly and the meeting agenda is drawn up in consultation with the Chairman of the Nomination Committee and the agenda together with relevant papers are circulated at least seven (7) days before the commencement of the meeting; and

- (iii) ensure all proceedings of Nomination Committee meetings are minuted and properly kept.

5. Meetings

5.1. Quorum

The quorum for the Nomination Committee meeting shall be two (2) members. In the absence of the Chairman of the Nomination Committee, the members present shall elect one (1) of their members to chair the meeting.

5.2. Frequency

The Nomination Committee shall meet at least once in each financial year. Additional meetings may be caused as and when required. The Nomination Committee may also pass circular resolutions in writing signed by a majority of the members of the Nomination Committee which shall be valid and effectual as if it is passed at a meeting of the Nomination Committee duly convened and held.

5.3. Venue and Participation

Meeting of the Nomination Committee may be held concurrently at two (2) or more venues within or outside Malaysia by ways of telephone or video conferencing or any other means of audio-visual communications and the members shall be deemed to be present in person and be counted in a quorum accordingly.

5.4. Notice

Except in the case of emergency, at least seven (7) days notice of each Nomination Committee meeting shall be served in writing to the members by fax or by email or by post to his registered address as appearing in the Register of Directors.

5.5. Attendance

The Nomination Committee may invite any officers of the Company to attend the meetings if it deems necessary to carry out the Nomination Committee's responsibilities.

6. Duties and Responsibilities

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

- 6.1. To identify and recommend suitably qualified candidates to the Board for new appointment of Directors. In making such a recommendation, the Nomination Committee will take into considerations of the candidate's character, integrity, core

competencies, experiences, reputation and time committed to effectively discharge his/her role as a Director of the Company.

- 6.2. To regularly review the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed appropriate.
- 6.3. To assess annually, the effectiveness of the Board and Board Committees and the required mix of skills and requisite competencies and capabilities of the members of the Board to discharge their fiduciary duties.
- 6.4. To review annually, the independence of Independent Directors and to recommend whether the member should be continuing in office as an Independent Director after serving a cumulative term of nine (9) years.
- 6.5. To ensure newly appointed Directors go through a proper induction programme and to continuously evaluate the training and professional development programmes for existing members of the Board.
- 6.6. To carry out succession planning for the Board and the Chief Executive Officer.
- 6.7. To recommend Directors who are retiring by rotation to be put forward for re-election. All Directors including the Managing Director shall retire and be eligible for re-election by rotation at least once in every three (3) years and one-third ($\frac{1}{3}$) of the Board shall retire by rotation and shall be eligible for re-election at each Annual General Meeting. Newly appointed Directors shall hold office until the next Annual General Meeting and shall be eligible for re-election.

7. Review of the Terms of Reference

The terms of reference of the Nomination Committee shall be reviewed from time to time to determine its adequacy for the current circumstances, the Company's policies and applicable rules and regulations.