

# **IBRACO BERHAD**

(Company No. 011286-P)

**Incorporated in Malaysia**

## **NOMINATION COMMITTEE**

### **TERM OF REFERENCE**

#### **COMPOSITION**

- a) The Committee shall consist of at least three (3) members, all of whom shall be duly appointed by the Board. An independent director shall act as Chairman of the Committee.
- b) The Committee shall comprise exclusively of non-executive directors, a majority of whom must be independent.
- c) The membership of any member shall automatically terminate in the event that the member ceases to be a non-executive director in accordance with paragraph (b) above.

#### **AUORITY**

- a) The Board has constituted the Committee with the authorities necessary to perform the duties set out in this Term of Reference.
- b) The Committee, within the scope of its assigned duties, is authorised to seek any information it requires from employees, company officials and external parties.
- c) The Committee may engage advisers or otherwise obtain such independent legal or other professional services, as it requires, at the expense of the Company, with prior consent of the Board.
- d) The Board will provide the Committee with sufficient resources to undertake its duties, including access to the company secretariat.

#### **SECRETARY**

The Company Secretary shall be the secretary of the Committee.

#### **MEETING**

- a) The quorum necessary for the transaction of business shall be two of whom at least one must be an Independent Director.
- b) The Committee Chairman shall have a second or casting vote. However, where only 2 member (including Committee Chairman) are competent to vote on question at issue, the Committee Chairman shall not have a casting vote.
- c) The Committee shall meet at least once a year.

- d) Only the Committee members shall be entitled to participate in Committee meetings. Other members of the Board or key management personnel or any other person may attend the meeting of the Committee on the invitation of the Committee as the Committee shall deem fit and necessary.
- e) Meetings of the Committee shall be arranged by the Committee Secretary at the request of the Committee Chairman or any other member of the Committee.
- f) Notice of each meeting shall be forwarded to each Committee member and to other attendees (as appropriate) in advance together with an agenda and supporting papers. The Committee Secretary shall ensure that agenda and supporting papers are received by the Committee members in a timely manner.
- g) The Committee Secretary shall promptly circulate draft meeting minutes to the Committee Chairman for review and subsequently to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board, unless a conflict of interest exists.
- h) The Committee Chairman shall report the outcome of the Committee meeting to the Board and seek for approval or decision, if required.
- i) The Committee is allowed to exercise control on routine matters that require the Committee's recommendation through the dissemination of Committee Circular Resolution.

## **ANNUAL GENERAL MEETING**

The Committee Chairman shall be available to answer questions on the Committee's activities at the Annual General Meeting of the Company.

## **DUTIES**

### Appointments

- a) To assess and recommend appointment of new Directors and Senior Management, taking into consideration their background, knowledge, integrity, competency, experience and their commitment. In addition, for the position of independent non-executive directors, the nominating committee should also evaluate the candidates' ability to discharge such responsibilities as expected from independent non-executive directors.
- b) On re-election and re-appointment of directorship, to consider the said director's expertise, skill, knowledge and experience against other members of the Board, as well as their role as committee members.
- c) For retention of independent directors who have served as independent directors beyond nine years, the Committee shall provide strong justification and seek shareholders' approval. In obtaining the shareholders' approval, the Committee shall conduct an assessment of the independent director(s) and recommend to the Board whether the independent director(s) should remain independent or be re-designated.

- d) Recommend to the Board, candidates to fill the seats on Board committees in consultation with the chairmen of Board committees. In the event that the chairman's position (regardless of board/committee) is to be filled, the Committee shall consult the Board.

#### Annual Assessment

- e) To review annually the mix of skills, knowledge, professionalism, integrity and experience, and other qualities to enable the Board to function completely and efficiently.
- f) Review the size, structure and composition of the Board.
- g) Annual assessment that the number of independent directors on the Board is sufficient to meet the regulatory requirements, and make such recommendation to the Board, where necessary.
- h) Annual evaluation of the Board's and Board Committees' performance. Performance assessment shall be used to assess whether the directors are spending enough time to fulfil their duties.

#### Continuous Education/Development

- i) The Committee shall from time to time identify suitable orientation, educational and training programmes for continuous development of directors.

#### Gender Diversity

- j) The Committee shall establish a gender diversity policy to ensure due consideration is given to female candidates as Director, Board Committee member and/or Senior Management.

#### Succession Planning

- k) The Committee shall review the leadership needs of the Company.
- l) Identify and develop succession plan for those in key positions in senior management.
- m) Identify and determine any future critical position.
- n) Make recommendation to the Board concerning the succession plan for Directors, in particular the Chairman and Managing Director and the re-appointment of Director at the conclusion of the term of office.
- o) Make recommendation to the Board concerning the recommendation to shareholders for re-election of any Director under the retirement by rotation provision in the Company's Articles of Association.
- p) Make recommendation to the Board concerning the continuation (or not) in service of any Director who has reached the age 70.