

## **NOMINATION POLICY**

### **1. OBJECTIVES**

The Nomination Committee (“the Committee”) assists the Board of Directors (“Board”) in ensuring that it has an effective composition of Board members to discharge its stewardship responsibilities and objectives in:-

- 1.1 Making recommendations to the Board on the appointment and re-appointment of Directors, and succession planning for Directors; and
- 1.2 Continuous assessment of the effectiveness of the Board and individual Directors.

### **2. SELECTION CRITERIA**

2.1 When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:-

- (a) Reputation for integrity;
- (b) Accomplishment, experience and reputation in the technology industry and other relevant sectors;
- (c) Commitment in respect of sufficient time, interest and attention to the Company’s business;
- (d) Diversity in all aspects, including but not limited to gender, age, cultural / educational and professional background, skills, knowledge and experience;
- (e) The ability to assist and support Management and make significant contributions to the Company’s success;
- (f) Compliance with the criteria of independence as prescribed under Bursa Malaysia Securities Berhad Main Market Listing Requirements (“MMLR”) for the appointment of an Independent Non-Executive Director; and
- (g) Any other relevant factors as may be determined by the Committee or the Board from time to time.

2.2 The appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board shall be made in accordance with the Company’s Constitution and other applicable rules and regulations.

### **3. NOMINATION PROCEDURES**

3.1 The Company Secretary of the Committee shall convene a meeting and invite nominations of candidates from Board members (if any), for consideration by the Committee. The Committee may also nominate candidates for its consideration.

- 3.2 **In the context of appointment** of any proposed candidate to the Board, the Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval.

The Committee does not solely rely on recommendations from existing Board members, Management or major shareholders. The Company has set the consideration of other variety of approaches and independent sources to identify suitable candidate for appointment of Directors as one of the key priorities to consider.

- 3.3 **In the context of re-appointment** of any existing member(s) of the Board, the Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.

- 3.4 **In the context of retention of Independent Director exceeding the cumulative term of**

(a) Nine (9) years : the Committee shall assess the independence of the Director , justify and seek annual shareholders' approval if the Board intends to retain him or her as the Independent Director of the Company:-

(b) Beyond twelve (12) years: the Committee shall assess the independence of the Director and disclose the findings to the shareholders. In addition, the Company to adopt two-tier voting process in accordance to the Malaysian Code on Corporate Governance in seeking annual shareholders' approval if the Board intends to retain him or her as the Independent Director of the Company.

- 3.5 The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

#### **4. PERFORMANCE EVALUATION**

- 4.1 The Board Performance Evaluation has taken into account the enumerations from the relevant corporate governance promulgations including the Companies Act 2016, Capital Markets and Services Act 2007 (Amendment 2012), MMLR and Malaysian Code on Corporate Governance. Where applicable, references were also drawn from other better practices.

- 4.2 The Committee shall conduct an annual evaluation of individual performance of directors and collective performance of the Board and Board Committees.

- 4.3 In discharging the above responsibilities, the Committee needs to report the following to the Board:-

- i. The effectiveness of the present size of the Board and Board Committees;
- ii. The effectiveness of the composition of the Board and Board committees in relation to the mix of Independent Directors, Non-Executive Directors and Executive Directors;
- iii. The effectiveness of the composition of the Board and Board Committees in relation to the mix of skills, knowledge, expertise, experience, professionalism, integrity and other qualities, including core competencies which Non-Executive Directors should bring to the Board;

- iv. The existence or potential existence of conflict of interests, of any present Directors or any new Directors who may be nominated, with the businesses of the Company;
- v. To assess the independence of the Independent Directors of the Company;
- vi. The contribution of individual directors in relation to the effective decision making of the Board; and
- vii. To determine a continuous education program for Board members to upgrade their skills in enhancing their effective contribution.

4.4 The set of criteria for the assessment of all Directors including Independent Directors are enumerated below:-

**Criteria for Board Evaluation:-**

- Assessment of achievement against mandate.
- Evaluation of organisation performance against industry norms and measurement of performance indicators.
- Achievement of Board objectives, quality of decisions (value-adding).
- Ability to conduct business honestly, ethically and professionally.
- Effective committee structures.
- Collective responsibility and teamwork demonstrated.
- Compliance with Malaysian Code of Corporate Governance and MMLR.
- Frequency and duration of Board meetings; relevance and completeness of agendas.
- Information and advice received was relevant, adequate and timely.
- Effective reporting – disclosure, transparency, clarity.
- Monitoring and feedback process effective.
- Ability to innovate, change, improve and learn.
- Ability to engage and interact with stakeholders (including staff) effectively.

**Criteria for Director Evaluation:-**

- Commitment in terms of time and effort;
- Attendance at Board meetings;
- Ability to participate actively and contribute;
- Exposure to orientation, upgrading knowledge base;
- Knowledge of company, industry;
- Understanding company's mission, vision, strategic plans;
- Bringing special expertise to the Board;
- Team player;
- No conflict of interest.

4.5 The evaluation forms shall be circulated by the Company Secretary to each of the Directors to complete the Board, Board Committees and individual performance evaluation. The Company Secretary is then responsible to tabulate the results and present to the Committee together with agreed action plans to address the gaps, if any, for deliberation and onward submission to the Board.

## **5. REVIEW OF POLICY**

This Policy is subject to regular review by the Committee and will be amended as appropriate to reflect the current best practices and approved by the Board.

## **6. DISCLOSURE**

- This Policy is available on the Company's website for public information.
- A summary of this Policy, and the progress on achieving the objectives set in this Policy, will be disclosed in the Annual Report of the Company annually.