

BERTAM ALLIANCE BERHAD

(Registration No. 199401019851 (305530-A))
(Incorporated in Malaysia)

TERMS OF REFERENCE FOR NOMINATION COMMITTEE

(Revised and adopted on 17 April 2019)

1. OBJECTIVE

The primary objective of the Nomination Committee ("Committee") is to establish a documented, formal and transparent procedure to support and advise the Board of Directors ("Board") in fulfilling their responsibilities to shareholders in ensuring the Board are comprised of individuals with an optimal mix of qualifications, skills and experience.

2. COMPOSITION

The members of the Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise exclusively Non-Executive Directors, at least three (3) members, a majority of whom are Independent Directors.

The Chairman of the Committee shall be an Independent Director or the Senior Independent Director elected from amongst the Committee members.

No alternate director shall be appointed as a member of the Committee. The term of office and performance of the Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their terms of reference.

If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

3. AUTHORITY

- i) The Committee is authorised to seek any information it requires from management of the Company in order to perform its duties.
- ii) The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- iii) The Committee is authorised by the Board to obtain, at the Company's expense, external legal or other professional advice on any matters within its terms of reference.

4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the Committee shall undertake, amongst others, the following duties and responsibilities:

- i) The Committee shall undertake an annual review of the Board's succession plans, taking into consideration, the present size, structure and composition of the Board and Board Committees as well as the required mix of skills, experience and competency required and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- ii) The Committee has to facilitate the evaluate the effectiveness of the Board as a whole, the various Committees and each individual Director's contribution to the effectiveness on the decision-making process of the Board;
- iii) The Committee shall give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board in the future;
- iv) The Committee shall be responsible for identifying and make recommendation to the Board on new candidates for election/appointment to the Board or to fill board vacancies as and when they arise;
- v) The Committee shall ensure that orientation and education programmes are provided for new members of the Board;
- vi) The Committee shall recommend to the Board concerning the re-election/re-appointment of Director to the Board pursuant to the provisions in the Company's Constitution;
- vii) In determining the process for the identification of suitable candidates, the Committee will ensure that an appropriate review is undertaken to ensure the requirement and qualification of the candidate nominated based on a prescribed set of criteria comprising but not limited to the following:
 - a) Skills, knowledge, expertise and experience;
 - b) Professionalism;
 - c) Integrity;
 - d) Existing number of directorships held;
 - e) Confirmation of not being an undischarged bankrupt or involved in any court proceedings in connection with the promotion, formation or management of a corporation or involving fraud or dishonesty punishable on conviction with imprisonment or subject to any investigation by any regulatory authority under any legislation; and
 - f) In the case of candidates being considered for the position of independent director, such potential candidates have the ability to discharge such responsibilities/functions as expected from independent non-executive directors. Amongst others, the potential candidates must fulfil the criteria used in the definition of "independent directors" prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and being able to bring independent and objective judgement to the Board.

Where required, the members of the Committee would meet up with potential candidates for the position of director to conduct an assessment of the suitability.

(Note: The Group practices non-discrimination in any form whether based on age, gender, ethnicity or religion throughout the organisation and this includes the selection of directors).

- viii) The Committee shall undertake an annual review of the training programmes attended by the Directors for each financial year as well as the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends; and
- ix) The Committee shall provide a report summarising its activities for the year in compliance with the Malaysia Corporate Governance Code, Listing Requirements and any relevant regulations. The report can be incorporated into the corporate governance statement in the annual report or included as a separate report.

5. MEETINGS OF THE COMMITTEE

The Committee shall meet at least once a year and as frequently as may be required.

In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non-Executive Director.

Subject to the notice and quorum requirements as provided in the Terms of Reference, meeting of the Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

6. QUORUM

The quorum for a meeting of the Committee shall consist of two (2) members.

7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than seven (7) days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

8. SECRETARY AND MINUTES

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the Committee. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Committee and ensure that the minutes are properly kept and produced for inspection if required.

9. CIRCULAR RESOLUTION

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

10. REVISION AND UPDATES

Where necessary, this Terms of Reference will be reviewed and updated to ensure it remains consistent with the Committee's objectives and responsibilities.

END.