



A-RANK BERHAD

Registration No: 200301031200 (633621-X)
(Incorporated in Malaysia)

TERMS OF REFERENCE – NOMINATION COMMITTEE

(V5-2024 - Approved by Board on 25 June 2024)

TABLE OF CONTENTS

1. INTRODUCTION	1
2. COMPOSITION	1
3. DUTIES AND RESPONSIBILITIES	1
4. AUTHORITY	2
5. MEETING, MINUTES AND PROCEDURE	2
6. SELECTION OF DIRECTORS.....	3
7. ASSESSMENT OF DIRECTORS AND SENIOR MANAGEMENT	3
8. REVIEW	3

1. INTRODUCTION

The objective of the Committee is to nominate and recommend to the Board of Directors ("Board") the suitable candidates for directorship whenever there is a vacant seat in the Board. The policies and procedures are periodically reviewed and made available on the Company's website.

2. COMPOSITION

The members of the Nomination Committee ("NC" or "Committee") shall be appointed by the Board from amongst their number, consisting wholly of Independent Non-Executive Directors and shall consist of not less than three (3) members.

The members of the Committee shall elect the Chairman from amongst their members.

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

3. DUTIES AND RESPONSIBILITIES

The NC's primary duties and responsibilities are as follows:

- (a) To make recommendations to the Board on:
 - Candidates to be appointed as Director to fill the Board;
 - Directors to fill seats on Board Committees;
 - Plans for succession for Directors and ensuring that there is an appropriate balance of skills on the Board;
 - Re-election of Directors retiring by rotation pursuant to the provisions of the Constitution of the Company and the regulations of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; and
 - Continuation of Independent Non-Executive Directors who have served the Company for a cumulative term of office of nine (9) years;
- (b) To assist the Board in annually reviewing the required mix of skills, experience and other qualities, including core competencies, which Directors should bring to the Board;
- (c) To annually carry out the process for evaluating the effectiveness of the Board as a whole, the Board Committees the performance and contribution of the individual Directors, including Independent Non-Executive Directors, as well as the Managing Director, Executive Director and Finance Manager, the independence of the Independent Non-Executive Directors and to identify areas for improvement;
- (d) To review annually, the term of office and performance of the Audit Committee and each of its members to determine whether the Audit Committee and members have carried out their duties in accordance with the Terms of Reference of the Audit Committee;
- (e) To assess the training needs for Directors and review the fulfillment of such training needs;

- (f) To assist the Board in assessing and evaluating circumstances where a Director's involvement outside the Group may give rise to a conflict of interest or potential conflict of interest with the Group's businesses, upon receiving declaration of the same from the Director and thereafter, to inform the Audit Committee ("AC") of the same. After deliberation with the AC, to recommend to the Board the necessary actions to be taken in circumstances where there is a conflict of interest; and
- (g) To review the performance of the Executive Directors and Senior Management against the Sustainability Targets set out in the respective KPIs.

The criteria to be considered in appointment and re-appointment of Directors to the Board are to be guided by the Board's Fit and Proper Policy approved by the Board.

4. AUTHORITY

The NC is authorised by the Board within its Terms of Reference and at the cost of the Group to perform its duties.

The NC is authorised to making reference to business associates and professional bodies in the process of selecting suitable candidates for Directorship.

5. MEETING, MINUTES AND PROCEDURE

Meetings are to be held as and when necessary, and at least once a year. The quorum for each meeting shall be two (2) members. Meetings 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.

The Company Secretary or his nominee or such other persons authorised by the Board shall act as Secretary of the NC and in conjunction with the Chairman, shall draw up the agenda which shall be sent to all members of the NC and other persons who may be required/invited to attend.

The Managing Director, Executive Director and/or any officers of the Group may attend and make presentations at meetings.

The NC decides its own procedures and other administrative arrangements. The Chairman of the Committee reports to the Board after each NC meeting. Minutes of each meeting are kept by the Company Secretary as evidence that the Committee has discharged its functions.

A resolution in writing signed by a majority of the Committee members for the time being entitled to receive notice of meeting of the Committee, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Committee members. Any such document may be accepted as sufficiently signed by a Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Committee member.

6. SELECTION OF DIRECTORS

The NC is responsible to assess, evaluate and recommend a new member to the Board after taking into consideration the following criteria:

- age, ethnicity, gender, skill and expertise, working experience, industry knowledge, educational qualification, integrity, competence and characteristics;
- willingness and ability to discharge effectively the duties as a director, including the number of directorships in other public listed companies currently held by the candidate;
- able to devote sufficient time and energy to the performance of his/her duties as a director; and
- for the recommendation of an Independent Director, whether he/she meets the criteria of an Independent Director as specified by Practice Note 13 of the MMLR of Bursa Securities and whether he/she can act independently of management.

The Board upon the recommendation of the Committee, will evaluate the qualifications of a candidate and to decide on the appointment of the proposed candidate to the Board.

7. ASSESSMENT OF DIRECTORS AND SENIOR MANAGEMENT

The NC performed a formal and objective annual evaluation in assessing the performance of the Board, Board Committees, individual Directors and Senior Management.

The evaluation is performed based on the feedback from the respective Directors and Senior Management to the following questionnaire and evaluation forms distributed annually:

- Audit Committee Evaluation Questionnaire;
- Audit Committee Members' Self and Peer Evaluation Form;
- Board Skills Matrix Form;
- Board and Board Committees Evaluation Form;
- Directors and Senior Management's Evaluation Form; and
- Independent Directors' Self-Assessment Checklist.

8. REVIEW

This Terms of Reference is approved and adopted by the Board of Directors and the NC of A-Rank Berhad on 25 June 2024. The NC will review the Terms of Reference periodically, and discuss any changes that may be required and recommended any such changes to the Board for consideration and approval.