



A-RANK BERHAD

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

TERMS OF REFERENCE – NOMINATION COMMITTEE

(V6-2025 - Approved by Board on 24 June 2025)

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1. INTRODUCTION

The objective of the Nomination Committee ("NC" or "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 NC shall be appointed by the Board and shall comprise wholly Non-Executive Directors, with all members being Independent Directors. The Committee shall consist of not less than three (3) members.

The Chairman of the NC shall be elected by its members from amongst themselves.

If the number of NC members falls below three (3) due to cessation of membership, the Board shall, within three (3) months, appoint additional member(s) to meet the minimum requirement.

3. DUTIES AND RESPONSIBILITIES

The NC's primary duties and responsibilities are:

- (a) To make recommendations to the Board on:
 - Candidates for appointment as Directors to fill vacancies the Board;
 - Appointment of Directors to Board Committees;
 - Succession planning for Directors and ensuring that there is an appropriate balance of skills, experience, and diversity on the Board;
 - Re-election of Directors retiring by rotation in accordance with 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, or up to twelve (12) years subject to justifications and shareholders' approval as per MCCG;
- (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;
 - The Managing Director, Executive Director and Finance Manager; and
 - 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 they 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 a declaration from the Director. The Committee shall thereafter inform the Audit Committee ("AC") and, after deliberation with the AC, to recommend to the Board the necessary actions to be taken in circumstances where a conflict of interest exists;
- (g) To review the performance of the Executive Directors and Senior Management against the Sustainability Targets set out in the respective Key Performance Indicators (KPIs);
- (h) To ensure compliance with the Fit and Proper Policy, including considerations of integrity, professionalism, time commitment, and track record, in line with guidelines by Bursa Securities and the Securities Commission; and
- (i) To ensure compliance with Paragraph 15.06 of the MMLR that limits Directors to five (5) directorships in listed issuers.

The criteria for the appointment and re-appointment of Directors to the Board shall be guided by the Board's Fit and Proper Policy, as 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 further authorised to consult business associates, professional bodies, and other relevant sources in the process of identifying and evaluating suitable candidates for Directorship.

5. MEETING, MINUTES AND PROCEDURE

Meetings are to be held as and when necessary, but at least once a year. The quorum for a meeting shall be two (2) members. Meetings may be held and conducted in person through telephone or other communication tools that allows all participants to hear and interact with one another. 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 the quorum accordingly.

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

The Managing Director, Executive Director and/or other relevant officers may be invited to attend and present at meetings as necessary.

The NC shall determine its own procedures and administrative arrangements. The Chairman of the Committee reports to the Board on the proceedings and outcomes of each NC meeting. Minutes of each meeting shall be maintained by the Company Secretary as evidence that the Committee has discharged its functions.

A written resolution signed by a majority of the Committee members who are eligible to receive notices is considered valid, just like a resolution passed in a meeting. The resolution may consist of multiple copies, each signed by one (1) or more Committee members. Signatures sent by telex, telegram, facsimile, email or other electrical or digital means are acceptable, provided they include the NC member's signature.

6. SELECTION OF DIRECTORS

The NC is responsible for assessing, evaluating, and recommending potential candidates for appointment to the Board. The assessment shall consider, but not be limited to, the following criteria:

- Age, ethnicity, gender, skill and expertise, working experience, industry knowledge, educational qualification, integrity, competence and characteristics;
- Willingness and ability to effectively discharge the duties of 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
 - 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 shall conduct a formal and objective annual evaluation of the performance of the Board, Board Committees, individual Directors and Senior Management.

The assessment based on the feedback collected through the following tools, which are 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

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.

This Terms of Reference is approved and adopted by the Board of Directors and the NC of A-Rank Berhad on 24 June 2025.