



## ICT ZONE ASIA BERHAD

Registration No. 201901003459 (1312785-X)  
(Incorporated In Malaysia)

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### **TERMS OF REFERENCE FOR NOMINATION COMMITTEE**

#### **1. OBJECTIVE**

The primary objective of the Terms of Reference of the Nomination Committee of ICT Zone Asia Berhad (“**ICT Zone Asia**” or “**Company**”) 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 the right group of people, with an appropriate mix of skills, knowledge, experience and independent elements that fit the Company’s objectives and strategic goals.

#### **2. COMPOSITION**

The Nomination Committee shall consist of not less than three (3) members and shall comprise exclusively of non-executive directors, a majority of whom are independent. In this respect, the criteria for independence of the “independent directors” shall be as defined under the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**ACE LR**”).

The chairman of the Nomination Committee shall be an independent director, or the Senior Independent Director elected from among the Nomination Committee members.

No alternate director shall be appointed as a member of the Nomination Committee.

The term of office and performance of the Nomination Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties following the terms of reference.

If a member of the Nomination 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**

- (a) The Nomination Committee is authorised to seek any information it requires from management of the Company in order to perform its duties.
- (b) The Nomination 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.
- (c) The Nomination 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 Nomination Committee shall undertake, amongst others, the following duties and responsibilities:

- (a) To lead the succession planning and appointment of directors, and oversee the development of a diverse pipeline for board and management succession, including the future Chairman, Executive Directors and CEO;
- (b) To assist the Board in ensuring that the Board is of an effective composition, mix of skills, independence, diversity, size and commitment to adequately discharge its responsibilities and duties;
- (c) To ensure appropriate selection criteria and processes and to identify and recommend candidates who are fit and proper for directorships of the Company and members of the relevant Board committees to the Board. In identifying candidates for appointment of directors, the Nomination Committee should not rely solely on the recommendations from existing directors, management or major shareholders and independent sources are utilised to identify suitably qualified candidates;
- (d) In determining the process for the identification of suitable candidates, the Nomination 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 objective criteria and merit comprising but not limited to the following:
  - (i) Skills, knowledge, expertise, experience, age, cultural background and gender;
  - (ii) Professionalism;
  - (iii) Integrity;
  - (iv) Existing number of directorships held, including on boards of non-listed companies;
  - (v) 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
  - (vi) In the case of candidates being considered for the position of independent director, such potential candidates should 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 ACE LR and be able to bring independent and objective judgement to the Board.

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

*(Note: ICT Zone Asia and its subsidiaries (“Group”) practice non-discrimination in any form, whether based on age, gender, ethnicity or religion throughout the organisation, including the selection of directors).*

- (e) To assist the Board in assessing and evaluating circumstances where a director's involvement outside the Group may give rise to a potential conflict of interest with the Group's businesses, upon receiving the declaration of the same from the director and thereafter, to inform the Audit and Risk Management Committee ("**ARMC**") of the same. After deliberation with the ARMC, to recommend to the Board the necessary actions to be taken in circumstances where there is a conflict of interest;
- (f) To evaluate the performance and effectiveness of the Board and the relevant Board committees annually, ensuring that the performance of each individual director and Chairman of the board is independently assessed;
- (g) To ensure that every director, including the executive directors, shall be subject to retirement at least once every three (3) years. A retiring director shall be eligible for re-election;
- (h) To recommend to the Board the re-election of directors by shareholders. In instances where an independent non-executive director is to be retained beyond nine (9) years, the Nomination Committee shall conduct an assessment of the independent non-executive director(s) and recommend to the Board whether they shall remain independent or be re-designated as a non-independent non-executive director;
- (i) To review the term of office and performance of the ARMC and each of its members annually to determine whether the ARMC and its members have carried out their duties following the terms of reference; and
- (j) To ensure an appropriate framework and succession planning for Board and management succession, including the future chairman, managing director, executive directors and chief executive officer.

## **5. MEETINGS OF THE COMMITTEE**

The Nomination 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 Nomination 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, a meeting of the Nomination 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 Nomination Committee shall consist of two (2) members. In the absence of the chairman, the members present shall elect a chairman for the meeting from amongst the members present.

## **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 Nomination 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 Nomination Committee members and 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 Nomination Committee. The company secretary shall record, prepare and circulate the minutes of the meetings of the Nomination Committee and ensure that the minutes are properly kept and produced for inspection if required.

Minutes of each meeting shall be kept at the registered office and distributed to each member of the Nominating Committee and also to the other members of the Board.

The minutes of the Nominating Committee meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.

## **9. WRITTEN RESOLUTION**

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

## **10. REVISION AND UPDATES**

The Nomination Committee shall recommend any changes to its terms of reference in such manner as the Nomination Committee deems appropriate to the Board for approval. The terms of reference shall be assessed, reviewed and updated where necessary i.e. when there are any changes to the Malaysian Code on Corporate Governance, ACE LR or any other regulatory requirements. It shall also be reviewed and updated when any changes to the direction or strategies of the Group may affect the Nomination Committee's role.

**END.**