

## **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

The terms of reference of the Nomination Committee be and hereby **revised** as follows:

### **Composition**

The Nomination Committee shall be appointed by the Board from amongst its directors and shall consist of not less than three (3) members in numbers. All members of the Nomination Committee must be non-executive directors, a majority of whom shall be independent directors.

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

In the event of any vacancy in the Nomination Committee resulting in the number of members reduced to below three (3), the Board shall within three (3) months appoint a new member to fill the vacancy.

### **Chairman**

The members of the Nomination Committee shall elect a Chairman from among their members who shall be an independent non-executive director.

### **Quorum**

The quorum of the Nomination Committee meeting shall not be less than two (2), the majority of whom shall be independent non-executive directors.

### **Meeting**

- (a) the Nomination Committee shall have at least one (1) meeting in a financial year and such additional meetings as the Chairman shall decide in order to fulfil its duties;
- (b) the Nomination Committee meeting shall be chaired by the Chairman; or in his absence, another member who is an independent non-executive director nominated by the Nomination Committee;
- (c) the Company Secretary shall act as Secretary of the Nomination Committee and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting;

- (d) the Secretary of the Nomination Committee shall be entrusted to record all proceedings of meetings;
- (e) the Nomination Committee may invite any Board member or any member of the senior management or any employees within the Company or the Group to attend any particular Nomination Committee meeting; and
- (f) the Nomination Committee shall report to the full Board from time to time, its recommendation for consideration and implementation and the final decision shall be the responsibility of the Board.

### **Voting and Proceedings of Meeting**

The decision of the Nomination Committee shall be by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. Provided that where two (2) members form a quorum, the Chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question in issue, the Chairman shall not have a casting vote.

Circular resolutions signed by all the members shall be valid and effective as if it had been passed at a meeting of the Nomination Committee. Such resolutions may consist of several documents in the like form, each signed by one or more members and sent to the Company Secretary by facsimile, electronic mail or other forms of electronic communications.

### **Minutes**

- (a) The Nomination Committee shall cause minutes to be duly recorded and entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Nomination Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.
- (b) Minutes of the Nomination Committee meetings will be made available to all Board members. A summary of significant matters of each meeting of the Nomination Committee and resolutions (if any) will be reported to the Board by the Chairman of the Nomination Committee.
- (c) The books containing the minutes of proceedings of any meeting of the Nomination Committee shall be kept by the Company at the registered office of the Company, and shall be opened for the inspection of any member of the Nomination Committee and the Board.

### **Authority**

The Nomination Committee is authorised by the Board to carry out its duties and functions within its terms of reference. The Nomination Committee may seek any information it requires from any employees or officers of the Company, and may engage external consultants or advisers if deemed necessary.

The Nomination Committee shall have the authority to make any decisions on matters which fall within the purpose and responsibilities of the Nomination Committee.

### **Functions and Responsibilities**

The functions and responsibilities of the Nomination Committee shall include the following:-

- (a) Formulate the nomination, selection and succession policies for the members of the Board, board committees, senior independent non-executive director and key management personnel;
- (b) Make recommendations to the Board on new candidates for appointment and re-election to the Board. In considering appointments to the Board, the Committee shall agree on a comprehensive job description covering experience, qualifications and core competencies required of a director. Also taking into account the existing skills and expertise of the board and the anticipated time commitment required;
- (c) Make recommendations to the Board for appointments to fill casual vacancies;
- (d) Conduct a review to determine whether a director can continue to be independent in character and judgement;
- (e) Review on an annual basis the required mix of skills, experience and other qualities of the Board;
- (f) Review and recommend to the Board the appointment of members of board committees;
- (g) Ensure that orientation and education programmes are provided for new members of the Board;
- (h) Review the directors' continuing education programmes and assess the training needs for the Directors;
- (i) Recommend the engagement of external professional advisors to assist and/or advise the Nomination Committee, where necessary;
- (j) Establish a set of quantitative and qualitative performance criteria to evaluate each member of the Board on:-
  - (1) The effectiveness of the Board as a whole and the Board Committees;
  - (2) The contributions and performance of individual Directors; and
  - (3) The independence of Independent Non-Executive Directors.
- (k) Participate in succession planning as appropriate for the Board; and

- (l) Review annually the term of office and performance of the Audit Committee and each of its members to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

All appointments proposed by the Nomination Committee shall continue to be subject to review and the approval by the Board prior to their commencement.

### **Review of the Nomination Committee**

The Board of the Company shall review the term of office and performance of the Nomination Committee and each of its members at least once every three (3) years to determine whether such Nomination Committee and members have carried out their duties in accordance with their terms of reference.

The composition of the Nomination Committee is as follows:

<b>Directors</b>	<b>Position</b>	<b>Directorship</b>
Izlan Bin Izhab	Chairman	Senior Independent Non-Executive Director
Nik Din Bin Nik Sulaiman	Member	Independent Non-Executive Director
Tunku Datuk Nooruddin Bin Tunku Dato' Sri Shahabuddin	Member	Independent Non-Executive Director

BOARD OF DIRECTORS  
REACH ENERGY BERHAD  
Updated on 24 January 2017