



**AYS VENTURES BERHAD**

Company No. 925171-T  
(Incorporated in Malaysia)

**NOMINATION COMMITTEE  
TERMS OF REFERENCE**

**1. COMPOSITION**

The Nomination Committee shall consist of not less than two (2) members. The Nomination Committee shall exclusively comprise of Non-Executive Directors with a majority of Independent Directors.

**2. QUORUM**

The quorum for each meeting shall be a majority of members present.

**3. CHAIRMAN**

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

**4. MEETINGS**

The meetings shall be held not less than one (1) time a year. A member may at any time and the secretary shall on the requisition of a director summon a meeting of the Nomination Committee.

Questions arising at any meeting of Nomination Committee shall be decided by a majority of votes and a determination by a majority of members shall for all purposes be deemed a determination of the Nomination Committee.

In the case of an equality of votes the chairman of the meeting shall have a second or casting vote PROVIDED THAT where two (2) members form a quorum, the chairman of the meeting at which only such a quorum is present, or at which only two members are competent to vote on the question at issue, shall not have a casting vote.

The Company Secretary shall be the secretary of the Nomination Committee. The Secretary shall maintain minutes of the proceedings of the meetings of the Nomination Committee and circulate such minutes to all members of the Board.

## 5. OBJECTIVES

The primary objective of the Nomination Committee is to ensure that the Directors of the Board bring characteristics to the Board, which provides a required mix of responsibilities, skills and experience. The Nomination Committee will also assist the Board in reviewing on an annual basis the appropriate balance and size of Non-Executive participation and in establishing procedures and processes towards an annual assessment of the effectiveness of the Board as a whole, the Committees of the Board and contribution of each individual Director.

## 6. RESPONSIBILITIES

- (a) Examine the size of the Board with a view to determine the number of Directors on the Board in relation to its effectiveness.
- (b) Review annually its required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board and disclose the same in the Annual Report.
- (c) Recommend suitable orientation, educational and training programmes to continuously train and equip the existing and new Directors.
- (d) Recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board. In making its recommendations, the Committee should consider the candidates: -
  - skills, knowledge, expertise and experience;
  - professionalism;
  - integrity; and
  - in the case of candidates for position of independent non-executive directors, the Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors
- (e) Formalise a transparent procedure for proposing new nominees and recommending on the suitability of candidates nominated for appointment to the Board and to fill the seats of the Audit, Nomination, Remuneration and other Committees.
- (f) Assess annually the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director based on the process implemented by the Board.

## 7. REPORTING PROCEDURES

- (a) The actual decision as to who shall be appointed to the Board shall be the responsibility of the full Board after considering the recommendation of the Nomination Committee.
- (b) The Nomination Committee shall report to the Board for its consideration and implementation.

**8. POWER**

In carrying out its duties and responsibilities, the Nomination Committee will in principle have full, free and unrestricted access to the Company's records, properties and personnel. The Nomination Committee may use the services of professional firms to source for the right candidate for directorship or seek independent professional advice.

**9. ANNUAL REVIEW**

The Terms of Reference of the Nomination Committee will be reviewed by the Board annually or as required.