

**TA ENTERPRISE BERHAD (194867-M)**  
**(INCORPORATED IN MALAYSIA)**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**  
*(Revised on 28 February 2017)*

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**INTERPRETATION**

- (a) “The Company” means TA ENTERPRISE BERHAD
- (b) “The Board” means the Board of Directors of the Company
- (c) “The Group” means the Company and its subsidiary companies
- (d) “Directors” means the Executive Chairman, Managing Director, Executive Directors, Non-Executive Directors and Independent Directors of the Company and its subsidiary.
- (e) “Executive Director” means the Executive Director of the Company and its subsidiary companies who has been accorded executive powers to manage the affairs of their Company, makes decisions and enter into transactions on their company’s behalf.
- (f) “Non-Executive Director” means the Non-Executive Director and Independent Director of the Company and its subsidiary companies who do not hold any executive or management powers in their Company.
- (g) “The Committee” means the Nomination Committee established by the Board.
- (h) “Member” means a Director, officer or persons appointed for the time being by the Board to perform the duties of a member of the Committee.

**MEMBERSHIP**

- 1.1 Unless otherwise decided by the Board, the Committee shall comprise of not less than two (2) members and not more than five (5) members.
- 1.2 The Members of the Committee shall exclusively comprise of Non-Executive Directors, a majority of whom shall be independent directors.
- 1.3 The Chairman of the NC shall be an Independent Director appointed by the Board.
- 1.4 The appointment of the Members of the Committee shall be nominated by the Board. The Board shall officially notify the nominated candidate of their appointment as members of the Committee and a copy of the Committee’s Terms of Reference shall be extended to the Members to guide them in the discharge of their duties.
- 1.5 The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.

## **AUTHORITY AND POWERS**

- 2.1 The Committee shall have unlimited access to all books, register, records, agreements, approvals, licenses, files, reports, correspondences and any other documents of whatsoever nature within the TA Group which may assist and/or facilitate the Committee in discharging its responsibilities.

For confidentiality and control purpose, the Committee Members shall not individually approach any officers of the TA Group directly to request for such document. Any request for such documents should be made by the Committee as a whole through the respective Board of the TA Group of companies.

- 2.2 The Committee may request other Directors, members of Management, counsels, consultants as applicable, to participate in the Committee meetings, as necessary, to carry out the Committee's responsibilities.
- 2.3 The Committee may engage the services and assistance of independent professional consultants, advisors, auditors and/or agents to carry out such duties, investigations, audits, functions and duties as may from time to time be deemed necessary by the Committee to assist them in carrying out its duties and responsibilities.
- 2.4 The Committee should have a formal schedule of matters specifically reserved to it for decision to ensure that the direction and control of the Committee is firmly in its hands. All assessments and evaluations carried out by the Committee in the discharge of all its functions should be properly documented.

## **MATTERS SPECIFICALLY FOR COLLECTIVE DECISION**

- 3.1 Each and every Member of the Committee shall be vested with such power and authority, specific or general, as may from time to time be decided upon and set by the Board.
- 3.2 All decisions of the Committee shall be based on the decisions of majority and no single Member can make any decision or recommendation to the Board on behalf of the Committee.

## **FUNCTIONS, DUTIES AND RESPONSIBILITIES**

- 4.1 The Committee shall, at all times, carry out and be responsible for the following functions, duties and responsibilities:-
- (a) To determine the criteria for Board membership, including qualities, experience, skills, education and other factors that will best qualify a nominee to serve on the Board.
  - (b) To consider and recommend to the Board, candidates for directorship, proposed by the Chairman, Chief Executive Officer, any senior management, any director or shareholder taking into consideration the candidates' skills, knowledge, expertise and experience, time, commitment, character, professionalism and integrity.
  - (c) To identify and/or recommend to the Board, eligible candidates to fill the seats on board committees when the need arises.

- (d) To review and evaluate on annual basis the structure, size, composition, the required mix of skills, experience, diversity and other qualities, including core competencies and effectiveness of the board as a whole, the board committees and the contribution of each individual directors, including independent non-executive directors, chief executive officer and chief financial officer, on an annual basis.
- (e) To review and evaluate on an annual basis the term of office and performance of the Audit Committee and each of its members to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.
- (f) To recommend to the Board, candidates for re-election of directors by shareholders under the annual re-election provisions or retirement, with due consideration to the extent to which the interplay of the director's expertise, skills, knowledge and experience with those of other board members, as well as their roles as committee members.
- (g) To recommend to the Board whether any of the Independent Non-Executive Director who has served for a cumulative period of more than nine (9) years should continue to be retained as an Independent Non-Executive Director or otherwise.
- (h) To review the induction and training needs of directors.
- (i) To consider other matters as referred to the Committee by the Board.

#### **RELATIONSHIP & LINE OF REPORTING**

- 5.1 The Committee must exercise transparency and endeavor to seek the approval of the Board and/or any of the Board of the Group on any implementation of its recommendation.
- 5.2 The Committee shall not have the delegated power from the Board and/or any of the Board of the Group to implement its recommendations, but shall be obliged to report its recommendations back to the full Board of the Company and the respective Boards of the Group for their consideration and implementation.
- 5.3 The Committee shall report directly to the Board of the Company.

#### **MEETINGS**

- 6.1 The Committee shall meet at least once a year. Additional meetings shall be scheduled as and when the need arises or as the Chairman so decide to fulfil its duties.
- 6.2 Any two (2) members of the Committee, majority of whom should be independent Directors present for each meeting shall constitute a quorum. In the absence of the Chairman of the Committee, the members present shall elect one of their numbers to chair the meeting.
- 6.3 All decisions to be made at any of the Committee meetings must be agreed by majority of all those Members present at the Committee meeting. Only Members of the Committee shall have voting rights at the Committee meeting. In the event of equality of votes, the Chairman of the Committee shall have the casting vote.

- 6.4 The Notice and agenda for each meeting shall unless otherwise agreed to by the members, be circulated at least seven (7) days before each meeting to the Committee members and all those who are required to attend the meeting.
- 6.5 Minutes of all the Committee meetings shall be recorded by any Member of the Committee or such other persons as the Chairman of the Committee shall so direct. 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 and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated. The minutes of the Committee meeting shall be circulated to all Board members.
- 6.6 The secretary of the Committee shall be appointed by the Committee from time to time.
- 6.7 A resolution in writing, signed by all the Members shall be as valid and effectual as if it has been deliberated and decided upon at a meeting of the Committee.

**REVIEW AND MODIFICATION OF THE TERMS OF REFERENCE**

- 7.1 The members of the Committee will review the above Terms of Reference annually to ensure objectivity and clarity in its responsibilities as approved by the Board.
- 7.2 The Terms of Reference as are herein provided are determined by the Board and shall not be amended and/or modified by whosoever other than by the Board.
- 7.3 The latest copy of the Terms of Reference of the Committee shall be made available on the Company's website.

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