



# **Feytech Holdings Berhad**

**Registration No. 202301013791 (1507713-V)**

---

## Terms of Reference of the Nomination Committee

**Adopted by Board : 28<sup>th</sup> August 2023**  
**Effective Date : 28<sup>th</sup> August 2023**

## **1. OBJECTIVES**

- 1.1 The primary function of the Nomination Committee (“the **Committee**”) established by the Board of Directors (“**Board**”) is to assist the Board in reviewing the structure, size and composition of the Board and Senior Management, having regard to the following principles:-
- (a) ensure the Board is effective with an appropriate mix of skills, knowledge and experience to discharge its responsibilities and duties in meeting the Company’s mission, vision, culture and values;
  - (b) ensure an appropriate framework and succession plan in place to achieve diverse talent pipeline for the Board and senior management;
  - (c) ensure the appointment of Board members and senior management are based on objective criteria such as diversity in skills, experience, expertise, professionalism, integrity, age, gender and background; and
  - (d) ensure the composition of the Board is refreshed periodically, taking into account the length of service of the Board as a whole so that it is effective and able to operate in the best interests of shareholders.

## **2. COMPOSITION OF THE COMMITTEE**

- 2.1 Members of the Committee shall be appointed by the Board amongst its Directors and shall comprise at least three (3) members, all of whom must be Non-Executive Directors, and a majority of whom must be Independent Non-Executive Directors.
- 2.2 The Chairman of the Board must not be a member of the Committee.
- 2.3 No Alternate Director shall be appointed as a member of the Committee.
- 2.4 Where the members of the Committee for any reason are reduced to less than three (3), the Board shall base on the recommendation of the Nomination Committee, within three (3) months from the occurrence of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

## **3. CHAIRMAN**

- 3.1 The Chairman of the Committee shall be an Independent Non-Executive Director or the Senior Independent Non-Executive Director.
- 3.2 If the Chairman of the Committee is not present within fifteen (15) minutes of the time appointed for holding the meeting or is unable/unwilling to chair the meeting, the members of the Committee present shall elect one (1) of them, of whom is an Independent Non-Executive Director, to be the Chairman of the meeting.

#### **4. SECRETARY**

- 4.1 The Company Secretary shall be the Secretary of the Committee.
- 4.2 The Company Secretary, in consultation with the Chairman of the Committee, shall draw up the agenda and notice of the meeting. The notice of the meeting, together with the meeting materials, shall be circulated at least five (5) business days or shorter notice where it is unavoidable, prior to each meeting to the members of the Committee.
- 4.3 The notice of every meeting shall be given in writing and served to the Committee members either personally or by fax, e-mail, post or courier to his/her address in the Register of Directors or to the address provided by the Committee members, as the case may be.

#### **5. QUORUM AND MEETING PROCEDURES**

- 5.1 The Committee shall meet at least once a year or as and when the Committee deems necessary to fulfil its responsibilities.
- 5.2 The quorum for the meeting shall be two (2) members. No business shall be transacted unless a quorum is present either in person or by telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.
- 5.3 If any member is unable to be physically present, he/she may choose to participate by means of a conference telephone or any other audio, or audio-visual, communication equipment which allows all persons participating in the meeting to hear and speak with each other and the person shall be deemed to be present in person and shall be entitled to vote or be counted in a quorum accordingly.
- 5.4 A Committee meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enables all Committee members as a whole to participate for the entire duration of the virtual meeting, provided the following conditions are met:-
- (a) all the Committee members for the time being entitled to receive notice of the Committee meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted by the Constitution of the Company; and
  - (b) a Committee member may not leave a virtual meeting by disconnecting from the technology used unless he/she has previously expressly notified the Chairman of the meeting of his/her intention to leave the meeting and a Committee member shall be conclusively presumed to have been present and have always formed part of the quorum during such a meeting until such notified time of his/her leaving the meeting.
- 5.5 The main venue of the meeting shall be the place where the Chairman of the meeting is present.
- 5.6 A matter put to vote at the Committee meetings shall be decided by a simple majority of the votes. In the event of an equality of votes, the Chairman has the casting vote. The Chairman

shall not have a casting vote when only two (2) members (one of whom is the Chairman) form a quorum or when only two (2) members are competent to vote on the question at issue.

5.7 Any member of the Committee who has an interest or is involved directly or indirectly in any matter under consideration by the meeting must declare his/her interest in the matters and shall abstain from deliberating and voting on the said matter.

5.8 The Committee may, as and when deemed necessary, invite any Board members or any member of management or any employee of the Company, who the Committee thinks fit, to attend the meetings to assist and provide pertinent information as necessary.

## **6. KEEPING AND INSPECTION OF MINUTES**

6.1 The Company shall cause minutes of all proceedings of the Committee meeting to be entered in books for that purpose.

6.2 Minutes of each meeting, including virtual meetings shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.

6.3 The books containing the minutes of meetings shall be kept by the Company at the Registered Office or a place determined by the Board pursuant to the Companies Act 2016 and shall be open for inspection by any Committee member or Board member.

6.4 The minutes of each Committee meeting shall be distributed to the Board members for notation.

## **7. WRITTEN RESOLUTIONS**

7.1 A resolution in writing signed by a majority of the Committee members for the time being shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted.

7.2 The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said Committee member.

## **8. REPORTING**

8.1 The Committee, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each Committee meeting. When presenting any recommendations to the Board for approval, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

## **9. POWER AND AUTHORITY**

9.1 The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to all information and documents which are required to perform its duties;
- (c) be able to obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary; and
- (d) have access to advice and services of the Company Secretary.

## **10. DUTIES AND RESPONSIBILITIES**

10.1 The duties and responsibilities of the Committee are as follows:-

- (a) Review and recommend to the Board for approval, the appropriate size, composition, mix of skills and experience, and diversity (including gender diversity) of the Board and Board Committees to facilitate effective decision-making after taking into consideration the scope and nature of the operations of the Group.
- (b) Identify, consider and recommend to the Board suitable candidates for appointment of Directors. The Committee does not solely rely on recommendations from existing board members, management or major shareholders, but will also utilise independent sources to identify suitably qualified candidates. In making the recommendations, the Committee shall:-
  - (i) assess the candidates' expertise, skills, knowledge, experience, professionalism, commitment, contribution, performance, integrity, competence and character;
  - (ii) consider board diversity including age, gender and ethnicity;
  - (iii) in the case of candidates for the position of Independent Non-Executive Directors, evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and
  - (iv) in the case of candidates filling seats in respect of the Audit and Risk Management Committee in particular, to ensure the candidate is financially literate and possesses a wide range of necessary skills to discharge his/her duties.
- (c) If the selection of candidates was solely based on recommendations made by existing Board, management or major shareholders, the Committee should explain why other sources were not used.
- (d) Review and assess the independence of Independent Directors on an annual basis and the Directors meet the identified independence criteria and are not disqualified under the relevant regulations.

- (e) Where there is an Independent Non-Executive Director whose term will exceed/has exceeded the nine (9) years tenure, the Committee shall justify the recommendation to retain the Independent Non-Executive Director after the ninth (9<sup>th</sup>) year to the Board for consideration to seek shareholders' approval through a two-tier voting process.
- (f) The tenure of office of an Independent Non-Executive Director must not be more than a cumulative period of twelve (12) years from the date of his/her first appointment as an Independent Non-Executive Director.
- (g) Review the tenure of each director and ensure that the annual re-election of a director is based satisfactory evaluation of the director's performance and contribution to the Board and meet the criteria as set out in the Directors' fit & proper policy.
- (h) Recommend to the Board the re-election of Directors who retired by rotation pursuant to the Company's Constitution.
- (i) Deliberate on matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of Executive Director as an employee of the Company subject to the provisions of the law and the service contract.
- (j) Assess and recommend to the Board's approval, new and reappointed nominees (where applicable) for directorship, chairmanship and/or membership to the respective Board Committee.
- (k) Recommend to the Board any appointment, cessation, suspension, dismissal and/or any staff movement including re-designation, re-deployment, transfer or secondment of senior management of the Group.
- (l) Establish and recommend for board's approval a mechanism for formal assessment of the performance of the Board and senior management.
- (m) Assess and review on an annual basis the effectiveness of the Board as a whole, Board Committees, and the contribution of each individual Director and Chief Executive Office including his/her character, competence, experience, gender diversity and commitment. All the assessments and evaluation carried out by the Committee in the discharge of its duties shall be disclosed in the Annual Report.
- (n) Evaluate and review the performance of the Board and senior management including the performance of the Board and senior management in addressing the company's material sustainability risks and opportunities.
- (o) Review Board and senior management succession plans and overseeing the development of a diverse pipeline for Board and management succession, including the future Chairman, Executive Directors and/or Chief Executive Officer.

- (p) Establish gender diversity policy for the Board and senior management and to ensure that the Company takes concrete action to achieve the numerical targets as stated in the policy.
- (q) Facilitate Board induction programme for newly appointed Directors.
- (r) Identify suitable educational and training programmes for continuous development of Directors to ensure the Directors keep abreast with development in the industry, regulatory changes and board business trends.
- (s) Review annually the term of office, effectiveness and performance of the Audit and Risk Management Committee and each of its members to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference.
- (t) Review periodically the job descriptions of Executive Directors and senior management.
- (u) Carry out such other duties or functions as may be delegated by the Board from time to time or required by the regulatory authority.

## **11. REVIEW OF THE WRITTEN TERM OF REFERENCE**

11.1 This written term of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Committee's responsibilities. Any amendments to this term of reference must be approved by the Board.

11.2 The written term of reference will be made available on the Company's website.

## **12. APPROVAL**

The Terms of Reference was reviewed and approved by the Board of Directors on 28<sup>th</sup> August 2023.