



AXTERIA GROUP BERHAD
(Registration No. 199901021765 (496665-W))
(Incorporated in Malaysia)

NOMINATION COMMITTEE (“NC”)
TERMS OF REFERENCE

1. OBJECTIVES

- 1.1 The principal objective of the Nomination Committee (“NC”) is to assist the Board of Directors (“Board”) in proposing new nominees for the Board. The decision as to who shall be nominated shall be the responsibility of the full Board.
- 1.2 The role of the NC is to ensure that the Board comprises Directors with an appropriate mix of skills, knowledge, experience, independence, competencies, and diversity (including diversity in age, cultural background and gender) with a proper balance of Executive Directors and Independent Directors as well as to ensure there is succession plans for Directors and Senior Management.

2. COMPOSITION OF MEMBERS

- 2.1 The NC shall be appointed by the Board from amongst its members, consist of not less than three (3) members, comprise exclusively of Non-Executive Directors, a majority of whom must be independent.
- 2.2 The Chairman of the Board shall not be appointed as a member of the NC.
- 2.3 In the event of any vacancy in the NC resulting in the number of members of the NC falling below three (3), the vacancy shall be filled as soon as possible, but shall not be later than three (3) months of that event.
- 2.4 All members of the NC, including the chairman, shall hold office only for so long as they serve as Directors of the Company. Members of the NC may relinquish their membership in the NC with prior written notice to the Secretary.

3. CHAIRMAN

- 3.1 The Chairman of the NC shall be elected from amongst its members, who must be and Independent Non-Executive Director or Senior Independent Director approved by the Board.

4. SECRETARY

- 4.1 The Secretary of the NC shall be the Company Secretary of the Company.

5. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the NC shall include the following:

5.1 Appointments

- (i) To consider and recommend to the Board, candidates for any directorships proposed by the Management, shareholders, the Board or other sources such as independent recruitment firm, taking into consideration of the following criteria:
 - required skill, knowledge, expertise, experience and competence;
 - time commitment, character, professionalism and integrity;
 - diversity in age, gender, culture, experience and independence with at least 30% women Directors;
 - number of directorships in companies (including non-listed companies) outside the Company and its subsidiaries (collectively referred to as the “Group”);
 - specialist knowledge or technical skill;
 - criteria set out in the Directors’ Fit and Proper Policy; and
 - any business interest or relationship, including interest in any competing business, that may result in a conflict of interest (“COI”) or potential COI with the Group that could affect the execution of the role.
- (ii) To consider and recommend to the Board, the candidates to fill the seats on Board Committees and ensure a former partner of the external firm or its affiliate firms are not appointed to the Audit and Risk Management Committee (“ARMC”) unless a cooling-off period of three (3) years has been observed prior to the appointment;
- (iii) To recommend the appropriate board balance (including gender, ethnicity and age diversity) and size of non-executive participation;

5.2 Re-election/Re-Appointment

- (i) To ensure every Director is subject to retirement at least once in every 3 years. A retiring Director shall be eligible for re-election.
- (ii) To recommend to the Board, candidates for re-election of Directors, to be approved by shareholders, pursuant to the Company’s Constitution. The re-election of the Directors shall take into consideration the criteria set out in the Directors’ Fit and Proper Policy and shall be contingent upon the satisfactory evaluation of their performance and contribution to the Board.

- (iii) In cases where the tenure of an Independent Director surpasses a cumulative term of nine (9) years, the NC shall provide appropriate justifications when seeking shareholders' approval, especially if the NC recommends the continuation of the individual's service as an Independent Director beyond the stipulated nine-year limit.

5.3 Annual Performance Assessment

- (i) To review annually the structure, size and composition of the Board, including the mix of skills, knowledge, experience, and diversity of each director and core competencies which Non-Executive Directors should bring to the Board and to ensure the composition of the Board is refreshed periodically.
- (ii) To assess annually, the effectiveness of the Board as a whole and each Director individually, the Chairman of the Board, as well as the effectiveness of the Board Committees and to review the results of the performance evaluation thereafter.
- (iii) To review annually, the term of office, competency and performance of the ARMC and each of its members to determine whether ARMC and its members have carried out their duties in accordance with their terms of reference.
- (iv) To conduct assessment annually on the independence of each of the Independent Directors to ensure he/she is continually fit and maintain independence to provide appropriate scrutiny and impartial judgment.
- (v) To develop, maintain and review the criteria for evaluating the performance of the Board and Board committees and each individual Director including the performance in addressing the Group's material sustainability risks and opportunities.

5.4 Succession Planning

- (i) To deliberate on succession planning for Directors and Senior Management Personnel, considering the Group's current challenges and future opportunities. This entails assessing the requisite skills, expertise, and gender diversity necessary for effective leadership at the Board and Senior Management levels. The Group Managing Director shall support the NC in establishing an appropriate management team, structure, management development program, and succession planning for key senior executives.
- (ii) To review the leadership requirements of the Group, encompassing both executive and non-executive roles, to ensure the Group's ongoing ability to compete effectively in the marketplace.

5.4 Others

- (i) To facilitate Board's induction and training programs in areas which the Directors could improve on.
- (ii) To act in accordance with the Board's directives.

6. MEETINGS AND QUORUM

- 6.1 The NC shall meet at least once a year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at his/her discretion.
- 6.2 Attendance of a majority of the members shall form the quorum.
- 6.3 If the Chairman is not present within 15 minutes after the time appointed for holding the meeting, the NC members present may elect one of their number to act as chairman of such meeting.
- 6.4 The NC meetings may be conducted via telephone conferencing, video conferencing or other telecommunication facilities, which allows all members participating in the meetings. A member so participate shall be deemed to be present in person at such meeting and shall be counted in a quorum and be entitled to vote. No business shall be transacted at any meeting of the NC unless a quorum is present.
- 6.5 The Chairman of the NC shall report and update the Board on significant issues and concerns discussed in the meetings. All recommendations and findings of the NC are recommended to the Board for approval.
- 6.6 Other members of the Board and management may attend meetings upon the invitation of the NC.
- 6.7 A resolution shall be considered passed by a simple majority of vote; each member shall have one (1) vote. In case of equality of votes, the Chairman shall have a second or casting vote.
- 6.8 The NC member is required to abstain from deliberations and voting in respect of any matter, which may give rise to an actual or perceived conflict of interest situation.
- 6.9 Minutes of the NC shall be confirmed and signed by the Chairman of the meeting at which the proceedings are held or by the Chairman of the next succeeding meeting.



- 6.10 A resolution in writing signed or approved by all the NC members shall be as valid and effectual as if it had been passed at a meeting of the NC duly called and constituted. Any such resolution may consist of several documents in like form each signed by one or more members. Any such documents may be accepted as sufficiently signed by a member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the member.

7. AUTHORITY

- 7.1 The NC is empowered to seek external or other independent professional advice and invite individuals with relevant expertise to attend its meetings as deemed necessary to carry out its duties and tasks outlined in these terms of reference.

8. REVIEW OF THE TERMS OF REFERENCE

- 8.1 The NC shall recommend any changes to its terms of reference in such manner as the NC deems appropriate to the Board for approval. The terms of reference shall be assessed, reviewed and updated as and when necessary.
- 8.2 This Terms of Reference was last reviewed on 28 April 2025.