



**LEON FUAT BERHAD**  
**[Registration No. 200601036648 (756407-D)]**

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

### **Constitution**

The Board has established a Committee of the Board to be known as the Nomination Committee (hereinafter referred to as the “Committee”).

### **Membership**

1. The Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise mainly of non-executive directors, majority of whom shall be independent.
2. If a member of the Committee resigns or for any other reason ceases to be a member resulting the number of members to reduce to below three (3), the Board of Directors shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of members.
3. The members of the Committee shall elect a Chairman from among their members.
4. The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the Committee.

### **Meetings and Minutes**

1. The Chairman of the Committee or the Board may request for the meeting of the Committee to be convened as and when deemed necessary. The quorum for the meeting of the Committee shall consist of not less than two (2) members.
2. The Committee shall report to the Board on its proceedings and its minutes tabled and noted by the Board of Directors. The books containing the minutes of proceedings of any meeting of the Committee shall be kept by the Company at the registered office or the principal office of the Company and shall be open for inspection of any member of the Committee and the Board of Directors.
3. The Chairman of the Committee shall be entitled, where deemed appropriate, to invite any other person to a meeting of the Committee at which that person’s expertise may be required having regard to the subject matter to be discussed.
4. The Committee may deal with matters by way of a circular resolution in writing, in lieu of convening a formal meeting. The circular resolution, signed by a majority of the members of the Committee, shall be as valid and effectual as if it has been passed at a meeting of the Committee duly convened.

## **Duties and Responsibilities**

1. To annually review the structure, size and composition of the Board to ensure compliance with applicable laws as well as to review the required mix of skills and experience, diversity and other qualities of the Board members, including core competencies which non-executive directors should bring to the Board.
2. To annually review and assess the effectiveness of the Board as a whole, Board Committees and the contributions of each individual Director, taking into consideration the required mix of skills, knowledge, independence, expertise, experience, diversity and other requisite qualities including core competencies which directors should bring to the Board and other qualities to function effectively and efficiently. The Committee shall review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties in accordance with the Terms of Reference. All assessments and evaluations carried out by the Committee in the discharge of all its function should be properly documented.
3. To identify and nominate for the approval of the Board candidates to fill Board vacancies as and when they arise. The Committee shall consider candidates from a wide range of backgrounds, having regard to the nature of activities and scope of the Company's objectives and purpose, and shall consider candidates on merit and against objective criteria, with due regard to the benefits of diversity on the Board, including gender, race, age, educational and professional background and other relevant personal attributes.
4. In selecting the potential candidates for appointment as Directors and for existing Directors seeking for re-election, the Committee will carry out fit and proper assessment to ensure that the established criteria as set out in the adopted Fit and Proper Policy of the Company are met.
5. In identifying candidates for appointment as Director, the Committee can consider variety of approaches and sources to ensure that it is able to identify the most suitable candidates including sourcing from a directors' registry and open advertisements or the use of independent search firms to facilitate the search.
6. To orientate new director as to the nature of the business, current issues within the company and the corporate strategies, the expectations of the company concerning input from the directors and the general responsibilities of directors.
7. To review and recommend to the Board, after consultation with the respective Committee Chairman, appointment to Board Committees as necessary.
8. To review and recommend to the Board the re-election of Directors who are retiring at the annual general meetings of the Company.
9. To review and consider the succession planning for the Group Managing Director and other senior Directors, taking into account the challenges and opportunities facing the Company, and accordingly the required skills and expertise needed on the Board.

10. To annually assess the independence of the Independent Directors and where necessary, to recommend to the shareholders for approval the retention of the Independent Directors at the Company's general meeting.
11. To evaluate and determine on a continuous basis the training needs of the Directors.
12. To review the Nomination Committee Report prepared for disclosure in the annual report of the Company.
13. To consider other matters as referred to the Committee by the Board. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary and other professional advice for assistance and advice as necessary at the expense of the Company.

### **Reporting Responsibilities**

1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its duties and responsibilities where action or improvement is necessary.