

# **POWERTECHNIC GROUP BERHAD**

Registration No. 202101015445 (1415745-D)  
(Incorporated In Malaysia)

## **TERMS OF REFERENCE FOR THE NOMINATING COMMITTEE**

### **OBJECTIVES & PURPOSES**

The Nominating Committee (“NC” or the “Committee”) of POWERTECHNIC GROUP BERHAD (“Powertechnic or the “Company”) is established as a Committee of the Board of Directors (“Board”) pursuant to Clause 145 of the Company’s Constitution.

### **I. COMPOSITION & APPOINTMENT**

1. The members of the NC shall be appointed by the Board from among the members of the Board.
2. The members of the NC shall comprise exclusively of non-executive directors, a majority of whom shall be independent directors, as provided in Bursa Malaysia Securities Berhad’s ACE Market Listing Requirements (“ACE LR”) and shall consist of a minimum of not less than three (3) members. The appointment and position of a NC member shall automatically terminate when he ceases to be a member of the Board.
3. The chairman of the Board shall not be a member of the NC, with reference to Practice 1.4 of the Malaysian Code on Corporate Governance 2021 (“MCCG”).
4. No alternate director shall be appointed as a member of the NC.
5. The members of the NC shall elect a Chairman of the NC (“Chairman”) from among themselves who shall be an independent director or the senior independent non-executive director. The election of the Chairman shall be approved by the Board.
6. In reference to Guidance 5.8 of the MCCG, the Chairman of the NC shall:
  - lead the succession planning and appointment of directors, and oversee the development of a diverse pipeline for board and management succession, including the future chairman of the Group, chief executive officer and executive directors; and
  - lead the annual review of board effectiveness, ensuring that the performance of each individual director and chairman of the Board are independently assessed.
7. The effectiveness of the Committee shall be assessed by the Board on an annual basis.

### **II. RESPONSIBILITIES OF THE NC**

1. To oversee the selection criteria, recruitment process, recommend and nomination of new candidates to the Board, candidates for all directorships to be filled by the Board meet the criteria of the Company’s Fit and Proper Person Policy and in the case of candidates for the position of independent non-executive directors, the candidates’ ability to discharge such responsibilities/functions as expected from an independent non-executive director including formalising its stand and approach to boardroom diversity.

**POWERTECHNIC GROUP BERHAD**

Registration No. 202101015445 (1415745-D)

**TERMS OF REFERENCE FOR THE NOMINATING COMMITTEE**

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2. Consider in making its recommendations, candidates for directorships proposed by the Chairman/ Managing Director and within the bounds of practicability, by any other senior executive or any director or shareholder. If selection of candidates was based on recommendations made by existing directors, management or major shareholders, the NC should explain why these source(s) suffice and other sources were not used.
3. Recommend to the Board, the directors to fill the seats on Board. The NC may seek out independent sources to identify qualified candidates for the Board.
4. Reviewing on an annual basis, that the Board's size, structure, composition and balance is appropriate and in particular that the required mix of skills, experience, cultural background, gender and other qualities of the Board, including core competencies which non-executive directors should bring to the Board are present.
5. To review and evaluate the contributions made by each member of the Board. The evaluation will consider their experience, knowledge, credibility, and credentials, and assess their effectiveness in fulfilling their duties as Board members of the Company. All assessments and evaluations conducted by the NC in the course of its duties must be properly documented.
6. Review and make recommendations to the Board on the re-election of any Director under Clause 133 of the Company's Constitution "Retirement by Rotation" having due regard to the Company's Fit and Proper Person Policy and their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required and to seek shareholders' approval for the reappointment of the Director(s) seeking re-election.
7. To oversee the development, maintenance and review of the criteria to be used in the recruitment process and the annual review and assessment of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of each individual director, including an assessment of the independence of the independent non-executive directors and their length of tenure in office in line with the recommendations of the MCCG.
8. To make an assessment, consider justifications and make recommendations on the element of independence of an independent director should the Board wish to retain as an Independent Director, a person who has served in that capacity for more than nine (9) years. The assessment will take into account their performance and ability to contribute to the Board, in light of the necessary knowledge, skills, and experience.
9. Review of Board's succession plans and facilitate induction and training programmes.
10. To assess the training needs for each of the directors and senior management of the Company and thereafter, facilitate the appropriate training programmes in accordance to the individual director and senior management needs.
11. To oversee the appointment, management succession planning of the Directors and Senior Management, including extending diversity across the senior management, to form a diverse talent pipeline for board candidacy and performance evaluation of the Board and Committees of the Board.
12. Review the term of office and performance of the Audit and Risk Management Committee ("ARMC") and each of its members annually to determine whether the ARMC and its members have carried out their duties in accordance with their terms of reference.

## **POWERTECHNIC GROUP BERHAD**

Registration No. 202101015445 (1415745-D)

### **TERMS OF REFERENCE FOR THE NOMINATING COMMITTEE**

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13. Review and make available a Statement on the activities of the NC in the discharge of its duties for the financial year in compliance with Rule 15.08A (3) of the ACE LR.

### **III. POWER & AUTHORITY**

The NC has the power and authority to examine all issues within its scope as stated in its Terms of Reference and report to the Board with its recommendations.

In carrying out its duties and responsibilities, the NC shall at the cost fully borne by the Company:

1. Have full and unrestricted access to the Company's resources, records, properties and personnel.
2. Be able to engage independent external professional advisers or consultants at the Company's expense, whenever it deems necessary.
3. Be able to secure the attendance of outsiders with relevant experience and expertise.

### **IV. PROCEDURE FOR NC**

1. The NC may meet together for the dispatch of business, adjourn and subject to Clauses 145 to 147 of the Company's Constitution, otherwise regulate their meetings as they think fit, provided that the Committee shall meet at least once a calendar year.
2. A member of NC, may participate in a meeting of the NC by means of a conference telephone, electronic or any communication facilities which allows all persons participating in the meeting to hear each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly notwithstanding the fact that he is not physically present at the venue where the meeting is to be held. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.
3. Any member of the NC may at any time and the Secretary shall on such request summon a meeting of the NC.
4. At least seven (7) days' written notice of a meeting of a NC shall be given to all NC members at his last known address or other address given by him. The NC members may meet on shorter notice and waive notice of any meetings as they deem necessary subject to the consent and agreement of all NC members.
5. The quorum necessary for the transaction of business shall be two (2) comprised of a majority of independent non-executive directors.
6. Questions arising at any meeting shall be determined by a majority of votes of the members present and a determination by a majority of members shall for all purposes be deemed a determination of the NC.
7. 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.

**POWERTECHNIC GROUP BERHAD**

Registration No. 202101015445 (1415745-D)

**TERMS OF REFERENCE FOR THE NOMINATING COMMITTEE**

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8. The NC shall cause minutes to be duly entered into minutes books provided for the purposes:-

- of the names of all NC members and other participants of each meeting of the NC;
- of all resolutions and proceedings of the NC Meetings; and
- of all orders, recommendations and reports made by the NC.

Such minutes shall be signed by the Chairman 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 therein stated.

9. The books containing the minutes of the proceedings of the NC shall be kept by the Company at the registered office of the Company subject to the provisions of the Companies Act 2016, relating to keeping the minutes of the Board and any committee of the Board of Directors.

**V. SECRETARY**

The company secretary shall be the Secretary of the NC ("Secretary"). The Secretary shall minute the proceedings and decisions of the NC's meetings and the minutes shall be circulated to the members of the NC and directors who are not members of the NC.

**VI. CIRCULAR RESOLUTION**

A resolution in writing signed by a majority of the members of the NC for the time being 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 two (2) or more of the members of the NC. Any such documents may be accepted as sufficiently signed by a member of the NC if transmitted to the Company by facsimile or electronic mail or digital written message to include as a signature of a member of the NC.

**VII. REVIEW**

The NC shall recommend any changes to its terms of reference in such manner as the NC deems appropriate to the Board for approval. It should also be reviewed and updated when there are changes to the direction or strategies of the Group that may affect the NC's role.

The NC will review its Terms of Reference at least once every three (3) years or as and when the need arises to keep it current and relevant at all times with the MCGG and ACE LR.

*This Terms of Reference for the Nomination Committee was approved and adopted by the Board on 27 November 2024.*