

TERMS OF REFERENCE FOR NOMINATION COMMITTEE

1. OBJECTIVE

The primary objective of the Terms of Reference of the Nomination Committee (“**NC**”) of MSB Global Group Berhad (“**MSB Global**” or the “**Company**”) is to establish a documented, formal and transparent procedure to support and advise the Board of Directors (“**Board**”) in fulfilling their responsibilities to shareholders in ensuring the Board are comprised of the right group of people, with an appropriate mix of skills, knowledge, experience and independent elements that fit MSB Global and its subsidiaries and associate companies’ (collectively known as the “**Group**”) objectives and strategic goals.

2. COMPOSITION

The NC shall comprise of not less than three (3) members appointed by the Board from amongst its Non-Executive Director members only, a majority of whom must be independent

In determining independence, the Board will observe the requirements of Independence as defined under Rule 1.01 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).

The members of the Committee shall elect a Chairperson from amongst their number who shall be an Independent Non-Executive Director. In the absence of the Committee Chairperson, the remaining members present shall elect one of them to chair the meeting.

No alternate director shall be appointed as a member of the NC.

The term of office and performance of the NC and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties following the terms of reference.

If a member of the NC resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board 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 three (3) members.

3. AUTHORITY

- i) The NC is authorised to seek any information required from the Management of the Company in order to perform its duties.
- ii) The NC is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- iii) The NC is authorised by the Board to obtain, at the Company’s expense, external legal or other professional advice on any matters within its terms of reference.

4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the NC shall undertake, amongst others, the following duties and responsibilities:

- i) To assist the Board in ensuring that the Board is of an effective composition, mix of skills, independence, diversity, size and commitment to discharge its responsibilities and duties adequately;
- ii) To ensure appropriate selection criteria and processes and to identify and recommend to the Board, candidates for directorships of the Company and members of the relevant Board committees. In identifying candidates for appointment of directors, the NC should not rely solely on the recommendations from existing directors, Management or major shareholders and independent sources are utilized to identify suitably qualified candidates;
- iii) In determining the process for the identification of suitable candidates, the NC will ensure that an appropriate review is undertaken to ensure the requirement and qualification of the candidate nominated based on a prescribed set of objective criteria and merit comprising but not limited to the following:
 - a) Skills, knowledge, expertise, experience, age, cultural background and gender;
 - b) Professionalism;
 - c) Integrity;
 - d) Existing number of directorships held, including on boards of non-listed companies;
 - e) Confirmation of not being an undischarged bankrupt or involved in any court proceedings in connection with the promotion, formation or management of a corporation or involving fraud or dishonesty punishable on conviction with imprisonment or subject to any investigation by any regulatory authority under any legislation; and
 - f) In the case of candidates being considered for the position of independent director, such potential candidates should have the ability to discharge such responsibilities/functions as expected from independent non-executive directors. Amongst others, the potential candidates must fulfil the criteria used in the definition of “independent directors” prescribed by the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and be able to bring independent and objective judgment to the Board.

Where required, the members of the NC would meet up with potential candidates for the position of director to conduct an assessment of their suitability;

(Note: The Group practices non-discrimination in any form, whether based on age, gender, ethnicity, or religion, throughout the organization, and this includes the selection of directors).

- iv) To assist the Board in assessing and evaluating circumstances where a Director’s involvement outside the Group may give rise to a potential conflict of interest with the Group’s businesses, upon receiving the declaration of the same from the Director and thereafter, to inform the Audit and Risk Management Committee of the same. After deliberation with the Audit and Risk Management Committee, to recommend to the Board the necessary actions to be taken in circumstances where there is a conflict of interest;

- v) To evaluate the performance and effectiveness of the Board and the relevant Board committees annually;
- vi) To ensure that every Director, including the Executive Directors, shall be subject to retirement at least once every three (3) years. A retiring Director shall be eligible for re-election;
- vii) To recommend to the Board the re-election of Directors by shareholders. In instances where an Independent Non-Executive Director is to be retained beyond nine (9) years, the NC shall conduct an assessment of the Independent Non-Executive Director(s) and recommend to the Board whether they shall remain independent or be re-designated as a Non-Independent Non-Executive Director;
- viii) To review the term of office and performance of the Audit and Risk Management Committee and each of its members annually to determine whether the Audit and Risk Management Committee and its members have carried out their duties following its terms of reference; and
- ix) To ensure an appropriate framework and succession planning for Board and Management succession, including the future Chairman, Executive Directors and CEO.

5. MEETINGS

The NC shall meet at least once a year or more frequently as deemed necessary. The Chairperson may call for additional meetings at any time at the Chairperson's discretion.

The members of the NC shall elect a Chairperson from amongst their number who shall be an Independent Non-Executive Director. In the absence of the NC Chairperson, the remaining members present shall elect one of them to chair the meeting.

Subject to the notice and quorum requirements as provided in this terms of reference, a meeting of the NC may be held and conducted through the telephone or any communication equipment, which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

6. QUORUM

The quorum for a meeting of the NC shall consist of two (2) members.

The majority present must be Independent Directors.

7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the NC no later than seven (7) days before the date of the meeting. Supporting papers shall be sent to NC members and other attendees, as appropriate, at the same time.

8. SECRETARY AND MINUTES

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the NC. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the NC and ensure that the minutes are properly kept and produced for inspection if required.

The NC shall report to the Board and the minutes of each meeting shall be tabled to the Board for notation.

9. CIRCULAR RESOLUTION

A resolution in writing signed or approved by letter, telegram, telex, telefax or electronic means by a majority of the NC members for the time being entitled to receive notice of a meeting of the NC shall be as valid and effectual as if it had been passed at a meeting of the NC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more NC members.

10. REVIEW OF TERM OF REFERENCE

The NC shall recommend any changes to its terms of reference in such manner as it deems appropriate to the Board for approval. The terms of reference shall be assessed, reviewed and updated where necessary i.e. when there are changes to the Malaysian Code of Corporate Governance, Listing Requirements or any other regulatory requirements.

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.

END.