

**GREEN PACKET BERHAD**  
**Registration No. 200001032335 (534942-H)**

**NOMINATION COMMITTEE**

**TERMS OF REFERENCE**

***Purpose***

A Nomination Committee is focused on evaluating the board of directors of its respective firm and on examining the skills and characteristics that are needed in board candidates. The Nomination Committee will often identify suitable candidates for various directors and senior management team positions.

***Membership***

The Nomination Committee shall be appointed by the Board from among their number and shall be composed of no fewer than three (3) in number.

Majority of the members of the Committee should comprise exclusively of Non-Executive Directors, a majority of whom must be independent.

The Chair of the Nomination Committee should be the Senior Independent Director identified by the Board. In the event of any vacancy in the Committee, resulting the number of members being reduced to below three (3), the Board shall, within three (3) months fill the vacancy.

***Authority and functions:***

1. To establish and review the terms and conditions of employment of the executive directors and senior management of the Group.
2. To develop, maintain and review the criteria to be used in the nomination process and annual assessment of directors.
3. To give consideration on skill sets, experience, functional knowledge, competencies, commitment, contribution and performance, in assessing suitable candidates for new appointments.
4. To take into account the current and future needs of the Board when seeking potential candidates for new appointments and considerations should be given to the skill sets, experience, functional knowledge, commitment and diversity.
5. To review the size and composition of the Board and Board Committees annually, which include the skill sets, experience and functional knowledge to ensure an effective and well-balanced Board.

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***Authority and functions:***

6. To assess the effectiveness of the Board as a whole, the Board committees and the contribution of each individual director on an annual basis, including the independence of the Independent Non-Executive Directors.
7. To assess annually the effectiveness of the Audit Committee members and their respective individual contribution.
8. To assess the independent directors annually and the basis of assessment for independent director is done in accordance with the definition of independent director pursuant to the Main Market Listing Requirement i.e. items/criteria (a) to (g) of the definition.
9. The Board has a Policy which limit the tenure of its independent directors to nine years.
  - The tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, the independent director may continue to serve on the Board subject to the director's re-designation as a non-independent director; OR
  - The Board must make a recommendation and provide strong justification to shareholders in a general meeting if Nomination Committee vote to retain an independent director who had served in that capacity for a cumulative term nine (9) years.
  - If the Board continues to retain independent directors after year-12, the Board may seek shareholders' approval for retaining a person who has served beyond twelve (12) years as an independent director.
10. To foster director's commitment in carrying his duties responsibly: every director should notify the Chairman in writing before accepting any new directorship in other public listed companies and his total attendance of board of directors' meetings held during a financial year should be at least 50%. Every director is to serve a maximum of five (5) board directorships with public listed companies in Malaysia.
11. To recommend to the Board on the election/re-election of directors to the Board in accordance with Company's Memorandum and Articles of Association.
12. To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board.
13. Consider and recommend suitable persons for appointment as Board members of subsidiary and associate companies as Group nominees.
14. To facilitate board induction and appropriate continuing training programmes for the Board.

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15. In identifying, considering and recommending suitable persons for appointment as Directors, the Board shall rely on sources from existing Board members, Management, major shareholders, independent search firms and other independent sources.
16. If, a candidate is selected solely based on recommendation of existing board members, justification to support the proposed selection of the candidate is required to be tabled to the Nomination Committee and Board for their consideration.
17. To consider for succession to the position of Chairman of the Board and Chief Executive Officer as well as certain other senior management positions in the Group.

**Secretary**

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee Members. The Committee Members may inspect the minutes of the Nomination Committee at the Registered Office.

**Meetings**

The Committee shall meet at least once in each financial year. The quorum for a meeting shall be two (2) members.

The Committee Members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

All decisions at such meeting shall be decided on a show of hands on a majority of votes.

**General**

- A copy of the terms of reference is available at [www.greenpacket.com](http://www.greenpacket.com)
- The terms of reference should be reviewed annually in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Nomination Committee's responsibilities.