



**POWERWELL HOLDINGS BERHAD**  
**Registration No. 200101009151 (544907-X)**  
(“Powerwell” or “the Company”)  
(Incorporated in Malaysia)

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

### **COMPOSITION**

The Nomination Committee of Powerwell shall be appointed by the Directors from among themselves via a Directors’ resolution and shall comprise exclusively Non-Executive Directors of whom a majority shall be Independent Directors.

The members of the Nomination Committee shall elect a Chairman from among themselves who is an Independent Director. All members of the Nomination Committee, including the Chairman, will hold office only so long as they serve as Directors of Powerwell.

The Chairman of the Nomination Committee shall report to the Board of Directors of the Company (“**Board**”) on any matter that should be brought to the Board’s attention and provide recommendations of the Nomination Committee that require the Board’s approval at the Board meeting.

### **TERMS OF REFERENCE**

#### **Objective**

The objective of the Nomination Committee is to ensure that the Directors bring characteristics to the Board, which provide a required mix of responsibilities, skills and experience. The Nomination Committee will also assist the Board in reviewing on an annual basis the appropriate balance and size of Board participation and in establishing procedures and processes towards an annual assessment of the effectiveness of the Board as a whole and contribution of each individual Director and Board Committee member.

When a vacancy exists or when it is considered that the Board would benefit from the services of a new director with particular skills, the Nomination Committee shall recommend to the Board one or more candidates with the appropriate expertise and experience. The Nomination Committee may also consider in making its recommendations, candidates for directorships proposed by the Managing Director and within the bounds of practicability, by any Director and by the shareholder or may use the services of a professional recruitment firm. The Nomination Committee will then make its recommendation on the candidates for submission to the Board for approval.

#### **Authority**

The Nomination Committee should not have the delegated power from the Board to implement its recommendations but should be obliged to report its recommendations back to the full Board for its consideration and implementation. This is in recognition of the importance of diversity within the Board and the need for Board membership to be endorsed by all or the majority.

In carrying out its duties and responsibilities, the Nomination Committee will in principle have access to Powerwell’s records, properties and personnel. The Nomination Committee may use the services of professional recruitment firms to source for the right candidate for directorship or seek independent professional advice whenever necessary.

## **Duties and Responsibilities**

The following are the main duties and responsibilities of the Nomination Committee collectively. These are not exhaustive and can be augmented if necessary by Board approval:

- Develop, maintain and review the criteria to be used in the recruitment process and annual assessment of the Board.
- Examine the size of the Board with a view to determine the number of Directors on the Board in relation to its effectiveness and ensure that at every annual general meeting, one-third of the Directors for the time being shall retire from office. A retiring Director shall be eligible for re-election. Every director, including the Managing Director, shall be subject to retirement at least once in every three (3) years.
- Ensure that the appointment of any Executive Director or Managing Director of Powerwell shall be for a fixed term not exceeding three years at any one time with power to re-appoint, remove or dismiss thereafter.
- Assess annually the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director based on the process implemented by the Board.
- Review annually its required mix of skills, boardroom diversity (including gender, age and ethnicity), expertise, experience, commitment and other qualities, including core competencies which the Directors should bring to the Board and disclose the same in the Annual Report.
- Recommend suitable orientation, educational and training programmes to continuously train and equip the existing and new Directors.
- Source and recommend to the Board, suitable candidates for all directorships by utilising independent sources to identify such candidates, if necessary and to recommend to the Board candidates to fill the Audit and Risk Management, Nomination, Remuneration or other Board Committees. A description/specification for the new Directors should be drafted before identifying possible candidates. Candidates should be evaluated against this specification.
- Review on an annual basis the term of office and performance of the Audit and Risk Management Committee and each of its members in carrying out their duties in accordance with the terms of reference of the Audit and Risk Management Committee.
- Periodically review and report to the Board the succession planning for the Board including Board Chairman and Managing Director, and senior management. The Board should work with the Nomination Committee to evaluate potential successors.

## **Meetings**

The Nomination Committee shall meet at least once a year. The Committee will meet as and when required and report to the Board after each meeting.

The Nomination Committee Meetings shall be chaired by the Chairman of the Committee. In the absence of the Chairman of the Nomination Committee, the members present shall elect from among themselves, a chairman for the Meeting.

The Chairman also has the discretion to call for additional meetings at any time. The quorum for each meeting shall be two (2) members. All recommendations and findings of the Nomination Committee shall be submitted to the Board of Directors for approval. In the absence of a meeting, any issues shall be resolved through circular resolution.

The Managing Director and/or other appropriate officers may be invited to attend where their presence is considered appropriate as determined by the Nomination Committee Chairman.

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the Nomination Committee.