

## **M.Munir M.Ahmed Khanani Securities Ltd**

### **Terms of Reference**

#### **NOMINATION COMMITTEE ("NC")**

#### **1. INTRODUCTION**

- 1.1 The Nomination Committee's Terms of Reference ("TOR") sets out the requirements of the Board of Directors ("Board") of Munir Khanani Securities Limited (MMKSL) towards the establishment of a Nomination Committee and the delegation of responsibilities to such a committee.

#### **2. FUNCTIONS**

- 2.1 The purpose of the NC is to assist the Board in fulfilling its roles and responsibilities in regard to the following:
- 2.1.1 Composition of the Board, the Board Committee, all Directorships and Senior Management;
  - 2.1.2 Nomination and election process and appointment and re-appointment/re-election process;
  - 2.1.3 Contribution and commitment of Directors;
  - 2.1.4 Letter of Appointment;
  - 2.1.5 Induction and Training programs;
  - 2.1.6 Board assessment;
  - 2.1.7 Review of the Audit Committee; and
  - 2.1.8 Succession Planning.

#### **3. MEMBERS**

- 3.1 Membership and the Chairman of the NC shall be appointed by the Board and shall comprise of not less than three (3) members whom shall be appointed from among the Directors of the Board.
- 3.2 Members of the NC may relinquish their membership with prior written notice to the Company Secretary. The NC will review and recommend to the Board for approval, another candidate to fill up such vacancy.
- 3.3 No Alternate Director shall be appointed as a member of the NC.





#### 4. POWERS AND AUTHORITY

- 4.1 The Board authorizes the NC, within the scope of its duties and responsibilities set out in this TOR to:
- 4.1.1 acquire the resources which are required to perform its duties;
  - 4.1.2 have full and unrestricted access to information, records, properties and personnel within the Group;
  - 4.1.3 obtain relevant internal and external independent professional to assist in the proper discharge of its roles and responsibilities; advice, as it deems necessary; and
  - 4.1.4 have access to the advice and services of the Company Secretary.

#### 5. SECRETARY OF THE NC

- 5.1 The Company Secretary shall be the Secretary of the NC.
- 5.2 The Secretary shall be present to record proceedings of the NC meetings.
- 5.3 The Secretary shall have the following responsibilities:
- 5.3.1 ensure all meetings are arranged and held accordingly;
  - 5.3.2 draw up meeting agenda in consultation with the Chairman and circulate the agenda together with the relevant papers at least seven (7) days prior to each meeting to enable full and proper consideration to be given to issues;
  - 5.3.3 prepare the minutes of the NC meetings and record the conclusions of the NC in discharging its duties and responsibilities;
  - 5.3.4 ensure the minutes are endorsed by the Chairman before circulating promptly to all members of the NC and make the same available to Board members who are not members of the NC; and
  - 5.3.5 ensure that the minutes of the NC meetings are properly kept and produced for inspection if required.





## 6. QUORUM AND MEETING GUIDELINES OF THE NC

- 6.1 In order to form a quorum, minimum two (2) members must be present. In the absence of the Chairman, the members present shall elect a Chairman for the meeting amongst the members present.
- 6.2 The NC shall meet a minimum of two (2) times a year. Additional meetings shall be held as and when the NC or the Chairman of the NC decides. The NC meetings shall be governed by the provisions of the Company's Constitution relating to Board meetings unless otherwise provided for in this TOR. The NC may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.
- 6.3 The NC may request other Directors, members of Board committees/management, counsels and consultants when applicable and necessary to participate in the meetings, to assist in carrying out the NC's responsibilities.
- 6.4 A member of the NC shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for him/her. Where this causes a lack of quorum, the NC shall appoint another candidate(s) who meets the membership criteria.
- 6.5 A member of the NC may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 6.6 The notice and agenda for each NC meeting shall be sent to all members of the NC and any other persons who may be required to attend.
- 6.7 The Chairman of the NC shall report to the Board on any matter that should be brought to the Board's attention and provide recommendations of the NC that require the Board's approval at the Board meeting.
- 6.8 A resolution in writing signed by a majority of all members of the NC shall be valid and effectual as if it had been passed at a meeting of the NC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minute's book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.







## 7. DUTIES AND RESPONSIBILITIES

### 7.1 Nomination and Election Process

#### 7.1.1 Composition of the Board, Board Committees and all Directorships in the Group:

- a) Review the structure, size and composition (including skills, knowledge, experience and diversity) of the Board, Board Committees and all Directorships with a view to determine the impact on the Board and Committees in respect of its effectiveness and recommend on any improvements or changes;
- b) Review and recommend to the Board the policy on Board composition in respect of mix of skills, knowledge, experience, expertise, independence, diversity (including gender, ethnicity and age) and core competencies needed to facilitate effective functioning of the Board; and
- c) Draw up, review and recommend to the Board the Policy on Independence and Conflict of Interest.

### 7.2 Employment Contracts

- 7.2.1 Review and recommend to the Board the appointment of any Executive Directors, Chief Executive Officer ("CEO") and Senior Management within the Group;
- 7.2.2 Review and recommend the extension of contracts of Executive Directors, CEO and Senior Management; and
- 7.2.3 Review and recommend to the Board any matters relating to the continuation, extension, suspension or termination of Executive Directors, CEO and Senior Management.

### 7.3 Appointment/ Re-appointment/ Re-election Process

- 7.3.1 Develop and review criteria used in the appointment/ recruitment of Board members, Committee members and all Directorships in the Group, CEO, Senior Management and recommend to the Board for approval;
- 7.3.2 Recommend to the Board the criteria for identifying Independent Non- Executive Director; and
- 7.3.3 Recommend to the Board for its approval, candidates for the Board, Independent Non- Executive Director, Board Committees including the Chairman and all directorships within the Group. The NC shall consider the prospective Director's character, experience, skills, expertise, core competencies, integrity and time commitment, number of directorships and external obligations.





#### 7.4 Induction and Training Programs

- 7.4.1 Recommend suitable orientation / induction, educational and training programs to continuously train and equip the existing and new Directors and to ensure a statement is made in the Annual Report by the Board containing a brief description on the type of training attended by Directors during the financial year.

#### 7.5 Review of the Audit Committee

- 7.5.1 Review the term of office and performance of the Audit Committee ("AC") and each of its members annually to determine whether such AC and members have carried out their duties in accordance with their terms of reference.

### 8. REVISION OF TERMS OF REFERENCE

- 8.1 Any revision or amendment to this TOR as proposed by the NC or any other party shall first be presented to the Board for its review and approval.
- 8.2 Upon the Board's approval, the said revision or amendment shall form part of this TOR and shall be considered duly revised or amended.

