

# **HAP SENG CONSOLIDATED BERHAD**

## **NOMINATING COMMITTEE**

### **Terms of Reference of Nominating Committee**

#### **Membership**

- The committee shall be appointed by the board from amongst the directors of the Company of not less than 3 non-executive directors, a majority of whom are independent.
- The chairman of the committee is also the senior independent director of the Company.

#### **Frequency of Meetings**

The nominating committee shall meet as often as it requires but at least once per financial year.

#### **Attendance at Meetings**

The quorum necessary for the transaction of business shall be 2 members and decisions are by majority votes.

#### **Proceeding of Meetings**

- The committee shall have access to sufficient resources to facilitate the carrying out of its duties, including obtaining, at the Company's expense, outside legal or other professional advice on any matters within its term of reference.
- In the absence of the chairman, the nominating committee shall appoint one of the independent non-executive members present to chair the meeting.
- Questions arising at any meeting where a quorum is present shall be decided by a majority of votes of the members present, each member having 1 vote.

#### **Reporting Procedure**

The company secretary shall circulate the minutes of meetings of the nominating committee to all members of the board.

#### **Scope of Authority**

The nominating committee does not have the delegated authority from the board to implement its recommendations but is obliged to report its recommendations to the full board for its consideration and implementation. The actual decision as to who shall be appointed is the responsibility of the full board after considering the recommendations of the committee.

#### **Primary Responsibilities of Nominating Committee**

- To consider and recommend candidates onto the board and board committees and guided by the selection criteria which include, amongst others, integrity and professionalism, expertise and experience, independence and objectivity, personal attributes, dedication and commitment and board diversity. Details of the selection criteria are set out in the Board Charter.
- To annually evaluate performance of the board and board committees collectively as well as performance of members individually.
- To facilitate board induction and training programmes.
- Assessing directors' training needs periodically and devising relevant professional development programmes based on such assessment for recommendation to the board.

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- To develop a proper succession plan for the board so as to ensure a smooth transition when directors leave the board, and that positions are filled and skill gaps addressed.
- To monitor and recommend the functions to be undertaken by the various board committees.
- To review and reassess the adequacy of the Board Charter and Code of Conduct annually.
- To evaluate the independence of each independent director on a yearly basis. In this regard, the committee is guided by the criteria as set out in the Board Charter.
- To recommend directors for reappointment or re-election subject to satisfactory outcome of the evaluation of their performance.