



Terms of Reference for Nominating Committee

Date: 23/8/2022

Innity Corporation Berhad

(Company No. 200701006554 (764555-D))

1.0 Overview

The Nominating Committee (the “Committee”) of Innity Corporation Berhad (the “Company”) was formed by the Board of Directors of the Company. Its primary function, in line with the Malaysian Code on Corporate Governance (“MCCG”), is to assist the Board in the following areas:

- Proposing new nominees for the Board of the Company and/or its subsidiaries (the “Group”) - the actual decision as to who shall be nominated shall be the responsibility of the full Board after considering the recommendations of the Committee;
- Appraise each individual Director, including Independent Non-Executive Directors as well as the Group Managing Director (“Group MD”) in terms of their individual experience, knowledge, credibility and credentials, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member of the Company;
- Examine the ability of each Director, including the Group Managing Director, to contribute to the effective decision-making process of the Board and ensure that the Board of our Company is functioning actively, efficiently and effectively in all its decision making; and
- Assess the effectiveness, size and composition of the Board of Directors as a whole and the committees of the Board.
- To ensure there is sufficient succession planning and human capital development focus in the Company.

2.0 Composition

- 2.1. The membership of the Committee shall comprise exclusively Non-Executive Directors, a majority of whom are independent and number at least three (3) in total.
- 2.2. The Chairman of the Committee shall be an Independent Non-Executive Director.
- 2.3. No alternate Director shall be appointed as a member of the Committee.
- 2.4. If a member of the Committee 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.
- 2.5. Chairman of the Board should not be a member of Nomination Committee.

3.0 Quorum and Meeting Procedures

The Committee shall meet at least once a year. More meetings may be conducted if the need arises. The quorum for a meeting of the Committee shall be two (2) members, present in person, both of whom are Independent Directors. A resolution in writing, signed by all the members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held.

Any such resolution may consist of several documents in like form, each signed by one or more Committee members.

In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present who would qualify under these terms of reference to be appointed to that position of the Board.

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.

4.0 Secretary

The Secretary, his/her representative or other appropriate Senior Officer shall act as secretary of the Committee (the “Secretary”).

5.0 Advisers

The Committee is authorised by the Board to seek appropriate professional advice inside and outside the Group as and when it considers necessary at the expense of the Company

6.0 Authority

- 6.1. The Committee is authorised to seek any information it requires from management of the Company in order to perform its duties.
- 6.2. The Committee 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.
- 6.3. The Committee 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.

7.0 Responsibilities and Duties

In fulfilling its primary objectives, the Committee shall undertake the following responsibilities and duties:-

7.1. Nomination/ Election

To evaluate the balance of skills, knowledge and experience on the Board, and hence defined the role and capabilities required for a particular appointment and be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise. In making the recommendations, the Committee does not solely rely on recommendations from existing directors, management or major shareholders. The Committee utilise directors’ registry, open advertisement or independent services to identify suitably qualified candidates. In

making its recommendations, the Committee shall assess and consider the following attributes or factors:-

- a) skills, knowledge, expertise and experience;
- b) professionalism;
- c) commitment (including time commitment) to effectively discharge his/her role as a Director;
- d) contribution and performance;
- e) background, character, integrity, and competence;
- f) in the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-executive Directors;
- g) boardroom diversity including gender diversity, in line with MCGG recommendation of the board to comprise of at least 30% women directors and the listing requirement of at least one (1) women directors ; and
- h) in considering independence, it is necessary to focus not only a Director's background and current activities qualify him or her as independent but also whether the Director can act independently of management;
 - recommend to the Board, Directors to fill the seats on Board Committees; and
 - develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors. The nomination and the election process should be disclosed in the Annual Report

7.2. Annual Review

- a) review annually the required size and balance, mix of skills, experience, independence, diversity (including gender diversity) and other qualities of the Board, including core competencies which Non-Executive Directors should bring to the Board. This activity shall be disclosed in the Annual Report of the Company;
- b) assess annually the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director including his time commitment, character, experience and integrity vide a formal and objective assessment. All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented;
- c) assess annually the effectiveness and performance of the Group MD and Executive Directors;
- d) assess annually the independence of its independent directors, as well as consider and recommend the Independent Directors beyond nine (9) years but not more than twelve (12)

years for continuation in office, having due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required;

- e) assess annually the term of office and performance of the Audit Committee and each of its members to determine whether such Audit Committee and members have carried out their duties in accordance with their Terms of Reference;
- f) assess the training needs of each Director, review the fulfilment of such training, and disclose details in the Annual Report as appropriate; and
- g) consider to recommend the Directors for re-election/ re-appointment at each Annual General Meeting contingent upon satisfactory evaluation of the director's performance and contribution to the board with due consideration that the composition of the board to be refreshed periodically.

A Directors' Fit and Proper Policy has been established to guide the Committee in the review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking election or re-election.

7.3. Others

- a) review and make recommendations to the Board on Succession Plan for Senior Management;
- b) recommend to the Board protocol for accepting new directorships;
- c) review and define orientation and induction plans for new directors;
- d) recommend to the Board the Company's gender, age, experience and ethnicity diversity policies and targets and discuss measures to be taken to meet those targets; and
- e) review the Terms of Reference and recommend any changes it considers necessary to the Board for approval periodically or as and when necessary, to ensure it is operating at maximum effectiveness.

8.0 Annual General Meeting

The Chairman of the Committee should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities; and

9.0 Procedures

The Board follows formal and transparent procedures when appointing directors as follows:-

- 9.1. The Committee will look into the characteristics the Board is looking for in a new appointment and/ or seek professional advice as and when it considers necessary to identify a short-list of suitable candidates, sourced from a variety of approaches, which include the use of independent services and recommendation from existing Board members, Management or major shareholder.

- 9.2. All the candidates are interviewed by at least two members of the Committee whose evaluations will be circulated to all the members of the Committee.
- 9.3. The Committee will then have to make a majority decision in recommending the appointment to the Board.
- 9.4. The Board will then decide on the best candidate and a Board resolution will be passed to appoint the candidate.

The Committee shall regulate its own procedure to be followed in the discharge of its duties and responsibilities set out in section 7 above. The regulation and implementation of such procedure shall, as far as circumstances permit be in keeping with the principles and requirements of the Malaysian Code on Corporate Governance.

10.0 Reports

The Committee shall provide a report summarising its activities for the year in compliance with the Malaysia Corporate Governance Code, Listing Requirements and any relevant regulations. The report can be incorporated into the corporate governance statement in the annual report or included as a separate report

11.0 Minutes

All the minutes of meetings of the Committee shall be kept at the Registered Office and copies thereof shall be circulated to all members of the Board. Any request by Management/ other person(s) to inspect the minutes shall be subject to the approval of the Committee.

12.0 Succession Planning for the Board

The Committee shall, as and when required:

- 12.1. keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
 - a) give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in future;
 - b) make recommendations to the Board concerning the succession plans for Executive Directors.
- 12.2. make recommendations to the Board concerning the re-election of any director under the retirement by rotation provisions in the Company's Constitution.
- 12.3. make any necessary recommendations to the Board concerning the continuation in office, suspension or termination of service of any director (subject, in the case of Company employees to the provisions of their service contracts, if any); and



- 12.4. make recommendations to the Board concerning the continuation (or not) in service of any Independent Director who has served consecutively or cumulatively for more than 9 years

13.0 Revision of the Terms of Reference

Any revision or amendment to this Terms of Reference, as proposed by the Committee or any third party, shall first be presented to the Board for its approval.

Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

(This Revised Terms of Reference for Nomination Committee was approved and adopted by the Board on 23 August 2022)