



PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No: 203352-V)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE NOMINATING COMMITTEE

A. Composition of Nominating Committee (“NC”)

- (1) The NC shall be appointed by the Board of Directors and shall consist of not less than 2 members comprising exclusively non-executive directors, a majority of whom must be independent. In the event of any vacancy in the NC resulting in the non-compliance of the aforementioned, the Company must fill the vacancy within three (3) months.
- (2) The members of the NC shall elect a Chairman among themselves who shall be an Independent Director or the Senior Independent Non-Executive Director.
- (3) The Board of Directors shall review the term of office and performance of the NC and each member annually to determine whether the members have carried out their duties in accordance with the Terms of Reference of the NC.

B. Duties and Responsibilities of NC

The NC shall:-

- (1) assess and recommend to the Board, the candidature of new Directors (whether proposed by the Board or nominated the members of the Company). Appointment of Director shall be based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

In making its recommendations, the NC shall take into consideration the candidate’s character, integrity, competence, professionalism and time to effectively discharge his/her role as a Director of the Company.

The NC shall also consider whether the candidate is of good repute and possesses the necessary experience for the performance of his/her duties and has any conflict of interest with the Group;

- (2) assist the Board in undertaking an annual assessment of the independence of Independent Directors;
- (3) assess and recommend to the Board, Directors to fill the seats on board committees;
- (4) assess annually the effectiveness of the Board as a whole, the committees of the Board and the contribution of each existing Director and thereafter, recommend its findings to the Board;
- (5) facilitate board induction for newly appointed Directors and assist the Board in identifying suitable training programmes for Directors;
- (6) review annually the required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the Board and thereafter, recommend its findings to the Board;
- (7) establish appropriate plans for succession at Board level as well as senior management level and make appropriate recommendations to the Board;
- (8) review and evaluate the appointment of senior executives, including that of the Chief Executive Officer and their duties and the continuation (or otherwise) of their services and recommend its findings to the Board;
- (9) facilitate the achievement of board gender diversity policies and targets;
- (10) consider other matters as directed by the Board.

The NC, whether as a full committee or in their individual capacity, be able to obtain independent professional advice at the Company's expense in accordance with the procedures set out in the Board Charter, when deemed necessary.

C. Procedure of NC Meetings

(1) Frequency of Meetings

The NC shall meet at least once in each financial year. Additional meetings may be called as and when required.

(2) Venue and Participation

The NC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the NC members as a whole to participate for the entire duration of the meeting, and that all information and documents for the meeting must be made available to all members prior to or at the meeting.

(3) Notice

The notice of the NC meetings and meeting materials shall be circulated at least five (5) business days before each meeting to members of the NC. Notice of meetings shall be given in writing and served to the NC member either personally or by email, fax, post or by courier to his/her registered address as appearing in the Register of Directors or to the address provided by the NC member, as the case may be.

(4) Quorum

The quorum shall consist of a two (2) members, one of whom must be an independent director. In the absence of the Chairman of the NC, the members present shall elect one of their numbers to chair the meeting.

(5) Attendance

The NC may extend an invitation to other board members and Management to attend meetings as it deems necessary.

(6) Voting

A resolution put to the vote of the meeting shall be decided on a show of hands. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote (except where 2 members form the quorum).

(7) Keeping of Minutes

Minutes of each meeting signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting shall be evidence of the proceedings to which it relates.

(8) Custody, production and inspection of such minutes

Minutes shall be kept by the Company at the Registered Office and shall be open to the inspection of any NC member or Board member.

D. Written Resolutions

A resolution in writing signed or approved via letter, telex, facsimile, email by all Committee members shall be effective for all purposes as a resolution passed at a meeting of the NC duly convened, held and constituted. Any such resolution may be contained in a single document or may consist of several documents all in the like form signed by one or more members.

E. Secretary

The Company Secretary of the Company or such substitute as appointed by the Directors or the NC from time to time shall act as the Secretary of the NC.

Last reviewed by the Board on 20 November 2017.