

**SUNWAY BERHAD**  
**(Company No. 921551-D)**

**POLICY ON SELECTION AND ASSESSMENT OF MEMBERS  
OF THE BOARD OF DIRECTORS AND  
BOARD COMPOSITION**

**1. POLICY STATEMENT**

This Policy details the processes and criteria for selection and assessment of potential candidates for election to the Board of Directors (“Board”) as well as the Board Composition of the Company. This policy is to be practiced in conjunction with the Diversity and Inclusion Policy of the Company as well as the Succession Planning Policy of Sunway Group.

The Board has delegated the responsibility for recommending a candidate to fill a board vacancy to the Nomination Committee (“Committee”) but the ultimate decision on the appointment of a candidate is solely that of the Board as a whole.

**2. SELECTION OF CANDIDATE**

**i) SELECTION PROCESS**

The Committee shall:

- a) proactively exchange views with Board members to study the needs of the Company for new Directors;
- b) request nominations from the Board, as well as actively seek suggestions for possible nominees from other sources. The Committee may consider using executive search firms to assist with finding candidates with the required skills and background;
- c) make recommendation(s) to the Board in writing, describing the experience, expertise and background of the proposed nominee(s), and how he or she will complement the skills and backgrounds represented by the continuing members of the Board;
- d) ensure ample time is given to the Board to consider the Committee’s recommendations in light of the importance of the decision; and

- e) instruct management to conduct an orientation programme for new Board member(s), and periodically review the programme for quality and scope in order to assist new board member(s) to understand the Company's organization and businesses as well as to be able to discharge his or her duties effectively as soon as possible.

ii) **SELECTION CRITERIA**

The Committee will evaluate all recommended candidate(s) based on the following criteria:

For Non-Executive Director

- a) The candidate must possess high standards of ethics, integrity and professionalism, display independent and sound judgment and have meaningful experience and expertise in business, corporate, real estate, property, accountancy, law, finance or other relevant endeavors.
- b) The qualifications of a candidate will be considered by the Committee in addition to other factors it deems appropriate based on the current needs and requirements of the Board, including specific desired business and financial expertise, experience as a director of public listed company, age, gender and ethnic diversity.
- c) The candidate must possess the necessary technical skills and knowledge relating to particular business areas or the general industry of the Company.

For Independent Director

- a) In addition to the criteria set forth above, the nominee for an independent director's vacancy must fulfill the independence test under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

3. **ASSESSMENT OF CANDIDATE**

a) **ASSESSMENT PROCESS**

- i) The Committee shall gather all relevant information of the candidate such as academic achievements, professional titles, detailed work experience, etc for evaluation. It may seek the help of the Company Secretary or Human Resource Department to assist in such information gathering as well as background verification.

- ii) The Committee shall assess the experience, expertise and business relationships represented by the continuing Board members in light of the existing and planned businesses to determine the skills and background of the new Board member(s) in order to complement those of the continuing Board members.
- iii) The Committee shall interview shortlisted candidate(s) and provide an opportunity for the Chairman or President/Chief Executive Officer to interview the prospective candidate(s), to assess the suitability of the candidate(s), if required.

#### **4. BOARD COMPOSITION**

The appointment of Directors who are able to make positive contributions, is one of the key elements of board effectiveness. Directors will be more likely to make good decisions and maximize the opportunities for the Company's success in the longer term if the right skill sets are present in the boardroom. As such, the following important factors have been identified to achieve optimal board composition:

- a) Appropriate range and balance of skills, experience, knowledge and independence of directors.
- b) The right balance between query and teamwork, and fresh input of new ideas and critical thinking, while maintaining a cohesive Board.
- c) Diversity of personal attributes among Board members, including: intellect and judgement, courage, openness, honesty and tact, ability to listen, forge relationships and develop trust. Diversity of background and gender is important to ensure that the Board is not composed solely of like-minded individuals.
- d) Regular review on the skills required, identify the gaps, develop transparent appointment criteria and informed succession planning by the Committee.

#### **5. MONITORING AND REPORTING**

The Committee will disclose the composition of the Board annually in the Annual Report of the Company and monitor the implementation of this Policy.

#### **6. REVIEW OF THIS POLICY**

The Committee will periodically review this Policy, as appropriate, to ensure its effectiveness. The Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.