

Notion VTec Berhad
Registration No. 200301035125 (637546-D)

Nomination Committee
Terms of Reference

The terms of reference are as follows:

Composition

The Nomination Committee shall be appointed from amongst the Board and shall:-

- (i) comprise no fewer than two (2) members;
- (ii) comprise exclusively non-executive directors, a majority of whom must be independent; and
- (iii) The Chairman of the Committee shall be an Independent Non-Executive Director but not the Chairman of the Board.

The appointment of a member terminates when the member ceases to be a Director, or as determined by the Board.

Purpose

1. Ensure that each of its directors, Managing Director, chief financial officer and chief operating officer has the character, experience, integrity, competence and time to effectively discharge his role as a director, Managing Director, chief financial officer or chief operating officer, as the case may be..
2. Ensure the policy and criteria to conduct periodic evaluation for effectiveness of the Board and Board Committees as well as individual directors by robust processes and procedures taking into consideration the needs of the Board such as mix of skills, independence, experience, industry knowledge and diversity (including gender diversity).
3. Recommend to the Board, candidates for all directorships and on board committees.
4. Selecting, compensating, monitoring and overseeing succession planning.

Duties and Responsibilities

New Appointment

1. To recommend to the Board, candidates for directorships and to review the Board's policies and procedures for the selection of Board members. In making its recommendations, to consider and assess the candidates':-
 - a) skills, knowledge, expertise and experience;
 - b) professionalism;
 - c) time commitment to effectively discharge his/her role as a director;
 - d) contribution and performance;
 - e) character, integrity and competence;
 - f) in the case of candidate for the position of independent non-executive directors, to evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors;
 - g) Boardroom diversity including gender, age, cultural background and ethnic diversity; and

Notion VTec Berhad
Registration No. 200301035125 (637546-D)
Nomination Committee
Terms of Reference

- h) any business interests that may result in a conflict of interest that may arise within the Company or the Group.

in the case of candidates for the position of Independent Directors, the Nomination Committee should also evaluate the candidates' ability to discharge such responsibilities / functions as expected from Independent Directors. 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.

2. To develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors. The Board nomination and election process as well as the criteria used in the selection process and the assessment undertaken in respect of its Board, committees and individual Director should be disclosed in the Annual Report.

If the selection of candidates was solely based on recommendations made by the existing board members, management or major shareholders, the NC should explain why other sources were not used.

3. In developing its procedures and making recommendations to the Board, the Nomination Committee will take into account of:
- a) The provisions in the Company's Constitution, the Companies Act 2016, the Bursa Malaysia Securities Berhad Main Market Listing Requirements and other laws and regulations, if any, in respect of the appointment, removal, etc of directors;
 - b) The need for the Board to operate an open and transparent appointment process. This may include public advertisement or direct approaches being made to individuals who may be suitable or organisations that may be able to advise;
 - c) The overall composition and balance of the Board.
4. To ensure the composition of the Board is refreshed periodically by reviewing the tenure of each Director and the re-election of a Director should be contingent on satisfactory evaluation of the Director's performance and contribution to the Board. Independent Non-Executive Director who is retained beyond nine (9) years has to provide strong justification in exceptional circumstances and seek shareholders' approval. In obtaining the shareholders' approval, Nomination Committee should assess the Independent Director and recommend to the Board of Directors whether the Independent Non-Executive Director should remain independent or be re-designated. The Board shall have to recommend, justify and seek annual shareholders' approval in accordance with the Board Charter.
5. To recommend to the Board, the Directors to sit on respective Board committees.

Notion VTec Berhad
Registration No. 200301035125 (637546-D)
Nomination Committee
Terms of Reference

Re-election, Re-appointment, Re-designation and Resignation/Termination

6. To ensure that the composition of the Board is refreshed periodically. The tenure of each director should be reviewed and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the Board.
7. To recommend to the Board on the re-designation of the Independent Director to Non-Independent Director should the tenure of an Independent Director exceed a cumulative terms limit of 9 years. If the Board intends to retain an Independent Director beyond 9 years, it should be subjected to the following:-
 - a) annual assessment by the NC, regarding the independence and contributions; and
 - b) annual shareholders' approval in a general meeting, where the Board provides strong justification on the recommendation in the explanatory notes to the resolution in the notice of a general meeting.

Specific Nomination and Succession Planning

8. To recommend to Board protocol for accepting new directorships.
9. To review the Board and senior management's succession plans.
10. To 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;
11. To 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;
12. To make recommendations to the Board concerning the succession plans for Executive Directors;
13. To 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

Annual Performance Assessment of Board, Board Committees and Individual Directors

14. To assess the fitness and properness of each individual Director during his/her appointment as a Director or annual re-election of the Directors based on the following factors:
 - compatibility within the overall composition of the Board to match the profile and activities of the Company;
 - willing to act or continue to act as a Director of the Company after being made aware of his/her responsibilities as a Director;

Notion VTec Berhad
Registration No. 200301035125 (637546-D)
Nomination Committee
Terms of Reference

- is or willing to be familiar with the Company's business activities and its operating environment;
- has the ability to attend board meetings, either physically or virtually, based on the form of participation required of the Director;
- the multiple directorships of the Director do not result in a conflict of interest with the Company, puts the Director in a position where commercially sensitive information could be misused against the Company or cause the Director to be unable to provide the required time commitment to the Company;
- is a Director or shareholder of an entity in countries that are classified as high risk under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

The Nomination Committee may engage a professional, experienced and independent party to facilitate the Board evaluation.

15. To administer the annual assessment of Directors, including a review of the skill, qualification and competencies of the Board as a whole, the committees of the board and for assessing the contribution of each individual director, including independent non-executive directors, as well as the chief executive officer and to review the character, experience, integrity, competence and time commitment to effectively discharge the roles of each of its director, chief executive and chief financial officer*. All assessments and evaluations carried out to be properly documented. Thereafter to recommend the annual re-election of the Directors to the Board for the shareholders' approval at the Annual General Meeting in accordance with the Company's Constitution.
16. To review the term of office and performance of the Audit and Risk Management Committee and each of its members to determine whether they have carried out their duties in accordance with their terms of reference.

Induction training and training needs analysis

17. To facilitate Board induction programme for newly appointed Directors with respect to the business, structure and management of the Group.
18. To identify suitable educational and training programmes for continuous development of Directors and assess the training needs of each Director, review the fulfilment of such training, and disclose details in the Annual Report as appropriate.
19. Perform such other assignments as may be delegated by the Board.

Meetings

1. The Nomination Committee shall meet as required, and report to the Board of Directors after each meeting.
2. The quorum for a meeting shall be two (2) members.

Notion VTec Berhad
Registration No. 200301035125 (637546-D)
Nomination Committee
Terms of Reference

3. A resolution in writing, signed by all the members of the Nomination Committee, shall be as effectual as if it has been passed at a meeting of the Nomination Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more committee members and may be transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the committee members including but not limited to signing with a platform such as DocuSign.
4. 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.
5. 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.
6. The Committee may request other Directors, members of Management, counsels and consultants as applicable to participate in Committee meetings, as and when necessary.
7. A committee member shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to a situation of an actual or perceived conflict of interest for the member. Where this cause insufficient directors to make up a quorum, Nomination Committee has the right to appoint another Director, which meets the membership criteria.
8. As a best practice, the Chairman of the Committee should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

Revision of the Terms of Reference

Any revision or amendment to this Terms of Reference, as proposed by the Nomination 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.

***Definition of:-**

Chief executive - means the principal executive officer of the corporation for the time being, by whatever name called, and whether or not he is a director.

Chief financial officer - means the person primarily responsible for the management of the financial affairs of the corporation (such as record keeping,

Notion VTec Berhad
Registration No. 200301035125 (637546-D)
Nomination Committee
Terms of Reference

financial planning and financial reporting), by whatever name called.

This Terms of Reference for the Nomination Committee has been approved and adopted by the Board on 29 November 2021.