

PRINSIPTEK CORPORATION BERHAD
(COMPANY NO. 595000-H)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF NOMINATION COMMITTEE

(Revised as at 6 February 2015)

1. **Composition**

The Nomination Committee shall consist of not less than three (3) members. All the members shall be Non-Executive Directors, the majority of whom are independent.

2. **Quorum**

The quorum for each meeting shall be a majority of members present.

3. **Chairman**

The members of the Nomination Committee shall elect a Chairman from among their number who shall be an independent director.

4. **Meetings**

The Meetings shall be held not less than one (1) time a year. A member may at any time and the Secretary shall on the requisition of a director summon a meeting of the Nomination Committee.

Questions arising at any meeting of Nomination Committee shall be decided by a majority of votes and a determination by a majority of members shall for all purposes be deemed a determination of the Nomination Committee.

In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote **PROVIDED THAT** where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two members are competent to vote on the question at issue, shall not have a casting vote.

The Company Secretary shall be the Secretary of the Nomination Committee.

5. **Objectives**

The primary objective of the Nomination Committee is to act as a committee of the full Board to assist in discharging the Board's Responsibilities in:-

- (a) assessing the existing Directors' ability to contribute to the effective decision making of the Board.
- (b) identifying, appointing and orientating new Directors.
- (c) Identifying the mix skills and experience and other qualities the Board requires for it to function completely and efficiently.

6. **Responsibilities**

The responsibilities of Nomination Committee are as follows:-

- (a) To review regularly the Board Structure, Size, Composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;
- (b) To propose and identify new nominees for the appointment to the Board;
- (c) To assess Directors on an on-going basis, the effectiveness of the Board as a whole, the Board Committees and the Contribution of each individual Director as well as the Chief Executive Officer;
- (d) To recommend to the Board, Directors to fill the seats on Board Committee;
- (e) To review annually the Board's mix of skills and experience and other qualities including core competencies which is non-executive Director should bring to the Board;
- (f) To develop the criteria to assess the independence of the independent Director of the Company;
- (g) To determine annually whether or not a Director is Executive, Non-Executive or Independent;
- (h) To recommend to the Board for continuation (or not) in service of executive Director(s) and Directors who are due for retirement by rotation;
- (i) To recommend to the Board for continuation in service of Independent Director(s) who have served the Board for a cumulative term of more than 9 years;
- (j) To consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any Director or shareholder; and
- (k) To orientate and educate new Directors on the nature of business, current issues within the Group and the corporate strategy, the expectations of the Group concerning input from the Directors and the general responsibilities of Directors.