



GROMUTUAL BERHAD

Registration No. 200301022614 (625034-X)

**TERMS OF REFERENCE OF THE
NOMINATING COMMITTEE**

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NOMINATING COMMITTEE
TERMS OF REFERENCE

The Nominating Committee (“NC”) shall be appointed by the Board of Directors from amongst the directors of the Company and shall consist exclusively of non-executive directors, a majority of whom are independent non-executive directors.

NC CHAIRMAN:

The Chairman of the Board shall not be the Chairman and member of the Nominating Committee.

In the absent of the Chairman of the Committee, the other members of the Committee shall amongst themselves elect a Chairman who must be an Independent Non-Executive Director to chair the meeting.

QUORUM OF NC MEETING:

The quorum for the meeting shall be two (2) members.

WRITTEN RESOLUTION OF NC:

A resolution in writing signed by a majority of the NC members, for the time being shall be as valid and effectual as if it had been passed at a meeting of the Nominating Committee duly called and constituted.

The duties of the Nominating Committee shall be :

- (a) Review and recommend the composition and size of the Board and its Committee in periodical manner as well as reviewing existing mix of diversity including age, ethnicity and gender diversity, skills and experience of the Senior Management and Directors of the Board and size of non-executive participation for the Board to maintain the effectiveness of the Board and for the Audit Committee, also to review the financial literacy and competency of the Audit Committee members;
- (b) Review the Board’s succession planning and assess the new appointments of the senior management or members taking into consideration the qualification, character, skill, experience and time commitment to the Board.

In identifying candidates for appointment of Directors, the Committee shall rely on the recommendations from the existing Board members, Management and/or major shareholders and also explore and seek external independent services;

In line with the Code, the Board has established a clear and transparent nomination/recruitment process for the appointment of Director of the Group. The nomination process involves the following five (5) stages:

- i) Identification of candidates;
- ii) Evaluation on the suitability of candidates;
- iii) Meeting up with candidates;
- iv) Final deliberation by Nominating Committee; and
- v) Recommendation to Board.

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- (c) Review and improve the Board evaluation process in place and to review and carry out the evaluation process to evaluate the effectiveness of the Board as a whole and of the committees of the Board, and self -assessment by individual Director and peer-assessment on yearly basis;
- (d) Recommend the annual re-election of retiring directors by rotation in accordance with the Company's Constitution for their reappointment at the Company's forthcoming Annual General Meeting, upon considering the tenure of each director and ensure the satisfactory evaluation of the director's performance and contribution to the board has been made;
- (e) Review and assess annually the objectivity and independence of Independent Directors including those Independent Director who has served the Board over the tenure of 9 years and the justification for their retention are made including limiting the tenure of Independent Director of up to 12 years only; and
- (f) A Directors' fit and proper will also be established on 1 July 2022 to guide the Nominating Committee in the review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.

Updated and approved by NC and the Board on 30 May 2022