




3REN BERHAD

Registration No. 202101012445 (1412744-K)
(Incorporated in Malaysia)

**NOMINATION COMMITTEE
TERMS OF REFERENCE**

	3REN BERHAD Registration No. 202101012445 (1412744-K)	Doc. No:	3R-TOR-NC
	NOMINATION COMMITTEE – TERMS OF REFERENCE	Rev. No:	00
		Eff. Date:	22 March 2024
		Page No:	Page 2 of 5

1. Objective

To assist our Board of Directors (“**Board**”) of 3REN Berhad (“**3REN**” or “**the Company**”) and all its subsidiary companies within the Group (“**3REN Group**” or “**the Group**”) in ensuring that our Board is of an effective composition, size and commitment to adequately discharge its responsibilities and duties. The Nomination Committee (“**NC**”) is responsible to recommend identified candidate to the Board to fill vacancy arising from resignation, retirement or any other reasons or if there is a need to appoint additional director with the required skill or profession to the Board in order to close the competency gap in the Board identified by the NC. The potential candidate may be proposed by the executive directors, senior management major shareholders or independent sources for identification of suitable qualified candidate (with appropriate or reasonable justifications).

2. Composition

The NC shall be appointed by the Board amongst the Directors of the Company which fulfils the following requirements:

- (i) the NC must not be fewer than three (3) members;
- (ii) all the NC members must be non-executive directors with a majority of them being independent directors; and
- (iii) The Chairperson of the NC shall be appointed by the Board and must be an independent director or the Senior Independent Director.

No alternate director should be appointed as a member of the NC.

In the event of any vacancy in the NC, the Board shall fill the vacancy within three (3) months of such vacancy.


The terms of office and performance of the NC and each of its members must be reviewed by the Board annually to determine whether the NC and its members have carried out their duties in accordance with their terms of reference.

3. Meetings

Frequency

Meetings shall be held not less than one (1) time a year, with additional meetings convened as and when necessary.

In the interval between NC meetings, for exceptional matters requiring urgent decisions, NC approvals may be sought via circular resolutions to be signed by all members of the NC, and such resolutions shall be accompanied with sufficient information for an informed decision.

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		Rev. No:	00
	NOMINATION COMMITTEE – TERMS OF REFERENCE	Eff. Date:	22 March 2024
		Page No:	Page 3 of 5

Quorum

Two (2) members shall form a quorum for a meeting of the NC provided that the majority of members present must be Independent Directors. In the absence of the Chairperson of the NC, the remaining members present shall elect one of their members as Chairperson of the meeting.

Any member of the NC may participate in any meeting of the NC via telephone conferencing, video conferencing or by means of any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

Secretary

The Company Secretary shall be the Secretary of the NC or in his/her absence, another person authorized by the Chairperson of the NC. The Secretary shall be responsible for issuing the agenda with the concurrence of the Chairperson and circulating it, accompanying it with explanatory statements and other relevant documents to NC members prior to each meeting. The Company Secretary is also responsible for keeping the minutes of meetings of the NC, circulating them to NC members and to the other members of the Board and for following up on outstanding matters. The Secretary shall keep the minutes of meetings properly filed and shall produce the minutes of meetings for inspection when necessary.

Notice of Meeting

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the NC and any other person required to attend, no later than seven (7) days before the date of the meeting, except in the case of an emergency, where reasonable notice of every Committee meeting shall be given in writing. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time or such other period as the members may agree.

Reporting Procedure


The minutes of each meeting shall be circulated by the Company Secretary to the NC members and to all members of the Board.

Attendance

Other Directors and employees, including the Head of Human Resources and/or external expert, may be invited by the NC to attend any particular meeting of the NC.

4. Rights and Authority


- (i) The NC is authorized by the Board of Directors to carry out its duties and responsibilities within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to cooperate on any request made by the NC.

	3REN BERHAD Registration No. 202101012445 (1412744-K)	Doc. No:	3R-TOR-NC
	NOMINATION COMMITTEE – TERMS OF REFERENCE	Rev. No:	00
		Eff. Date:	22 March 2024
		Page No:	Page 4 of 5

- (ii) The NC is authorized by the Board to obtain legal advice or other independent professional advice if it deems or considers necessary.

5. Duties and Responsibilities

- (i) To determine the criteria for Board membership and appointment of senior management, including qualities, experience, skills, expertise, education background and qualifications, competencies, integrity, contribution, diversity, level of commitment in terms of time and other qualities that will best qualify a candidate to serve on the Board and the Group;
- (ii) To ensure appropriate selection criteria and processes and to identify and recommend to the Board, candidates for directorships of the Company and members of the relevant Board committees;
- (iii) To evaluate the effectiveness of the Board and the relevant Board committees; and
- (iv) To ensure an appropriate framework and succession planning for the Board.
- (v) To assess and recommend to the Board, nominees for directorships and committee members, having regard to their competencies, expertise, experience, potential conflict of interests, commitment, contribution and performance;
- (vi) To ensure that every Director, shall be subject to retirement at least once every three (3) years. A retiring Director shall be eligible for re-election. Recommend Director(s) who are retiring (by casual vacancy and by rotation) for re-election at the Company' Annual General Meeting in accordance with the Company's Constitution.
- (vii) To recommend to the Board, candidates for re-election of Directors by shareholders. The tenure of an Independent Director shall not exceed beyond a cumulative or consecutive term limit of nine (9) years.
- (viii) To assess and evaluate, on an annual basis, or as required, the desirability of the overall composition of the Board and the balance amongst executive, non-executive and independent directors,
- (ix) To establish a mechanism for annual assessment on the performance and effectiveness of the Board as a whole and the contribution of each Director to the performance of the Company. Such annual assessment should be based on objective performance criteria, which is in line with established key performance indicators, as approved by the Board;
- (x) To recommend and ensure that the Board receives appropriate continuous training in order to maintain an adequate level of competency and to effectively discharge their roles as the Directors;
- (xi) To oversee the appointment, management succession planning and performance evaluation of the Board and committees;

	<p style="text-align: center;">3REN BERHAD Registration No. 202101012445 (1412744-K)</p>	Doc. No:	3R-TOR-NC
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		Page No:	Page 5 of 5

(xii) To review annually and recommend to the Board with regard to the structure, size, tenure, directorships, diversity, balance and composition of the Board and Committees including the required mix of skills and experience, core competencies which the Directors should bring to the Board and other qualities to function effectively and efficiently; and

(xiii) To recommend to the Board the duties and responsibilities of the Directors, including membership and Chairpersonship of the Board Committees.

6. Review of the Terms of Reference

The Board shall review and assess the relevance of the terms of reference of the NC from time to time or when changes to business environment or regulatory requirements necessitate a revision.

7. Revision of the Terms of Reference

The provisions of this terms of reference can be amended and supplemented from time to time by a resolution of the Board.