

**AEON CREDIT SERVICE (M) BERHAD**  
(Company No. 412767-V)

**NOMINATION COMMITTEE**

<b>TERMS OF REFERENCE</b>
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**1. INTRODUCTION**

The Nomination Committee (“Committee”) is not a decision making body but is responsible to review/recommend to the Board of Directors (“Board”), the nomination of new Directors as well as periodic assessment of effectiveness of the Board, Board Committees and individual Directors.

**2. MEMBERSHIP**

- a. The Committee shall comprise exclusively of non-executive directors, with minimum of three members, a majority of whom are independent and all of whom shall be appointed by the Board. A quorum shall be two members. No alternate director of the Board shall be appointed as member of Committee.
- b. The Board shall review the composition of the Committee annually. If a member of the Committee for any reason ceases to be a member with the result that the number of members is reduced below three or the independent members cease to be majority on the Committee, the Board shall appoint prior to the next Committee meeting, such number of new members as may be required to fill the vacancy.
- c. The Chairman of the Committee shall be an independent director appointed by the Board.

**3. MEETINGS**

- a. The Nomination Committee shall meet at least once a year or more frequently as circumstances may dictate.
- b. The Managing Director, external advisers and other persons may be invited to attend all or part of any meetings as and when deemed necessary by the Committee.
- c. The Company Secretary (Secretary) shall be the secretary of the Nomination Committee. The Secretary shall, in consultation with the Chairman, draw up an agenda, which shall be circulated together with relevant supporting papers, at least 1 week prior to date of a meeting of the Committee. The minutes shall be circulated to the members of the Board and kept by the Secretary for the custody, production and inspection of such minutes.

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**4. VOTING**

Decision of the Committee on any issue shall be determined by a majority of votes. In case of equality of votes, the Chairman of the meeting shall have a second or casting vote to decide on the matter in hand.

**5. DUTIES**

The Nomination Committee shall carry out the following duties and make appropriate reporting and/or recommendations to the Board:-

- a. To review annually and recommend appropriate criteria for a balanced Board in terms of structure, size and composition of the Board and Committees including the required mix of skills and experience, core competencies which non-executive directors should bring to the Board and other qualities to function effectively and efficiently.
- b. To consider, evaluate and propose any new Board appointments, having regard to criteria for a balanced Board. In making the recommendations, the Committee should also assess and consider candidates proposed by a director or shareholder and to consider the following factors in deciding the suitability of the candidates':
  - skills, knowledge, expertise and experience;
  - time commitment to effectively discharge his/her role as a director including, amongst others, attendance at board or committee meetings, major company events, briefings or site visitations, participation in continuing training programmes; after consideration of the candidate's directorships in other listed issuers, public companies and corporations incorporated and listed outside Malaysia and other commitments or positions and the time commitment involved;
  - character, integrity, and competence;
  - boardroom diversity including gender diversity; and
  - in the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors.
- c. To consider, evaluate and propose the appointment of the Managing Director/Executive Director/Chief Executive and Head of Finance Group (Chief Financial officer).
- d. To review and recommend appointment of Directors to Board

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Committees.

- e. To review and recommend re-election of existing Directors under retirement by rotation based on provisions in the Company's Articles of Association, having regard to the annual assessment made for the relevant Directors.
- f. To develop, maintain and review the criteria and processes to be used in the Board recruitment and annual assessment of the Board, Board Committees and each Director. The nomination and election process should be disclosed in the Annual Report as appropriate. To assess annually the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director including his/her time commitment, character, experience, integrity and competence to effectively discharge his/her role as a Director, Managing Director/Chief Executive or Head of Finance Group. All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented.
- h. To assess annually the independence of its independent directors. This activity shall be disclosed in the Annual Report of the Company and in any notice of a general meeting for the appointment and re-appointment of independent directors.
- i. To review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and members have carried out their duties in accordance with terms of reference.
- j. To review training and orientation requirements for each individual Director, recommend appropriate plans and programmes as well as facilitate Board induction programme for newly appointed Directors. Details of training attended shall be disclosed in the Annual Report as appropriate.
- k. To recommend to the Board the Company's gender diversity policies and discuss measures taken to meet the policy requirements.
- l. To review and make recommendations to the Board on the succession plan for key positions in the Company to ensure continuity in senior management.
- m. To recommend to the Board protocol for accepting new directorships in other companies.

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**6. WRITTEN TERMS OF REFERENCE**

Written terms of reference of the Committee shall be maintained, on its authority and duties which shall include the selection and assessment of directors, and the terms of reference shall be made available on the Company's website.