

NOMINATION COMMITTEE CHARTER

The Nomination Committee ("NC") is established under the Board Charter of PJBUMI Berhad ("Company").

OBJECTIVE

The objectives of the NC are to ensure that the Directors of the Board of PJBUMI possess the required mix of skills, responsibilities and experience and to undertake a review of the Board's size, structure and composition including gender diversity before taking into consideration the desirable number of directors for the Company. The NC shall establish formal and transparent policies and procedures to assist them in carrying out its duties and responsibilities.

1. MEMBERSHIP OF THE COMMITTEE

1.1 Composition

The NC shall comprise a minimum of three (3) members of the Board, exclusively Non-Executive Directors, a majority of whom must be Independent Directors. The Chairman shall be Independent Non-Executive Director.

1.2 Membership

The Board may appoint such additional Directors to the NC or remove and replace members of the NC by Directors' resolution. Members may withdraw from membership by written notification to the Board.

2. ADMINISTRATIVE MATTERS

2.1 Meetings

The NC shall meet at minimum twice a year and hold additional meetings as and when necessary. Any director not formally a Member of the NC may attend NC meetings, however, only nominated directors may vote on matters before the NC. Members of management may attend all or part of a meeting of the NC at the invitation of the NC chair.

The Company Secretary must attend all NC meetings as minute secretary.

2.2 Quorum

The quorum is at least two (2) members, both must be Independent Directors.

2.3 Convening and notice of meeting

Any member and/or the Company Secretary must upon request from any member, convene a meeting of the NC. Notice will be given to every member of the NC of every meeting of the NC at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

2.4 Chairman

The members of the NC shall elect a Chairman from among themselves who is an Independent Non-Executive Director whose role is to independently lead the succession planning and appointment of new members, including the future chairman and Chief Executive Officer or Managing Director; and lead governance issues, particularly the annual review of board effectiveness, ensuring that the performance of individual directors is independently assessed. The chairman has a casting vote.

In the absence of the Committee Chairman, the NC must elect one of its members as chairman for the meeting.

2.5 Access to Resources and Independent Advisers

The NC shall have access to adequate internal and external resources. For example, the NC may seek the advice of the Company's solicitors, auditors or other independent adviser (including external consultants and specialists) as to any matter pertaining to the powers or duties of the NC or the responsibilities of the NC, as the NC may require

2.6 Minutes

Minutes of meetings of the NC must be kept by the Company Secretary and, after approval by the NC Chairman, be presented at the next Board meeting. On instances where minutes of meetings of the NC could not be produced and presented at the next Board meeting, the NC Chairman shall report to the Board on decision of the NC. The confirmed minutes of the NC will be presented thereafter at the subsequent Board meeting.

All minutes of the NC must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

2.7 Reporting Responsibilities

The NC Chairman will provide a report of the actions of the NC to be included in the Board papers for the Board Meeting next following a meeting of the NC. The report will include provision of meeting agendas, papers and minutes of the NC. The NC shall produce a report to be included in the Company's annual report about its activities and the process used to identify and make appointments.

3. ROLES AND RESPONSIBILITIES

The following are the main duties and responsibilities of the Nomination Committee and that they are not exhaustive and may include any other additional duties as delegated by the Board of Directors:-

- (i) Assess the size of the Board with a view to determine the desirable number of Directors on the Board in relation to its effectiveness and compliance to the Listing Requirements of Bursa Malaysia Securities Berhad with regard to the required number of Independent Non-Executive Directors; and ensure that at every annual general meeting, one-third of the Directors for the time being shall retire from office. A retiring Director shall be eligible for re-election. Every director, including the Managing Director, shall be subject to retirement at least once in every three (3) years.
- (ii) Annually review the required mix of skills, experience, diversity and other qualities including core competencies and effectiveness of the board, as a whole, the board committees and the contribution of each individual director. All evaluations carried out by the NC in the discharge of its functions should be properly documented and this process will be undertaken with the assistance of the company secretary and report to the Board at the end of each financial year with an assessment of the board's performance and areas in which the board, board committees or individual director could improve.
- (iii) Assist the Board as required to identify individuals who are qualified to become Board members (including executive directors); and recommend to the Board the candidates to fill the vacancies in the Audit Committee, Remuneration Committee and other Board Committees. The candidates should be evaluated based on the agreed criteria for appointment in the relevant Board Committees.

- (iv) Recommend to the Board, candidates for re-election of directors by shareholders under the annual re-election provisions or retirement. Attention should be paid to Independent Directors who are retained beyond nine (9) years as the Board has to provide strong justification in exceptional circumstances and seek shareholders' approval. In obtaining the shareholders' approval, the Nomination Committee should conduct an assessment of the Independent Directors and recommend to the Board whether the Independent Directors should remain independent or be re-designated.
- (v) Assist the Board as required in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing, and enhancing director competencies.
- (vi) Evaluate and appraise the performance the Chairman of the Board (ideally this role may be led by the senior independent director).
- (vii) Recommend to the Board, the candidates for appointment as Executive Director or Managing Director or Chief Executive Officer of PJBUMI for a fixed term not exceeding three (3) years subject to review of the terms of appointment before the expiry date.
- (viii) Periodically report to the Board on succession planning for the Board Chairman, directors and key management personnel, particularly the CEO. The NC should work with the Board to evaluate the potential successors taking into account the challenges and opportunities facing the Company and the skills and experience needed by the Board in the future.
- (ix) Recommend suitable induction, educational and training programme to continuously train and equip the existing and new Directors.
- (x) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- (xi) Review the Board Charter on a periodic basis, and recommend any amendments for Board consideration.

5. POLICY AND PROCEDURE FOR SELECTION AND APPOINTMENT OF NEW DIRECTORS

- (i) Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:
 - The skills, experience, expertise and personal qualities that will best complement Board effectiveness;
 - The capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as Board or executive appointments; and
 - Potential conflicts of interest and independence.
- (ii) Detailed background information in relation to a potential candidate should be provided to all directors.
- (iii) The identification of potential candidates may be assisted by the use of external search organisations as appropriate.
- (iv) An offer of a Board appointment must be made by the Chairman only after having consulted all directors, with any recommendations from the NC having been circulated to all directors.
- (v) All new Board appointments should be confirmed by letter in the standard format as approved by the NC from time to time.

6. REVIEW

The Board will, at least once in each year, assess the adequacy of this Charter and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.