



WINTONI GROUP BERHAD
Registration No: 200701008533 (Company No. 766535-P)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE

1.0 OBJECTIVES

The principal objectives of the Nomination and Remuneration Committee (“NRC”) is to nominate and screen Board of Director (“Board”) member candidates and to ensure an appropriate structure for management succession and development including an effective process for director selection and tenure and to review and recommend to the Board the remuneration, compensation and benefits packages of the Executive Directors and key senior management. The NRC shall also assess the effectiveness and the contribution of the Board as a whole and each individual Director, the Board Committees and key senior management of the Company on an on-going basis.

2.0 COMPOSITION

The NRC shall comprise exclusively of Non-Executive Directors. The number shall be at least three (3), of which the majority must be Independent Directors. No alternate Director shall be appointed as a member of the NRC.

3.0 CHAIRMAN OF THE NRC

The Chairman of the NRC shall be elected from amongst the NRC members. The Chairman of the NRC shall be an Independent Director approved by the Board.

4.0 SECRETARY OF THE NRC

The Company Secretary of the Company or his representative or a person recommended by the Company Secretary and approved by the Board shall act as Secretary of the NRC.

The Company Secretary plays an important role in organising and providing assistance at NRC meetings and has the following key responsibilities:-

- (a) Ensure meetings are arranged and held accordingly;
- (b) Assist the Chairman in planning the NRC’s activities;

- (c) Draw up meeting agendas in consultation with the Chairman, maintain the minutes and draft its scheduled activities for the financial year;
- (d) Ensure structured communications channels between the Board and the NRC;
- (e) Ensure proceedings of meetings are recorded and the minutes circulated to, and confirmed by the NRC before disseminating them to the Board; and
- (f) Ensure NRC recommendations presented to the Board are supported by papers, including minutes that explain the rationale for the committee's recommendations.

5.0 FREQUENCY AND ATTENDANCE AT MEETING

The NRC shall meet at least once a year and as when deemed necessary for the performance of its objectives. The NRC may invite any person to be in attendance at the meeting to assist in its deliberations.

A member of NRC may participate in a meeting of NRC by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

The Company Secretary shall on the requisition of the members of the NRC summon a meeting of the NRC except in the case of an emergency, reasonable notice of every NRC meeting shall be given in writing.

In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the meeting.

6.0 QUORUM

In order to form a quorum in respect of a meeting of the NRC, the majority of members present must be independent directors.

7.0 CIRCULAR RESOLUTION

A resolution in writing signed or approved by letter, electronic mail, telegram, telex or telefax or other form of electronic communication by **MAJORITY** of the NRC members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting of the NRC duly called and constituted.

All such resolutions shall be described as "*NRC Members' Circular Resolutions in Writing*" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the Company's Minutes Book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more NRC members.

8.0 AUTHORITY

The NRC shall, in accordance with a procedure or process to be determined by the Board and at the expense of the Company:-

- (a) annually review the required mix of skills and experience and other qualities, including core competencies which each individual Director and key senior management should have.
- (b) assess on an annual basis, the effectiveness of the Board as a whole, the committees of the Board, and the contribution of each individual Director and key senior management.
- (c) assess on an annual basis, appointment and re-appointment of Independent Directors as provided in ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”). The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. After a cumulative term of nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. However, if the Board intends to retain an Independent Director beyond nine (9) years, it should provide justification and seek shareholders’ approval annually. If the Board continues to retain the Independent Director after year twelfth (12th), the Board should provide justification and seek shareholders’ approval annually through a two-tier voting process.
- (d) be entitled to the services of a Company Secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both for the Company’s own records and for the purposes of meeting statutory obligations, as well as obligations arising from the Listing Requirements or other regulatory requirements.

Notwithstanding anything stated above, the NRC does not have executive powers and shall report to the Board on matters considered and its recommendations thereon, pertaining to the Company and the Group.

9.0 DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the NRC are as follows:-

9.1 With regard to nomination matters

- To develop, maintain and review the criteria to be used in the recruitment process and annual assessment of directors.
- To nominate, screen and recommend to the Board, candidates for all directorships to be approved by the Board or the shareholders. In making its recommendation, the NRC should consider the following attributes of candidates:-
 - (a) skills, knowledge, expertise and experience;
 - (b) professionalism;
 - (c) integrity;
 - (d) competencies, commitment, contribution and performance; and

(e) in the case of the candidates for the position of Independent Directors, the NRC would also evaluate the candidates' ability to discharge such responsibilities as expected from Independent Directors.

The actual decision as to who shall be nominated shall be the responsibility of the Board.

- To consider candidates for Board vacancies and recommending Directors who are retiring by rotation to be put forward for re-election.
- To assess the effectiveness of the Board as a whole and each individual Director/Committee of the Board. All assessments and evaluations carried out by the NRC in the discharge of all its functions would be properly documented.
- To annually review the term of office and performance of the Audit Committee and each of its members to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.
- To assess and evaluate the independence of Independent Directors.
- To annually assess the training needs of individual Directors and ensure they have access to appropriate continuing education programmes.
- To ensure the orientation and education programmes are provided for new members of the Board.
- To consider, in making its recommendations, candidates for directorships proposed by the Executive Director and, within the bounds of practicability, by any other senior executive or any Director or shareholder and to take steps to ensure that gender, ethnicity and age group diversity is considered as part of its recruitment exercise.
- To recommend to the Board the nominees to fill the seats on Board Committees.
- To act in line with the directions of the Board.
- To consider and examine all such other matters as the NRC considers appropriate or as directed by the Board.

9.2 With regard to remunerations matters

- To recommend a framework of Remuneration for Directors and key senior management for the Board approval.
- To ensure that the Company maintains remuneration and incentive policies and practices that are competitive, equitable and will attract and retain calibre Directors and key senior management within the Group and which are in line with the long term interest of the Company.
- In respect of Executive Directors and key senior management, to ensure that the remuneration package commensurate with the skills and responsibility expected of the Director and key senior management concerned and is sufficient to retain Directors and key senior management to run the Company successfully.

- In respect of Non-Executive Directors, to ensure via the Board as a whole, that the fee and allowance payable reflect the experience, time demanded of Directors to discharge their duties and level of responsibilities undertaken.
- To consider details of remuneration of each Director and key senior management concerned, such as basic salary, bonus and other benefits-in-kind, and how these details should be presented in the Annual Report.
- To conduct continued assessment of individual Executive Director and key senior management concerned to ensure that remuneration is directly related to corporate and individual performance.

Whilst discharging the above duties, Directors should abstain from discussion of their own remuneration.

10.0 REPORTING TO THE BOARD

The Chairman of the NRC shall report on each meeting to the Board on the nature and extent of the functions performed by NRC and may make such recommendations to the Board as it may think fit.

11.0 THE COMMITTEE'S ETHICS AND PROCEDURES

All members of the NRC shall safeguard all internal communications and treat them as strictly private and confidential, and for the use of the NRC members only. The NRC shall work diligently amongst the members of the Board and adhere to all applicable laws and regulations as well as the prescriptions rendered in the Code of Conduct and Ethics.

12.0 REVIEW OF THE TERMS AND REFERENCE

The NRC terms of reference shall be reviewed periodically, especially when there are changes to the Listing Requirements, the Malaysian Code on Corporate Governance 2017 and Companies Act 2016 or at least once every three (3) years. All amendments to the terms of reference of the NRC must be approved by the Board.