

# **ASTRO MALAYSIA HOLDINGS BERHAD**

Incorporated in Malaysia  
(Company No. 201101004392 (932533-V))



## **NOMINATION AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

As at 26 March 2019

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**ASTRO MALAYSIA HOLDINGS BERHAD**  
**(Incorporated in Malaysia – Company No. 201101004392 (932533-V))**  
**(“Company”)**

**NOMINATION AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

**1. Purpose**

The primary purpose and functions of the Nomination and Corporate Governance Committee (“Committee”) of the Company are to assist the Board of Directors of the Company (“Board”) in its oversight responsibilities in relation to the Company and its subsidiaries (“Group”) in the following matters:-

- 1.1 Formulate and implement a formal and transparent procedure for the selection and appointment of new Directors of the Company;
- 1.2 Identify and recommend to the Board of the Company the individuals who are qualified to fill vacancies or newly created positions on the Board and the Committees of the Board (“Board Committees”) and the Directors standing for re-election at the annual general meeting of the Company;
- 1.3 Assess the effectiveness of the Board, Board Committees and its individual directors;
- 1.4 Review the size and composition of the Board and Board Committee;
- 1.5 Review and recommend to the Board the appointment of the Group Chief Executive Officer (“GCEO/CEO”), Group Chief Financial Officer (“GCFO/CFO”) and Company Secretary of the Company and of its wholly-owned subsidiaries (“Group”);
- 1.6 Review and approve the appointment of the Key Senior Management of the Group
- 1.7 Review and recommend to the Board the appointment of Consultants and Advisers on strategic matters and matters outside Management’s Limits of Authority;
- 1.8 Review and recommend to the Board in respect of Directors’ independence and conflicts of interests, if any, and the steps to be taken to manage potential conflicts of interest;
- 1.9 Review the organisation structure of the Group and succession management plans; and
- 1.10 Develop and recommend to the Board corporate governance principles to be implemented for the Group.

**2. Composition**

- 2.1 The Committee shall be appointed by the Board from among its members who are Non-Executive Directors and shall comprise of at least three (3) members, the majority of whom shall be independent directors as defined in the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). No alternate director can be appointed as a member of the Committee.
- 2.2 The Chairman of the Committee shall be an Independent Non-Executive Director or the Senior Independent Director.

- 2.3 In the event of any vacancy due to retirement or resignation of a Committee member, or for any other reason which results in a change to the composition of the Committee that does not comply with the composition of the Committee as required herein or set out in the Listing Requirements of Bursa Securities, such vacancy or non-compliance must be filled or rectified within 3 months of the said event.
- 2.4 The Secretary of the Company shall also act as the Secretary of the Committee. In the absence of the Secretary, the Chairman of the meeting may appoint another person to act on behalf of the Secretary for the purpose of the meeting.

### **3. Procedures**

The Committee may regulate its own procedure, including and without limitation to regulate the calling and notice of meetings, quorum and voting.

- 3.1 Except in so far as amended by a unanimous resolution of the Committee, the following rules of procedure shall apply:-
- (a) The Committee shall meet at least two (2) times during each financial year or more frequently as it may determine necessary.
  - (b) The Chairman or Secretary of the Committee on the requisition of the members, shall at any time summon a meeting of the Committee by giving notice of at least five (5) business days or if the consent of all the members are obtained, by shorter notice or waive the notice altogether.
  - (c) The Chairman of the Committee will be responsible for establishing the agenda therefor and supervising the conduct thereof.
  - (d) No business shall be transacted at any meeting of the Committee unless a quorum of two (2) members is present, of which the majority present must be independent directors. In the absence of the Chairman of the Committee, the remaining members present at a meeting shall elect one of their number to chair the meeting.
  - (e) If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting shall be adjourned to such other day, time and place as the members may determine. If at such adjourned meeting, a quorum is not present within 15 minutes of the time appointed for holding the meeting, the meeting shall be dissolved.
  - (f) Attendance at a meeting may be in person or by way of participation via video conference or teleconference or such other means as may be agreed by the members.
  - (g) Only the Chairman and the members are to be present at a meeting of the Committee. Other Board members and officers of the Group can attend a meeting of the Committee at the Committee's invitation.
  - (h) The Committee may, at its discretion, request any Board members, officers of the Group or external legal counsel to attend a meeting of the Committee, or to meet with the members of or consultants to, the Committee.

- (i) The Committee should record its deliberations in terms of the issues discussed and the conclusions in discharging its duties and responsibilities. Minutes of the meeting shall be signed by the Chairman and distributed to each member of the Committee and the Board. The minutes shall be kept at the registered office of the Company under the custody of the Secretary of the Company.
- (j) A resolution in writing signed by all members in lieu of convening a formal meeting shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members.
- (k) All recommendations and findings of the Committee shall be submitted to the Board for approval.

#### 4. **Duties and Responsibilities**

The Committee shall be responsible for the following:

##### ***Review the appointment and evaluation of the Board and Board Committees***

- 4.1 Recommend to the Board the optimum size and composition of the Board and Board Committees, including ensuring that at least 1/3 of the Board is made up of independent directors and each Board Committee is comprised of a majority of independent directors as prescribed under the Listing Requirements.
- 4.2 Develop, maintain and review criteria to be used in the recruitment process and annual assessment of Directors of the Company, including the criteria to assess independence.
- 4.3 Formulate a transparent procedure for the proposal of new nominees to the Board and Board Committees.
- 4.4 Consider and make recommendations to the Board on the suitability of the candidates nominated for appointment to the Board whether to fill a vacancy or as an additional director. In making its assessments and recommendations, the Committee should consider the candidates' competencies, commitment (including time commitment), contribution and performance, which shall include considering the candidates':
  - skills, knowledge, expertise and experience;
  - professionalism;
  - integrity; and
  - in the case of candidates for the position of independent non-executive directors, the candidates' ability to discharge such responsibilities / functions as expected from independent non-executive directors.

The Committee may take into account recommendations made by the GCEO/CEO and, within the bounds of practicability, any other senior Director or senior executive or shareholder in making its recommendations.

- 4.5 Consider and make recommendations to the Board on the Directors to fill the seats of the Board Committees.

- 4.6 Assist the Board in reviewing on an annual basis the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board as well as to assist the Board in establishing a policy of boardroom diversity, including gender diversity and identifying measures to implement the policy.
- 4.7 Carry out the annual assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director, including the performance of the Board Committees and term of office of its members to determine whether such committee and members have carried out their duties with their terms of reference.
- 4.8 Establish a formal process for identifying and/or recommending to the Board, the Directors who are due for retirement (a) by rotation/during first year of appointment at the Company's annual general meetings and their re-election thereat or (b) by operation of law.
- 4.9 Assess the independence of an Independent Director on an annual basis and make recommendations to the Board as appropriate.
- 4.10 Review training programmes for the Board, evaluate and determine the training needs of the Board and ensure that the Board receives adequate training in order to be able to discharge its functions effectively.
- 4.11 Facilitate board induction for new members of the Board to ensure that they are well-informed and well-equipped to be able to discharge their duties effectively.
- 4.12 Review the board balance to ensure that the investments of minority shareholders of the Company are fairly reflected in the Board, where applicable.
- 4.13 Review proposals for the appointment of directors to the boards of the wholly-owned subsidiaries of the Company, other than (i) resident directors who are required to meet the requirements of the local laws; and (ii) appointments from amongst the officers of the Group who have been nominated to act as directors.
- 4.14 Review and make recommendations to the Board in respect of directors' independence and conflicts of interests, if any, and the steps to be taken to manage potential conflicts of interest.
- 4.15 Develop, review and recommend the guidelines relating to the membership and functioning of the Board and any other matters which the Committee deems appropriate.
- 4.16 Conduct an annual evaluation of its own performance.

***Review the appointment of GCEO/CEO and Key Senior Management***

- 4.17 Review and recommend to the Board the appointment of GCEO/CEO, GCFO/CFO and Company Secretary of the Group.
- 4.18 Review and approve the appointment of the Key Senior Management of the Group who are defined as direct reports of the GCEO/CEO and other personnel to be determined by the Committee.
- 4.19 The GCEO/CEO, as he deems necessary, may consult the Committee on the appointment of other key and critical positions.

4.20 Review the succession management plans for the GCEO/CEO, GCFO/CFO and Key Senior Management to ensure smooth transitions.

4.21 Review and recommend to the Board the organisation structure of the Group and key changes thereof.

***Review the appointment of Consultants and Advisers***

4.22 Review and recommend to the Board the appointment of Consultants and Advisers on strategic matters and matters outside Management's Limits of Authority.

***Corporate Governance***

4.23 Review and make recommendations to the Board in respect of compliance with the Malaysian Code on Corporate Governance 2017 and other best practices in corporate governance.

4.24 Recommend to the Board, the Corporate Governance Overview and Corporate Governance Report of the Company, which shall include the activities undertaken by the Committee during the financial year, in compliance with the Listing Requirements.

**5. Rights and Powers of the Committee**

5.1 In general and unless otherwise expressly authorised by the Board, the Committee shall not have delegated powers from the Board to implement its recommendations but is obliged to report its recommendations to the Board for consideration and approval.

5.2 The Committee may create subcommittees to perform particular function, either generally or in specific instances.

5.3 In carrying out its duties and responsibilities, the Committee shall have:-

(a) Full, free and unrestricted access to any information, records, property and personnel of the Group;

(b) Access to independent professional advice and expertise necessary for the performance of its duties; and

(c) Access to the advice and services of the Secretary of the Company.

**6 Annual Review of Charter**

6.1 The Committee shall review and reassess the adequacy of the Committee's charter in light of new best practices and new legal or regulatory requirements, at least annually and recommend the proposed changes to the Board.

**7. Confidentiality**

7.1 All papers, resolutions, minutes and deliberations of the Committee are strictly and highly confidential.