

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

**NOMINATION AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

(Approved by the Board on 14 September 2016)

**1. Purpose**

The primary functions of the Nomination and Corporate Governance Committee ("Committee") of Astro Malaysia Holdings Berhad ("Company") are to:-

- 1.1 Identify and recommend to the Board of Directors ("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 to recommend to the Board the persons it should nominate for election or re-election as directors at the annual general meeting of the Company;
- 1.2 Assess the effectiveness of the Board, Board Committees and its individual directors;
- 1.3 Formulate and implement a formal and transparent procedure for the appointment of new directors;
- 1.4 Review proposals for the appointment of directors and the Group Chief Executive Officer of the Company and of its wholly-owned subsidiaries ("Group");
- 1.5 Review and recommend to the Board in respect of directors' independence, conflicts of interests, if any, and the steps to be taken to manage potential conflicts of interest;
- 1.6 Facilitate training programmes for the Board to ensure adequate training for each member of the Board, and facilitate board induction for new members of the Board.
- 1.7 Review the succession management plans of the Group and ensure sufficient human capital development focus in the Group; and
- 1.8 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 and shall comprise of at least three (3) Directors, all of whom shall be Non-Executive, with a majority being independent directors as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").
- 2.2 The Board shall appoint the Chairman of the Committee who shall be an Independent Non-Executive Director.
- 2.3 Where the members of the Committee are reduced to not less than two (2), the Board shall within six (6) months of the said event or such longer period as the Board may determine, appoint such new members as may be required to make up the minimum number of three (3) members.
- 2.4 Members of the Committee may resign from the Committee with prior written notice to the Board and may continue to serve as directors of the Company.
- 2.5 The appointment of a member of the Board to the Committee shall terminate immediately upon the member ceasing to be a director of the Company.

- 2.6 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. Procedure**

- 3.1 The Committee may regulate its own procedure, including and without limitation to regulate the calling and notice of meetings, quorum, and voting.
- 3.2 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 once a year.
  - (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 three (3) days advance notice or if the consent of all the members are obtained, by shorter notice.
  - (c) No business shall be transacted at any meeting of the Committee unless a quorum of two (2) members is present. 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.
  - (d) 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.
  - (e) 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.
  - (f) The Committee may at its discretion invite one or more persons to attend the meeting to assist the Committee.
  - (g) 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.
  - (h) 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.
  - (i) All recommendations and findings of the Committee shall be submitted to the Board for approval. Upon such approval, the Secretary shall distribute to each member a copy of the said approval.
  - (j) The Committee may create subcommittees to perform particular functions, either generally or in specific instances.

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

In order to carry out the purposes described above, the Committee shall have the following duties and responsibilities:

- 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 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 Group Chief Executive Officer 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 process approved by the Board for assessing Directors and in particular the annual assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director, including independent Non-Executive Directors, as well as the Group Chief Executive Officer.
- 4.8 Establish a formal process for identifying and/or recommending to the Board, based on the annual Board Effectiveness Evaluation (BEE), the Directors who are due for retirement (a) by rotation 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 Conduct a review of the composition of the Audit Committee to ensure compliance with section 2.7 of the Audit Committee Charter, that each independent member of the Audit Committee shall serve for a period of 3 years, extendable by no more than 2 additional 3-year periods, unless approved by the shareholders of the Company that the affected members continues to exercise independent and objective judgement.

- 4.11 Review training programmes for the Board, evaluate and determine the training needs of the Board and to ensure that the Board receives adequate training in order to be able to discharge its functions effectively.
- 4.12 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.
- 4.13 Review proposals for the appointment of the Group Chief Executive Officer and Chief Financial Officer of the Company and make recommendations to the Board for approval.
- 4.14 Require that the appointment of all key senior management personnel of the Group who will be reporting directly to the Group Chief Executive Officer of the Company be notified to the Committee before such appointment(s) take place save for the appointment of Chief Financial Officer which shall require the approval of the Board.
- 4.15 Review the succession management plans of the Group to ensure smooth transitions.
- 4.16 Ensure that the investments of minority shareholders of the Company are fairly reflected in the Board, where applicable.
- 4.17 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 employees of the Group who have been nominated to act as directors and make recommendations to the respective Board for approval.
- 4.18 Review and make recommendations to the Board in respect of compliance with the Malaysian Code on Corporate Governance and other best practices in corporate governance.
- 4.19 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.
- 4.20 Recommend to the Board, the form and content of the statement on corporate governance that the Company is obliged to make in its annual report, which shall include the activities undertaken by the Committee during the financial year, in compliance with the Listing Requirements.
- 4.21 Develop, review and recommend the guidelines relating to the membership and functioning of the Board and any other matters which the Committee deems appropriate.
- 4.22 Conduct an annual review of its Charter and recommend to the Board any changes which it deems appropriate.
- 4.23 Ensure that all assessments and evaluations carried out by the Committee in the discharge of all its functions are properly documented.
- 4.24 Conduct an annual evaluation of its own performance.

## **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 decision as to who should be appointed to the Board of the Company or appointed as Group Chief Executive Officer or independent directors to be nominated to the boards of the Company's wholly-owned subsidiaries, is the responsibility of the Board after considering the recommendations made by the Committee.
- 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 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.

## **6 Confidentiality**

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