



STAR MEDIA GROUP BERHAD

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. OBJECTIVES

- 1.1 The Nomination Committee (the “Committee” or “NC”) shall be appointed by the Board of Directors (“the Board”) of the Company. The principal objectives of the NC are to assist the Board in the following areas:
- a) Identify and evaluate the most suitable candidates for appointment to the Board and Key Management Personnel (“KMP”). KMP refers to top management team of the Company, which comprise the Group Chief Executive Officer, Group Chief Financial Officer/Head of Finance, C-Suites and other senior management positions determined by the Committee.
 - b) Undertake a formal and objective annual evaluation to determine the effectiveness of the Board, its Committees and each individual Director and performance of the KMP.

2. MEMBERSHIP

- 2.1 The NC shall be appointed by the Board from amongst its members, and shall comprise at least three (3) members, all of whom are non-executive directors with a majority of them being independent.
- 2.2 The office of a NC member shall become vacant upon the member’s resignation/retirement/removal/disqualification as a Director.
- 2.3 In the event of any vacancy on the Committee resulting in the number of the members being reduced to below three (3), the Board shall, within three (3) months of that event fill the vacancy.
- 2.4 In terms of office for the NC, it should be reviewed by the Board at least once every three (3) years.

3. CHAIRMAN

- 3.1 The Chairman of the NC shall be appointed by the Board. In the absence of Chairman, the remaining members present shall elect one of their number presents to chair the meeting.

4. SECRETARY

- 4.1 The Company Secretary, failing whom, her representative shall be the secretary of the NC and shall be responsible, in consultation with the Chair of the NC, for drawing up the agenda.
- 4.2 The Secretary shall attend all NC meetings and minute the proceedings thereof and is responsible for circulating the minutes of meetings to the NC members and the Board.
- 4.3 Minutes shall be maintained by the secretarial department and be available for inspection during working hours at the request of the members.

5. QUORUM

- 5.1 Two (2) members shall be the quorum of the meeting.

6. MEETINGS

- 6.1 The members of the NC may call for the committee meeting which they deem necessary. Committee shall meet at least once in a financial year and such additional meetings as the Chairman shall decide in order to fulfill its duties.
- 6.2 Members of the Committee may participate in a meeting in person or by means of teleconference, video conference or any other form of audio and audio-visual communication and all persons participating in the meeting can communicate with each other, and such participation in a meeting shall constitute and be deemed presence in person at the meeting.
- 6.3 Only the Committee Chairman and members shall be entitled to participate at Committee meetings. At the invitation of the NC Chairman, other Directors and Group Chief Executive Officer and other management personnel may also attend the meetings, unless there is a conflict of interest.
- 6.4 The voting and proceedings of such meeting shall be on show of hands. The Chairman of the meeting shall have a casting vote.
- 6.5 Any member who has an interest in any matters being reviewed or considered by the NC shall abstain from voting on that matter. Each member of the NC will not take part in determination of his/her own re-nomination or independence and shall abstain from voting any resolutions in respect of the assessment of his performance or re-nomination as a Director. In the event that any member of the NC has an interest in a matter being deliberated upon by the NC, he/she will abstain from participating in the review and approval process relating to that matter.
- 6.6 A resolution in writing, signed by all the members of the Committee either in hard copy or digitally/electronically, shall be as effectual as if it has 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 Committee members.

- 6.7 The NC may establish any regulations or practices from time to time to govern its administration.

7. DUTIES AND FUNCTIONS

The duties and responsibilities of the NC include but are not limited to the following:

7.1 Board and Board Committees' Appointments

The Committee is authorized by the Board to periodically review the Board composition with due regard for the benefits of diversity on the Board, including particular functional knowledge and relevant experience and expertise that are deemed appropriate with respect to the Company's core activities, taking into account its current and future needs.

New appointments:

- a) Consider and recommend to the Board for approval, the appropriate size of the Board and Board Committees to facilitate effective decision making after taking into consideration the scope and nature of the operations of the Company.
- b) Recommend to the Board, candidates for all directorships to be filled. In making the recommendations, the Committee should consider the candidates, within the bounds of practicality, by any director, major shareholder and senior management. The Company may also utilize independent sources to identify suitably qualified candidates. The Committee should evaluate the balance of skills, knowledge, experience, and diversity on the existing Board. In making its recommendations, NC shall assess and consider the following attributes or factors:
 - i) skills, knowledge, expertise and experience, as well as his/her professionalism;
 - ii) commitment (including time commitment) to effectively discharge his/her role as director (including amongst others, attendance at meetings, participation in continuous training programmes, after consideration of the candidate's directorship in other listed issuers, public companies and corporations incorporated and listed outside Malaysia);
 - iii) merit and against objective criteria with due regard for diversity in gender, age, and cultural background;
 - iv) background, character, integrity and competence;
 - v) any business interests that may result in a conflict of interest that may arise within the Company and Group; and

- vi) in the case of candidates for the position of Independent Non-Executive Directors, evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors. In considering independence, it is necessary to focus not only on a Director's background and current activities qualify him/her as independent but also whether the Director can act independently of management.
- c) Recommend to the Board, Directors to fill the seats on the Board Committees, in consultation with the Chairman of those committees.
- d) Recommend to the Board, the appointment of Committee Chairman's position in consultation of the Board.
- e) Recommend to the Board the establishment of new Board Committees or dissolution of any existing Board Committee which no longer serves its purpose.
- f) Propose a Senior Independent Non-Executive Director among the Directors to whom concerns can be conveyed.
- g) Review the composition and tenure of each Director, to evaluate the need to bring new skills and perspectives to the Boardroom.

Re-election/re-appointment/ re-designation and resignation or termination:

- h) Recommend to the Board, the Directors who are due for retirement by rotation and to be put forward for re-election at each annual general meeting of the Company pursuant to the Company's Constitution, having regard to the Directors' contribution and performance (such as their attendance, preparedness, participation and candour). All Directors are required to submit themselves for re-election at regular intervals and at least once every three (3) years in accordance with the Company's Constitution.

The fit and proper assessment per the Company's Directors' Fit and Proper Policy shall be conducted by NC for any person identified to be appointed as a Director or Directors continuing to hold office, prior to the initial appointment or proposed re-election/re-appointment as a Director.

Succession Planning:

- i) Establish appropriate framework and plans for succession at Board level and Senior Management to ensure the Board and Senior Management are comprised of individuals with the skills and experience relevant to the Company's strategic direction and objectives.
- j) Ensure new Directors go through a proper induction programme.

7.2 Board and Board Committees' Assessment

- a) Evaluate the effectiveness of the Board and its Committees, term of office/tenure and contribution of each individual Director and the independence of Independent Directors on an ongoing basis. In terms of the review of the Board Committees including the Audit Committee ("AC"), the NC shall review the term of office and performance of the AC and each of its members annually to determine whether such AC and members have carried out their duties in accordance with its Terms of Reference. All assessments and evaluations carried out by the NC in the discharge of all its functions shall be properly documented.
- b) Recommend to the Board action plans for improvement on areas identified in the Board and Board Committees effectiveness assessment, where applicable.
- c) Review the retirement of Directors who are eligible for re-election and the retention of Directors who have served beyond nine (9) years as Independent Non-Executive Directors, and assess their eligibility for re-election or retention.

7.3 Key Management Personnel's Appointment and Evaluation

- a) Review and consider the proposals for the appointment/promotion/re-designation of the Key Management Personnel including the Group Chief Executive Officer, C-Suites, Head of Finance and where appropriate, other Key Management Personnel (determined by the Committee) before recommending the same for the Board's approval.
- b) Review and consider the proposed appointment/promotion of employees (both permanent and on contract) within the Group with a monthly salary of RM30,000 or higher, before recommending them for the Board's approval.
- c) Review the performance evaluation of the key officers pursuant to the Main Market Listing Requirements of Bursa Securities Berhad.

7.4 Other Matters

- a) Review the training and professional development programmes needs for Directors and recommend a continuous education program for Board members to enhance their effectiveness.
- b) Consider and examine such other matters as the NC considers appropriate and in discharging its duties, the Committee shall at all times be mindful of the provisions of the Malaysian Code on Corporate Governance and all applicable laws, regulations and guidelines.
- c) Act on any other matters as may be directed by the Board.

8. AUTHORITY

The NC in performing its duties shall:

- 8.1 have full and unrestricted access to the Group and Company's records, information, properties, personnel and other resources for the discharge of its responsibilities; and
- 8.2 be able to obtain external professional advice if it considers this necessary at the Company's expense, which is in accordance with the procedure determined by the Board.

9. REPORTING

- 9.1 The Chairman of the Committee shall report each meeting to the Board.
- 9.2 The Committee shall make recommendations to the Board as appropriate on any area within its responsibility or as delegated by the Board, where action or improvement is needed.
- 9.3 The Committee shall ensure a report is included in the Company's annual report about its activities in the discharge of its duties during the financial year.

10. REVISION OF TERMS OF REFERENCE

- 10.1 Any revision or amendment to these Terms of Reference, as proposed by the Committee or any third parties, shall be presented to the Board for its approval.
- 10.2 Upon the Board's approval, the said revision/amendment shall form part of these Terms of Reference and they shall be considered duly revised/amended.
- 10.3 The Terms of Reference of the NC are made available on the Company's website.