



# SKYECHIP BERHAD

Registration No. 201901014484 (1323812-D)  
(Incorporated in Malaysia)

# Terms of Reference Nomination Committee

## Revision History

Revision	Revision Description	Author	Approved by	Effective Date
00	NEW Document	Company Secretary	Board	24 October 2025
01	Revision	Company Secretary	Board	9 December 2025
02				

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## 1. OBJECTIVES

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- 1.1 The primary function of the Nomination Committee (“**NC**” or “**Committee**”) of SkyeChip Berhad (“**SkyeChip**” or “**Company**”), in line with the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, is to assist the board of directors of the Company (“**Board**”) in the following areas:
- (a) Ensure that the Board and the Audit & Risk Management Committee, Remuneration Committee and the Committee (collectively, “**Board Committees**”) have an effective and balanced composition with a diverse mix of skills, independence, knowledge, qualifications, experience, age, cultural background and gender to discharge their responsibilities respectively.
  - (b) Identify, evaluate and recommend new candidates for the Board and the key senior management (“**KSM**”) to ensure that the composition of the Board is refreshed periodically.
  - (c) Review the tenure and appraise each individual director of the Company (“**Director**”) as well as the **CEO** and **CFO** (as hereinafter defined) (where the CEO and CFO are not Board members) in terms of their individual experience, knowledge, credibility and credentials, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member and KSM of the Company.
  - (d) Examine the ability of each Director, including the CEO and CFO (where CEO and CFO are not Board members), to contribute to the effective decision-making process of the Board and ensure that the Board is functioning actively, efficiently and effectively in all its decision making.
  - (e) Annually assess the effectiveness and performance of the Board and the Board Committees and contribution of each Director, (including the executive director(s), CEO and CFO against the key performance indicators (“**KPI**”) including sustainability related KPIs set for them.
  - (f) Ensure that there is a succession plan in place for the Board and the KSM (including the CEO).
  - (g) Annually assess the training needs of the Directors vis-à-vis business environment and their contribution to the Board and Board Committees.
  - (h) Ensure that the appointment and reappointment of directors of SkyeChip and its subsidiaries (“**SkyeChip Group**” or “**Group**”) is based on the fit and proper policy established, the contribution, performance, calibre and personality of the directors.
  - (i) Review and monitor the tenure of Independent Directors and ensure compliance with the nine (9)-year limit.

## 2. INTERPRETATION

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2.1 In these terms of reference:

“**Board**” means the Board of Directors of the Company.

“**Board Committees**” means collectively, the Audit & Risk Management Committee, Remuneration Committee and the Committee.

“**Bursa Securities**” means Bursa Malaysia Securities Berhad.

“**Business**” means the business of the Group.

“**Chairman**” means the chairman of the Board.

“**CEO**” or “**Chief Executive Officer**” means the principal executive officer of the Company for the time being, by whatever name called, and who may or may not be a member of the Board.

“**CFO**” or “**Chief Financial Officer**” means the person primarily responsible for the management of the financial affairs of the Company (such as record keeping, financial planning and financial reporting), by whatever name called, and who may or may not be a member of the Board.

“**Company Secretary**” means the Board secretary (ies) or the person(s) normally exercising the functions of a Board secretary.

“**Constitution**” means the Constitution of the Company.

“**Director**” means directors of the Company.

“**Executive Director**” or “**ED**” means a Director who is also a paid employee of the Company and is involved in the day-to-day management of the Company.

“**Group Executive Director**” means a Director who is a paid employee of the Group and is involved in the day-to-day management of the Group.

“**Independent Director**” or “**ID**” is defined in accordance with Paragraph 1.01 and Practice Note 13 issued of the MMLR.

“**Key Senior Management**” or “**KSM**” refers to a person, who in the opinion of SkyeChip, is one who generally holds highest level of management responsibility and decision-making authority within the Group and must include a person who is primarily responsible for the business operations of the Company’s core Business and principal subsidiaries. Essentially, KSM is a member of the C-Suite or persons as identified as KSM.

“**KPI**” refers to the Key Performance Indicator.

“**MCCG**” refers to Malaysian Code on Corporate Governance revised and updated on 28 April 2021 by the Securities Commission Malaysia.

“**MMLR**” means the Main Market Listing Requirements of Bursa Securities.

“**Management**” means the management personnel of the Company.

“**NC**” or “**Committee**” means the Nomination Committee of the Company.

“**NC Report**” means the annual Nomination Committee Report of the Company.

“**Shareholders**” mean holders of the Company’s shares.

“**Secretary**” is the Company Secretary who typically serves as the secretary of the Committee or any other person as the NC may decide.

“**SkyeChip**” or “**Company**” means SkyeChip Berhad.

“**SkyeChip Group**” or “**Group**” means SkyeChip and its subsidiaries.

All terms used herein are in a gender-neutral sense.

### **3. COMPOSITION**

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- 3.1 The Committee shall be appointed by the Board from among the Directors. It shall consist of no less than three (3) members and all members shall be IDs.
- 3.2 The chairman of the Committee shall be an ID or a senior ID of the Company. The chairman of the Committee shall not be the Chairman. In the absence of the chairman of the Committee, the members present shall elect one of their number to chair the meeting.
- 3.3 An alternate Director or the Chairman shall not be appointed as a member of the Committee.
- 3.4 In the event of any vacancy in the NC resulting in the reduction of the number of members to below three (3) or vacancy of the position of chairman of the Committee or resulting in the non-compliance of paragraph 3.1 above, the Board shall within three (3) months of the event appoint such number of new members as may be required to fill the vacancy.
- 3.5 Each member of the NC, including the chairman of the Committee, will hold office only so long as they serve as an ID of the Company.

#### **4. MEETING PROCEDURES**

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- 4.1 The Committee is to meet at least once during the financial year of the Company, i.e. on an annual basis, or more frequently as the need arises or if so requested by any member of the Committee or by the chairman of the Committee or the Human Resource function.
- 4.2 The Committee shall conduct all its meetings separately from Board meetings.
- 4.3 A minimum of two (2) members of the NC are required to form a quorum for a NC meeting. In the absence of the chairman of the Committee, the members present shall elect an acting chairman from among them present.
- 4.4 Unless the meeting is called on a short notice basis, the Secretary, in conjunction with the chairman of the Committee, shall draw up an agenda, which shall be circulated together with the relevant support papers, at least five (5) working days prior to each meeting to the members of the Committee.
- 4.5 The NC meeting agenda shall be the responsibility of the chairman of the Committee with input from the NC members. Where necessary, the agenda shall include input from Management or other persons deemed appropriate to participate.
- 4.6 The Committee may, as and when deemed necessary, invite other Board members and KSM, employees, counsels and consultants, as applicable, to attend the meetings, specific to the relevant meeting, as and when necessary.
- 4.7 The chairman of the Committee shall ensure the Committee's key proceedings during the year and the related significant results and findings thereof are summarised for eventual inclusion in the annual report.
- 4.8 The Secretary or his/her representative shall be in attendance at each NC meeting and record the proceedings of the meeting thereat.
- 4.9 The Committee shall record its conclusion on issues discussed during meetings and report to the Board at Board meetings. The minutes shall be circulated to members of the Board and duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. The minutes shall be kept by the Company at the registered office and shall be open for inspection by any Committee member or Board member.
- 4.10 The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.
- 4.11 The chairman of the Committee should attend the annual general meeting of SkyeChip to answer any Shareholders' questions on the Committee's activities.

- 4.12 All Committee meetings may be recorded for the purpose of accurate documentation and reference. However, once the minutes of a Board meeting have been duly prepared, approved and confirmed at the subsequent Committee meeting, the meeting recordings shall be promptly deleted and permanently removed from all storage devices and systems. The deletion of the recordings shall be carried out in a secure and irreversible manner to ensure the confidentiality and privacy of the Committee's discussions and deliberations. This practice promotes the principle of maintaining official minutes as the authoritative record of Board meetings while safeguarding sensitive information.

## **5. VOTING**

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- 5.1 Subject to Item 4.1 above, in appropriate circumstances, the NC may deal with matters by way of circular reports and resolutions in lieu of convening a formal meeting. A resolution in writing signed by a majority of members in lieu of convening a formal meeting shall be as valid and effectual as it had been passed at a meeting of the NC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members and forwarded or otherwise delivered to and shall be recorded by the Secretary.
- 5.2 Each member of the NC is entitled to one (1) vote in deciding the matters deliberated in the meeting. Matters for decisions that arise at the Committee meeting will be decided by a majority vote. If the votes are equal, the chairman of the meeting has a second casting vote. However, the chairman of the meeting will not have a second casting vote where only 2 members of the NC form the quorum or at which only 2 members of the NC are competent to vote on the question at issue.
- 5.3 An NC member is required to abstain from discussions, deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation for the NC member.

## **6. AUTHORITY**

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- 6.1 The NC shall:
- (a) have explicit authority to investigate any matter within its terms of reference;
  - (b) perform the activities required to discharge its responsibilities and make the relevant recommendations to the Board;
  - (c) have the resources which are required to perform its duties;
  - (d) have full and unrestricted access to any information and documents / records / resources pertaining to the Company and Group as well as personnel of the Company and the Group. However, the Company reserves the right to withhold dissemination of commercially sensitive information where appropriate, in line with confidentiality and governance policies;
  - (e) be able to obtain independent professional or other advice, at the expense of the Company wherever necessary and reasonable and in accordance with a procedure to be determined by the Board, in order to perform of its duties; and

- (f) be able to secure the attendance of external advisers, subject to procedures outlined in the Board Charter and shall have the discretion to decide who else other than its own members to attend meetings, if the Committee sees fit.

6.2 The chairman of the NC shall engage on a continuous basis with the KSM, such as the Chairman, the Managing Director or CEO and the CFO in order to be kept informed of matters affecting the Group.

## **7. SECRETARY**

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7.1 The Secretary shall organise and provide assistance at NC meetings and have the following key responsibilities:

- (a) ensure meetings are arranged and held accordingly;
- (b) assist the chairman of the Committee in planning the NC's activities;
- (c) draw up meeting agendas in consultation with the chairman of the Committee and maintain the minutes and draft its scheduled activities for the financial year;
- (d) ensure structured communication channels between the Board and the NC;
- (e) ensure proceedings of meetings are recorded and the minutes circulated in a timely manner and reviewed by the NC before disseminating them to the Board; and
- (f) ensure NC recommendations presented to the Board are supported by papers that explain the rationale for the NC's recommendations.

## **8. FUNCTIONS & RESPONSIBILITIES**

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8.1 The Committee will undertake the following responsibilities and functions in fulfilment of the MCCG as well as paragraphs 15.08 and 15.08A of the MMLR and report on the same to the Board.

### **8.2 Assessment of Board composition**

- (1) Establish a policy formalising the Group's approach to boardroom diversity including diversity in gender, age, culture, skills, knowledge and experience and independence to ensure a diverse range of qualified candidates are considered for appointment.
- (2) Establish and review the Group's fit and proper policy with regards to the appointment and re-appointment of directors of the Group with policy to address Board quality and integrity.
- (3) Recommend to the Board suitable candidates for directorships on the Board, taking into consideration the following aspects when considering new appointments on the Board:
  - (a) the candidates' skills, qualifications, knowledge, expertise, experience, professionalism and integrity;

- (b) in the case of candidates for the position of independent non-Executive Directors, the ability to discharge such responsibilities/functions as expected from IDs; and
  - (c) the Board's diversity in terms of skills, experience, age, gender and culture.
- (4) Evaluate, review and recommend on an annual basis to the Board the appropriate size, structure, balance and composition of the Board, required mix of skills, experience and other qualities, including core competencies to function effectively and efficiently which non-Executive Directors shall bring to the Board to ensure that they are in line with SkyeChip's and the Group's requirements and is in compliance with the MMLR.
- (5) Assess the effectiveness of the Board, the committees of the Board and the contributions of each individual Director, including the independence of IDs, as well as the CEO and CFO (where these positions are not Board members), based on the process and procedures laid out by the Board; and to provide the necessary feedback to directors in respect of their performance.
- (6) Ensure proper documentation of all assessments and evaluations to be carried out.
- (7) Consider and recommend any policy regarding the period of service of non-Executive Directors, tenure of IDs of the Company and the term of office of Board Committee members, including chairmen of Board Committees.
- (8) Assess on a periodic basis the independence of Independent Directors of the Company and that the Directors and officers of the Group meet the identified independence criteria and are not disqualified under the relevant regulations.
- (9) Periodically review the term of office, and terms of reference of all Board Committees, assisted by the Secretary.

### 8.3 Appointment(s)

- (1) Consider and recommend to the Board the selection criteria for new appointments as the Directors of the Group taking into consideration SkyeChip's fit and proper policy which may include:
- (a) Required skills, expertise, knowledge as well as competence and experience;
  - (b) Time commitment, character and integrity (probity, financial integrity and personal integrity) professionalism and personal integrity;
  - (c) Ability to work cohesively with other members of the Board;
  - (d) Specialist knowledge or technical skills in line with the Group's strategy;
  - (e) Diversity in age, gender, skills, experience, cultural background and other factor(s) that will best qualify a nominee to serve on the Board;
  - (f) Number of directorships in companies outside the Group; and

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- (g) Ability to discharge such responsibilities / functions as expected, particularly for the Company's IDs.
- (2) Consider the need to appoint a senior ID, and if deemed appropriate, recommend to the Board for approval. In considering the candidate for the position of a senior ID, the NC shall assess the required knowledge and other qualities necessary for the effective discharge of his/her responsibilities.
- (3) Identify, consider and recommend suitable persons who are fit and proper for appointment as Directors of the Group and members of the Board Committee and also KSM positions relying on sources from existing Board members, Management, major Shareholders, independent search firms and other independent sources.
- (4) Disclose in the Company's annual report the Company's policy on gender diversity for the Board and KSM, how candidates for non-Executive Director-level positions were sourced including whether such candidates were recommended by the existing Board members, Management, major Shareholders or independent sources, and if the selection of candidates was solely based on recommendations made by existing Board members, Management or major Shareholders, the NC should explain why other sources were not used.
- (5) In the case of the CFO position, the NC shall interview the candidate(s) as part of the review process. The NC reserves the right to interview any pivotal position candidate recommended by the CEO.
- (6) Ensure that there is a formal, rigorous and transparent process for the appointment of directors (including reappointments) and KSM. The candidate selection process should be guided by clear criteria as required under the MMLR and the MCCG.

#### 8.4 Retirement, Re-election, Removal and Resignation of Director

- (1) Ensure that every Director, including the EDs, shall be subject to retirement at least once every three (3) years. A retiring Director shall be eligible for re-election. Recommend Director(s) who are retiring (by casual vacancy and by rotation) for re-election at the Company' annual general meeting in accordance with the Constitution.
- (2) Recommend to the Board, candidates for re-election of Directors by Shareholders, contingent on satisfactory evaluation of the Directors based on SkyeChip's fit and proper policy, and taking into consideration the current composition and the tenure of each Director of the Board. The tenure of an ID shall not exceed beyond a cumulative or consecutive term limit of nine (9) years.
- (3) Recommend to the Board any removal of a Director from the Board in the event that the Director is ineffective, errant and negligent in discharging his/her responsibilities.
- (4) Deliberate and recommend any termination of membership of any Director of the Company (if necessary) due to appropriate reasons in accordance with the relevant laws and regulations.

## 8.5 Succession Planning

- (1) The CEO shall assist the NC in ensuring that an appropriate succession planning framework, talent management and human capital development programme is in place for the position of the CEO and key pivotal positions. The NC shall be appraised of the progress of the programme on a regular basis, and at least once a year.
- (2) Oversee succession planning for the Chairman and Directors:
  - (a) Keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
  - (b) Give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in future;
  - (c) Make recommendations to the Board concerning the succession plans for EDs and in particular for the CEO;
  - (d) Make any necessary recommendations to the Board concerning the continuation in office, suspension or termination of service of any director (subject, in the case of Company employees to the provisions of their service contracts, if any); and

## 8.6 Annual Performance Assessment

- (1) Assess annually the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director, including IDs of the Company. The NC shall ensure that all assessments and evaluations carried out by the NC in the discharge of all functions shall be properly documented and disclosed in the annual report.
- (2) Recommend to the Board, the terms of employment and KPIs of ED(s), and assess the performance of the ED(s) against these KPIs.
- (3) Develop, maintain and review the criteria for evaluating the Board's, and Board Committees' and each individual Director's performance.
- (4) Conduct a Board evaluation which is periodically facilitated by professional, experienced and independent parties.
- (5) The criteria used in the annual assessment should include the following:
  - (a) will and ability to critically challenge and ask the right questions;
  - (b) character and integrity in dealing with potential conflict of interest situations;
  - (c) commitment to serve the Company, due diligence and integrity;
  - (d) confidence to stand up for a point of view; and
  - (e) contribution and performance, caliber and personality.

- (6) Ensure that appropriate actions are taken based on the results of the annual assessments, to continuously enhance the Board's overall performance and identify opportunities for improvement.
- (7) Assess annually the term of office and performance of the Audit & Risk Management Committee and each of its members to determine whether such Audit & Risk Management Committee members have carried out their duties in accordance with the terms of references of the Audit & Risk Management Committee.

#### 8.7 Training and Development

- (1) Require the Directors to attend training courses, where necessary.
- (2) Arrange, with Management, induction programmes for newly appointed Directors to familiarise themselves with the operations, products and services of the Group through briefings by the relevant Management teams.
- (3) Ensure a statement is made by the Board in the annual report of SkyeChip, containing a brief description on the type of training attended by Directors during the financial year.

#### 8.8 Others

- (1) Recommend to the Board the employment of the services of such advisers as it deems necessary to fulfil the Board's responsibilities.
- (2) Undertake any other responsibilities, functions or assignments as may be defined by the Board from time to time.
- (3) Perform any other work that it is required or empowered to do by statutory legislation or guidelines as prepared by the relevant government authorities.

### 9. REPORTING

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- 9.1 The chairman of the Committee shall, at the conclusion of each meeting, report to the Board on activities that it had undertaken and key recommendations for the Board's consideration and approval as well as follow-up status on any key recommendations from previous internal audits.
- 9.2 Where the Committee is of the view that a matter reported to the Board has not been satisfactorily resolved resulting in a breach of the MMLR, the Committee shall promptly report such matter to Bursa Securities.

### 10. REVIEW OF THE COMMITTEE

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- 10.1 The NC shall perform a self-assessment annually to assess its effectiveness in carrying out the duties as set out in these terms of reference and report the results to the Board.
- 10.2 All assessments shall be properly documented.

## 11. DISCLOSURE

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- 11.1 The NC is required to prepare an annual NC Report at the end of each financial year to be included and published in the annual report of the Company. The NC Report shall include all the prescribed information as stated under paragraph 15.08A of the MMLR:
- (a) Statement on training attended by the Directors incorporating the following:
    - (i) assessment by the Board of the training needs of each Director;
    - (ii) brief description on the type of training that the Directors have attended for the financial year; and
    - (iii) in exceptional circumstances where any Director has not attended any training during the financial year, valid justifications for the non-attendance of such Director.
  - (b) Statement on activities of the Committee in the discharge of its duties containing the following information:
    - (i) the application of SkyeChip's fit and proper policy;
    - (ii) review pursuant to paragraph 2.20A of the MMLR that each of its Directors, CEO or CFO has the character, experience, integrity, competence and time to effectively discharge his role as a Director, CEO or CFO;
    - (iii) the policy on board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of the Company;
    - (iv) the board nomination and election process of Directors and criteria used by the Committee in the selection process; and
    - (v) the assessment undertaken by the Committee in respect of the Board, Committees and individual Directors together with the criteria used for such.

## 12. DEEMING PROVISION

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- 12.1 The provisions under these terms of reference have been drafted in a manner to also incorporate the provisions under the MMLR, MCGG and other statutes, regulations and guidelines applicable to the NC. In the event the applicable provisions of the MMLR, MCGG and/or relevant governing statutes, regulations and guidelines relating to NC are from time to time amended, modified or varied, such amendments, modifications and variations shall be deemed inserted herein whereupon this Terms of Reference shall be read and construed subject to and in accordance with the amended, modified or varied MMLR, MCGG, statutes, regulations and guidelines.

## 13. REVISION TO THE TERMS OF REFERENCE

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- 13.1 The terms of reference shall be reviewed by the Committee as and when required. All amendments to the terms of reference must be approved by the Board.

- 13.2 Upon the Board's approval, the said revision or amendment shall form part of this terms of reference and these terms of reference shall be considered duly revised or amended.
- 13.3 The terms of reference of the NC must be made available on the Company's website.