



IMPIANA HOTELS BERHAD

(REGISTRATION No.200601021085 (740838-A))

TERMS OF REFERENCE (“TOR”) OF THE NOMINATION COMMITTEE

CONSTITUTION

The Nomination Committee was set up on 23 October 2007.

1. MEMBERSHIP

The Nomination Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of at least two (2) members, a majority of whom are Independent. All members of the Nomination Committee shall be Non-Executive Directors.

2. QUORUM

A quorum shall consist of two (2) members.

3. CHAIRMAN

The members of the Nomination Committee shall elect a Chairman from among their number who shall be a Senior Independent Non-Executive Director or an Independent Director of the Company.

4. SECRETARY

The Company Secretary shall be the Secretary of the Nomination Committee.

5. MEETINGS

5.1 Meeting shall be held at least once a year. Additional meetings may be called at any time at the discretion of the Chairman of the Nomination Committee.

5.2 The Nomination Committee may invite any other Directors, management and staff to be in attendance during meetings to assist in its deliberation.

5.3 Meetings of the Nomination Committee shall be governed by the provisions of the Company's Constitution relating to Board meetings except in so far as the same are not amended in these terms of reference.

5.4 Minutes of each Nomination Committee meeting shall be kept and distributed to all Nomination Committee members. The minutes of the Nomination Committee meeting shall be presented at the Board meeting and the Chairman of the Nomination Committee shall report on each Nomination Committee meeting to the Board.

6. DUTIES AND RESPONSIBILITIES

The Nominating Committee is responsible for:

- a) Establishing minimum requirements for the Board i.e. required mix of skills, experience, qualification and other core competencies required of a Director;
- b) Identifying, recommending and assessing the nominees for directorship via:
 - open advertising or the services of external advisers to facilitate the search; and
 - within the bounds of practicability, candidates proposed by any other senior executive or any director or shareholder.

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

- c) Overseeing the overall composition of the Board, in terms of the appropriate size and skills, and the balance between Executive Directors, Non-Executive Directors and Independent Directors through annual review;
- d) Recommending to the Board the removal of a Director/Executive Director from the Board/management if the Director/Executive Director is ineffective, errant and negligent in discharging his responsibilities;
- e) To review the performance of the Audit Committee and each of its members annually to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference;
- f) Establishing a mechanism for the formal assessment on the effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board, the contribution of the Board's various committees and the performance of the Executive Director and other key senior management officers. Annual assessment should be conducted based on an objective performance criterion. Such performance criteria should be approved by the Board;
- g) Ensuring that all Directors receive an appropriate continuous training program in order to keep abreast with the latest developments in the industry;
- h) Overseeing the appointment, management succession planning and performance evaluation of key senior management officers;

- i) Recommending to the Board the removal of key senior management officers if they are ineffective, errant and negligent in discharging their responsibilities; and
- j) To perform any other functions as defined by the Board.

7. PROCESS OF THE ASSESSMENT AND EVALUATION

Step 1: Company Secretary advises Directors/Nomination Committee to perform the assessment and evaluation

Step 2: Directors/Nomination Committee complete and submits the assessment and evaluation forms

Step 3: Nomination Committee presents the post evaluation reports to the Board and reports areas of weaknesses, if any

Step 4: Board reviews the post evaluation reports and recommendations by Nomination Committee for improvement, if any

Step 5: Board receives the post evaluation reports and agrees on action plans for improving areas of weaknesses, if any

8. PROCESS OF THE APPOINTMENT TO THE BOARD

Step 1: Nomination Committee reviews annual Board assessment & evaluation

Step 2: Nomination Committee determines the ideal board matrix, gap analysis and criteria for new director appointment

Step 3: Source for the candidate to fill in the vacancy

Step 4: Nomination Committee evaluates and matches the criteria of the candidates and is mindful of various diversity factors including ethnicity, gender and age distribution of the Directors to strengthen the Board composition that meets the objectives and strategic goals of the Company. In this respect, the Board aims to achieve its target of at least two (2) women directors or 30% women directors on the Board.

Step 5: Nomination Committee recommends to the Board for appointment

Step 6: Board approves the appointment of the candidate

9. AUTHORITY

- a) The Nomination Committee is authorised by the Board to act within its terms of reference, to obtain the resources which it requires including but not limited to obtaining advice from expert advisers, both internal and external, and to have full and unrestricted access to information to enable the Nomination Committee to fulfill its objectives.
- b) Each and every member of the Nomination Committee shall be vested with such power and authority, specific or general, as may from time to time be decided upon by the Board.
- c) The actual decision as to who shall be nominated should be the responsibility of the Board after considering the recommendations of the Nomination Committee.

- *END OF DOCUMENTS* -

