

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. Objective

The principal objective of the Nomination Committee ("**NC**") is to assist the Board of Directors ("**Board**") in the succession planning of the Board and key senior management while also taking into consideration the gender diversity policy adopted by the Board. The NC oversees the assessment and evaluation of suitable and qualified candidates who meet the criteria and needs of RichTech Digital Berhad ("**Company**") and its subsidiaries (collectively, the "**Group**") for recommendation to be appointed to the Board.

In carrying out the aforesaid objective, the NC shall periodically review the performance and effectiveness of the Board as well as key senior management in addressing the Group's material sustainability risks and opportunities.

2. Composition of Members

The Board shall elect the NC members from amongst themselves which shall comprise exclusively of non-executive directors and shall not be less than three (3) members, whereby a majority of the NC members shall be independent non-executive directors ("**Independent Director**"). The Chairman of the Board shall not be appointed as an NC member.

The Board, may from time to time and in its absolute discretion, review the composition of the NC and its roles and responsibilities.

3. Chairman

The chairman of the NC ("**Chairman**") shall be elected from amongst the NC members and shall be an Independent Director or the Senior Independent Director.

The Chairman shall be approved by the Board.

4. Secretary

The Company Secretary shall be the secretary of the NC ("**Secretary**").

The Secretary shall be responsible for keeping the minutes of meetings of the NC, circulating them to members of the NC and to the other members of the Board as well as for following up on outstanding matters.

5. Meetings

The NC may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary.

The Chairman may call for additional meetings at any time at the Chairman's discretion.

The Secretary shall on the requisition of the members of the NC, summon a meeting of the NC. Except in the case of an emergency, reasonable notice of every NC meeting shall be given in writing.

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Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the NC, no later than five (5) business days before the date of the meeting.

In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the meeting.

NC members may participate in a meeting by means of a conference telephone or similar communications equipment, through which all persons participating in the meeting can hear and speak with each other.

A participant on a conference call shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted for quorum accordingly.

The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

6. Quorum

A quorum shall consist of two (2) members, one (1) of whom must be an Independent Director.

7. Circular Resolutions

A resolution in writing signed or approved by letter, telex or other form of written electronic communications by the majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting. All such resolutions shall be described as "Written Resolution of the Nomination Committee" and shall be forwarded or otherwise delivered to the Secretary without delay and shall be recorded by the Secretary in the minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more members.

8. Authority

The NC shall:-

- (a) annually review the required mix of skills and experience and other qualities, including core competencies which non-executive Directors and key senior management should have.
- (b) assess on an annual basis, the effectiveness of the Board and Board Committees as a whole and also assess the contribution of each individual Director.
- (c) assess on an annual basis, the tenure of each member of the Board. The Independent Directors should not exceed a cumulative term of nine (9) years. Should the tenure of the Independent Director be justified to be maintained as an Independent Director beyond nine (9) years, and the NC provides their recommendation thereof, the Board may propose a further extension at the shareholders meeting through a two-tier voting process, subject to a cumulative period of not more than twelve (12) years from the date of his first appointment in the Group as an Independent Director. The Director can still act as a Director on the Board but the Director has to be re-designated as a Non-Independent Director.

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- (d) be entitled to the services of the Company Secretary 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 ACE Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory requirements.

9. Duties and Responsibilities

The duties and responsibilities of the NC are as follows:-

- (a) to regularly review the succession planning for the Board and key senior management by refreshing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and organization, and to make recommendations to the Board regarding any changes.
- (b) to refresh the Board composition by periodically proposing potential/new candidates to the Board using the following criteria to assess the suitability of the candidates prior to recommending to the Board for appointment or for purposes of the reappointment of existing Directors:-
 - i. diversity of the Board, in skills, experience, age, character, cultural background and gender with at least 30% women.
 - ii. probity, personal integrity, financial integrity and reputation, where the candidate must have personal qualities such as professionalism, honesty, integrity, diligence, independence of mind and fairness. The candidate/Director must manage his/her debts or financial affairs prudently.
 - iii. experience and competence, where the candidate/Director must have the skills, working experience, capability and commitment necessary to carry out the role.
 - iv. time and commitment, where the candidate/Director is able to devote time as a Director, participate and contribute to the Board.
- (c) to ensure that the reappointment of Director should be contingent on satisfactory evaluation of the Director's performance and contribution to the Board.
- (d) The process for identifying and nominating new candidates for appointment as a director or existing Directors for reappointment entails the following steps:-
 - i. Identification of skills required or which are relevant.
 - ii. Selection/assessment of candidates/Directors.
 - iii. Interaction with candidate(s)/Directors(s).
 - iv. NC's deliberation and confirmation that the recommended candidate/Director is fit and suitable for the Board in new/existing role.
 - v. Recommendation by NC for the Board's approval.

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- vi. Decision by Board on recommended appointment/reappointment.
- (e) The NC shall facilitate and review the Directors' orientation/induction and internal and external training programmes annually to continuously train and equip the existing and new Directors and to ensure a statement is made in the Company's annual report by the Board containing a brief description of the training attended by each Director during the financial year.
- (f) The NC to undertake an annual review of the training programmes attended by the Directors for each financial year as well as the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends.
- (g) The NC may utilise independent sources to identify suitably qualified candidates. If the selection of candidates was based on recommendations made by existing Directors, key senior management or major shareholders, the NC should explain why these source(s) suffice and other sources were not used.
- (h) The NC shall recommend to the Board, candidate(s) to fill the seats on Audit and Risk Management Committee ("**ARMC**"), Remuneration Committee and NC.
- (i) The NC shall recommend and/or approve candidates for key senior management positions in the Group based on (i) objective criteria; (ii) merit; and (iii) with due regard for diversity in skills, experience, age, cultural background and gender.
- (j) The NC shall ensure that for the key senior management recommended, there are measures in place to provide for the orderly succession of the Board, including the executive Directors and key senior management.
- (k) The NC may engage independent experts at least every three (3) years to facilitate an objective and candid Board evaluation.
- (l) The NC shall recommend to the Board the removal of a Director or key senior management if he/she ineffective, errant or negligent in discharging his/her responsibilities.
- (m) The NC shall review the term of office and performance of the ARMC and each of its members annually to determine whether such committee have carried out their duties in accordance with their terms of reference.

The Board is ultimately responsible in the entire function of the Group, with the support and assistance from the NC:-

- (a) to review annually, the term of office and performance of the ARMC and each of its members to determine whether the ARMC and members have carried out their duties in accordance with the terms of reference of the ARMC.
- (b) to review annually, the independence of the independent non-executive Director.
- (c) to act in line with the directions of the Board.

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(d) to consider and examine such other matters as the NC considers appropriate.

10. Reporting Responsibilities

The Chairman shall report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities.

The NC shall make whatever recommendations it deems appropriate on any area within its terms of reference and/or where action or improvement is needed to the Board for approval.

11. Review of the Terms of Reference

The NC shall recommend any changes to its terms of reference in such manner as the NC deems appropriate to the Board for approval. The terms of reference shall be assessed, reviewed and updated as and when necessary.

This NC's terms of reference will be published on the Company's website for public information.