

to exercise independent and objective judgement, play their part effectively on the Board in the best interest of the Company and satisfy the independence criteria.

Further, the Board Charter stipulates that if the Board intends to retain an Independent Non-Executive Director beyond nine (9) years, shareholders' approval has to be sought.

Independence Assessment

Before and on appointment

- NRC will evaluate the suitability of the candidates, including an assessment of their independence.
- Upon his/her acceptance of the Letter of Appointment, he/she is required to disclose to the Company all relevant information of entities of which he/she has material interest direct/indirect, is an executive director or is a director.
- Upon appointment, a director is also required to confirm with Bursa his/her independence having regard to the criteria of independence as prescribed in the Bursa Listing Requirements.

Ongoing process

- Independent non-executive director is required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may affect his/her independence.
- All directors have a continuing duty to update the Company on any changes to their other appointments which will be reviewed by the Board.

Annual assessment

- Each independent non-executive director is required to confirm with the Company his independence having regard to the criteria of independence as set out in the Bursa Listing Requirements.
- NRC assesses and reviews the independence of independent non-executive directors annually.

Re-election and Re-appointment of Directors

Pursuant to the Company's Constitution, Dato' Idris bin Kechot and Datuk Anuar bin Ahmad, who were appointed as an addition to the existing Board shall hold office as Independent Non-Executive Directors only until the Company's forthcoming AGM to be held on 28 August 2019 and shall then be eligible for re-election at the said AGM. The term of office of Non-Executive Directors is not more than three (3) years.

The Constitution of the Company further provides for rotation of Directors whereby one third (1/3) or more of the Directors are to retire at every AGM of the Company and that all Directors must retire at least once in three (3) years and shall be eligible for re-election. Further the re-appointment of Encik Azizan bin Mohd Noor and Dato' Rosman bin Abdullah, the Company's Independent Directors, who have served the Board for more than nine (9) years, will be subject to separate resolutions to be approved by the shareholders.

Directors who are due for re-election and re-appointment at the forthcoming AGM are as set out in the Notice of the AGM in this Annual Report.

Performance Evaluation

An annual effectiveness review is conducted to evaluate the performance of the Board, Board Committees and individual Directors. The review is an important opportunity to be able to recognize individual and collective strengths and weaknesses, which prompt required changes and are also taken into account during the Board succession process.

2017	2018	2019
Independent, externally facilitated review	Internal performance review	Internal performance review