

**JCY INTERNATIONAL BERHAD**

(Company No. 713422-X)

(Incorporated in Malaysia)

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

**1. Objectives**

The principal objective of the Nomination Committee is to assist the Board of Directors in their responsibilities in assessing, nominating and selecting new members to the Board of Directors and Board Committees. The Nomination Committee shall also assess the effectiveness and performance of the Board, Board Committees and the individual Directors of the Company on an on-going basis.

**2. Composition of members**

The Board of Directors shall appoint the Nomination Committee members from amongst themselves, which shall comprise exclusively of non-executive directors, a majority of whom are independent.

**3. Chairman**

The Chairman of the Nomination Committee shall be an Independent Director or the Senior Independent Director appointed by the Board of Directors from amongst the Nomination Committee members.

**4. Secretary(ies)**

The Secretary(ies) of the Nomination Committee shall be the Company Secretary(ies) of the Company.

**5. Meetings**

The Nomination Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman or any member of the Nomination Committee may call for additional meetings at any time at the Chairman's discretion.

Reasonable notice of Nomination Committee meetings shall be given to all the Nomination Committee members unless the Nomination Committee waives such requirement.

Questions arising at any meeting of the Nomination Committee shall be decided on a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Meeting shall have a second or casting vote.

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

**6. Minutes**

Minutes of each Nomination Committee meeting shall be kept at the registered office and distributed to each member of the Nomination Committee and also to

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the other members of the Board. The Chairman of the Nomination Committee meeting shall report on the proceedings of each Meeting to the Board.

The Minutes of the Nomination Committee meeting shall be signed by the Chairman of the Meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.

**7. Quorum**

A quorum shall consist of two (2) members.

**8. Circular Resolutions**

A resolution in writing signed by a majority of the Nomination Committee members for the time being shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Nomination Committee members. Any such document may be accepted as sufficiently signed by a Nomination Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Nomination Committee member.

**9. Reporting**

The Nomination Committee shall report to the Board of Directors, either formally in writing, or verbally, as it considers appropriate on the matters within its terms of reference at least once a year, but more frequently if it so wishes.

The Nomination Committee shall report to the Board of Directors on any specific matters referred to it by the Board.

**10. Authority**

The Nomination Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company:-

- (a) select and recommend new members to the Board and Board Committees;
- (b) annually review the required mix of skills and experience and other qualities, including core competencies which non-executive and executive directors should have;
- (c) assess on an annual basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.
- (d) be entitled to the services of the Company Secretary(ies) 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

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purposes of meeting statutory obligations or other regulatory requirements.

### **11. Duties and Responsibilities**

The duties and responsibilities of the Nomination Committee are as follows:-

- To assess and recommend candidates for appointment to the Board of Directors, Board Committees and key management positions, taking into consideration the candidates':-
  - (a) skills, knowledge, expertise and experience;
  - (b) professionalism;
  - (c) integrity;
  - (d) competence, commitment, expected contribution and performance; and
  - (e) in the case of candidates for the position of Independent Non-Executive Directors, the Nomination Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors;
- To consider, in making its recommendations, candidates for directorships proposed by the Directors and, within the bounds of practicability, by any other Senior Executive or any Director or Shareholder or through independent sources to identify suitably qualified candidates, and to take steps to ensure that gender, ethnicity and age group diversity are considered as part of its recruitment exercise.
- To recommend to the Board the optimum size of the Board, and formalising a transparent procedure for proposing new members to the Board and Board Committees.
- To formulate and review the nomination, selection and succession policies and plans for members of the Board, Board Committees and senior management.
- To develop, maintain and review the evaluation criterion in respect of the evaluation of the Board of Directors, Board Committees and each individual Director.
- To develop the criteria to assess independence of Independent Directors and to assess the independence of the Independent Directors annually.
- To assess the effectiveness of the Board of Directors, the Board Committees as a whole and each individual Directors of the Board.
- To annually review the term of office and performance of the Audit Committee and each of its members to determine whether such Audit Committee and members have carried out their duties in accordance with the Audit Committee's terms of reference.
- To recommend the retention of Independent Directors whose terms have exceeded nine (9) years' tenure for continuance in the office.

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- To recommend the re-election of Directors who retired by rotation pursuant to the Company's Articles of Association.
- To establish time commitment expectations for the members of the Board.
- To establish a policy formalising its approach to boardroom diversity.
- To review training programmes for the Board and facilitate board induction and training programmes for new members of the Board.
- To act in line with the directions of the Board of Directors.
- To consider and examine such other matters as the Nomination Committee considers appropriate.
- To consider any other matters as delegated by the Board.