

CYL CORPORATION BERHAD

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

A. Composition of Nomination Committee

- (1) The Nomination Committee shall be appointed by the Board of Directors and shall consist of not less than 2 members comprising exclusively non-executive directors, a majority of whom must be independent.
- (2) The members of the Nomination Committee shall elect a Chairman among themselves who shall be an Independent Director or the Senior Independent Non-Executive Director.
- (3) Where practical, a member of the Nomination Committee who wishes to retire or resign should provide sufficient written notice to the Company so that a replacement may be appointed before he leaves.
- (4) In the event of any vacancy in the Nomination Committee resulting in the non-compliance of the above, the Company must fill the vacancy within three (3) months from the occurrence of such vacancy.

B. Duties and Responsibilities of Nomination Committee

The Committee shall:-

- (1) develop, maintain and review criteria to be used in the recruitment process of new directors;
- (2) assess and recommend to the Board, the candidature of new Directors. Appointment of Directors shall be based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

In making its recommendations, the Nomination Committee shall take into consideration the candidate's character, integrity, competence, professionalism and time to effectively discharge his/her role as a Director of the Company.

The Nomination Committee shall also consider whether the candidate is of good repute and possesses the necessary experience for the performance of his/her duties and has any conflict of interest with the Group;

- (3) develop criteria to assess the independence of Independent Directors and assist the Board in undertaking an annual assessment on the independence of Independent Directors;

- (4) assess and recommend to the Board, Directors to fill the seats on board committees;
- (5) assess annually the effectiveness and required mix of skills and experience and other qualities, including core competencies of the Board as a whole, the committees of the Board and the contribution of each existing Director and thereafter, recommend its findings to the Board;
- (6) facilitate board induction for newly appointed Directors and assist the Board in identifying suitable training programmes for Directors;
- (7) review the Board's succession plans as well as senior management level and make appropriate recommendations to the Board;
- (8) facilitate the achievement of board gender diversity policies and targets;
- (9) review the rotation of directors due for retirement at annual general meetings; and
- (10) consider other matters as directed by the Board.

The Nomination Committee, whether as a full Committee or in their individual capacity, be able to obtain independent professional advice at the Company's expense, where necessary in accordance with the steps set out in the Board Charter.

C. Procedure of Committee Meetings

(1) Frequency of Meetings

The Nomination Committee shall meet at least once in each financial year. Additional meetings may be called as and when required.

(2) Venue and Participation

The Nomination Committee meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the Nomination Committee members as a whole to participate for the entire duration of the meeting, and that all information and documents for the meeting must be made available to all members prior to or at the meeting.

(3) Notice

Except in the case of an emergency, the notice of the Nomination Committee meetings and meeting materials shall be circulated at least five (5) business days before each meeting to members of the Nomination Committee. Notice of meetings shall be given in writing and shall be served to the member either personally or by fax or e-mail or by post or by courier to his/her address as

appearing in the Register of Directors or to the address provided by the Nomination Committee member, as the case may be.

(4) **Quorum**

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

If at any meeting, the Chairman of the Nomination Committee is not present within fifteen (15) minutes of the time appointed for holding the same, the members of the Nomination Committee present shall choose one of their number who shall be an Independent Director to be Chairman of such meeting.

(5) **Attendance**

The Nomination Committee may extend an invitation to other board members and Management to attend meetings as it deems necessary.

(6) **Voting**

A resolution put to the vote of the meeting shall be decided on a show of hands. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote (except where 2 members form the quorum).

(7) **Keeping of Minutes**

Minutes of each meeting signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting shall be evidence of the proceedings to which it relates.

(8) **Custody, production and inspection of such minutes**

Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any of the Nomination Committee member or Board member.

D. Circular Resolutions

A written resolution signed or approved via letter, telex, facsimile, email by all Committee members shall be effective for all purposes as a resolution passed at a meeting of the Nomination Committee duly convened, held and constituted. Any such resolution may be contained in a single document or may consist of several documents all in the like form signed by one or more members.

E. Secretary

The Company Secretary of the Company or such substitute as appointed by the Directors or the Nomination Committee from time to time shall act as the Secretary of the Nomination Committee.

The Nomination Committee shall review its Terms of Reference periodically and may recommend to the Board any changes it considers necessary.

This Terms of Reference was last reviewed on 21 May 2018.