



KHEE SAN BERHAD

Registration No: 199401018697
(304376-A)

NOMINATION COMMITTEE TERMS OF REFERENCE

OBJECTIVES OF THE COMMITTEE

The principal objective of the Nomination Committee (“NC”) is to develop and maintain a formal, rigorous and transparent procedure for making recommendations on appointments and re-appointments to the Board of Directors and top management of the Group including reviewing the succession plans for the Directors.

A. COMPOSITION

1. The NC is a committee of the Board of Directors.
2. The NC must be comprised of three (3) Members and consist exclusively of Non-Executive Directors, of whom a majority of them must be Independent Directors.
3. The NC must ensure that no Alternate Director is being appointed as a Member of the Committee.

B. RESIGNATION

1. When the Member ceases to be a Director of the Company, he shall also cease to be a Member of the NC.
2. In the event, if there is a vacancy in the NC, such vacancy must be filled within three (3) months and the suitable person to be recommended for the appointment thereon and such recommendation shall then be approved by the Board of Directors.

C. CHAIRMAN

1. The Members shall elect a person amongst themselves who is an Independent Director or Senior Independent Director to be the Chairman of the NC. The Chairman of the Committee shall be approved by the Board of Directors.
2. In the absence of the Chairman, one (1) of the other NC Members shall be elected as the Chairman for the Meeting.

D. SECRETARY

1. The Secretary of the Board of Directors shall be the Secretary of the NC.
2. The Secretary of the Committee shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting. As a reporting procedure, the Minutes shall be circulated to all members of the Board.

E. ATTENDANCE OF OTHER DIRECTORS AND EMPLOYEES

1. The NC shall invite other Directors and Employees of the Company to attend the NC Meetings, as and when necessary.

F. QUORUM

1. The quorum of a Meeting is two (2) of the Committee Members.

G. PROCEDURE

1. Calling of meetings

- 1.1 The NC shall meet at least once a year. Additional Meetings may be called at any time by the Chairman upon the request of any Committee Members.

- 1.2 The non-member Directors and employees of the Company and of the Group shall normally attend the meetings at the Committee's invitation, to assist in its deliberations and resolutions of matters raised.

2. Notices to be given of Meetings

- 2.1 Notice of the Meeting shall be given to the Members at least seven (7) days by the Secretary of the NC before the Meeting, either by electronic or manual. Shorter notice may be given if agreed by a majority of the Members.

3. Proceedings of Meetings and Votings

- 3.1 The Chairman shall determine the proceedings of the Meetings and its voting process as he or she deems fit.

- 3.2 Subject to the requirement to conduct the required meeting, in appropriate circumstances, the Committee may deal with matters by way of circular reports and resolution in lieu of convening a formal meeting.

H. FUNCTIONS AND DUTIES

1. The functions and duties of the NC, shall include:-

- 1.1 considering and recommending candidates for directorships to the Board as recommended by the CEO and other parties, taking into consideration of the criteria set out in the Fit and Proper Policy and any business interest or relationship that may result in a conflict of interest that could affect the execution of the role;

- 1.2 recommending directors into various committees;

- 1.3 review of the Board's required combination of skills, experiences and characteristics from time to time;

- 1.4 acceptance of resignation of directors and removal of directors;

- 1.5 review the required mix skills and experience and other qualities including core competencies which Non-Executive directors should bring into the Board;

- 1.6 carry out annual evaluation and assessment of every existing director's performance, and orienting new directors to enhance governance;
- 1.7 report its recommendations to the Board for its consideration and implementation; and
- 1.8 recommending candidates and reviewing annually the performance of top management for the Group.

I. REVIEW OF THE NC

1. The term of office and performance of Members must be reviewed annually by the NC Members. In the event, if it relates to the NC Members himself, the NC Member shall be abstained from deliberation.

J. TERMS OF REFERENCE

1. The Terms of Reference of NC should be reviewed every two (2) years by the Members.
2. The NC must ensure that the NC's Terms of Reference be made available on the Company's website.

(Last reviewed on 28 August 2023)