

ASTINO BERHAD

THE APPROVED TERMS OF REFERENCE OF THE NOMINATING COMMITTEE

1. *MEMBERSHIP*

The Nominating Committee of the Company shall be appointed by the Company's Board of Directors and shall comprise exclusively non-executive director of whom a majority shall be Independent Non-Executive Directors.

The members of the Nominating Committee shall the elect a Chairman from among themselves who is a non-executive director.

Members of the Nominating Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as Director of the Company. The Nominating Committee will review and recommend, to the Board for approval, another director to fill up such vacancies.

2. *SECRETARY*

The Company Secretary shall be the secretary of the Committee.

The Company Secretary shall be in attendance at each Nominating Committee Meeting and record the proceedings of the statutory record of the Company upon adoption by the Committee and a copy each shall be distributed to each member of the Nominating Committee.

3. *OBJECTIVES*

The objective of the Nominating Committee is to ensure that the directors of the Board bring characteristics to the Board, which provide a required mix of responsibilities, skills and experience. The Nominating Committee will also assist the Board in reviewing on an annual basis the appropriate balance and size of non-executive participation and in establishing procedures and processes towards an annual assessment of the effectiveness of the Board as a whole and contribution of each individual director and Board Committee member.

When a vacancy exists or when it is considered that the Board would benefit from the services of a new executive director with particular skills, the Nominating Committee selects one or more candidates with the appropriate expertise and experience. The Nominating Committee may use the services of a professional recruitment firm. The Nominating Committee will then make its recommendation on the candidates for submission to the Board for approval. The same procedure applies to potential candidates who wish to fill the vacancies for directorships.

In developing its procedures on appointments to the Board and making its recommendations to the Board, the Committee will take account of the need for the Board to operate on an open and transparent appointment process.

4. **DUTIES AND RESPONSIBILITIES**

The following are the main duties and responsibilities of the Committee collectively. These are not exhaustive and can be augmented if necessary by the overall Board approval:

- (a) Examine the size of the Board with a view to determine the number of directors on the Board in relation to its effectiveness and ensure that at every annual general meeting, one-third of the directors for the time being shall retire from office. A retiring director shall be eligible for re-election. Every director, including the Chief Executive Officer, shall be subject to retirement at least once in every 3 years.
- (b) Review annually its required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the board and disclose the same in the Annual Report.
- (c) Review annually the terms of office and performance of the Audit & Risk Management Committee and each of its members to determine whether such Audit & Risk Management Committee and its members have carried out their duties in accordance with their terms of reference.
- (d) Recommend suitable orientation, educational and training programmes to continuously train and equip the existing and new Directors.
- (e) Ensure that the appointment of any executive director or Chief Executive Officer of the Company & its subsidiaries shall be for a fixed term not exceeding three years at any one time with power to reappoint, remove or dismiss thereafter.
- (f) Recommend to the Board, candidates for all directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any director or shareholder to be filled by the shareholders or the Board and directors to fill the seats on the Audit, Nominating, Remuneration or other Committees. A description/ specification for the new directors should be drafted before identifying possible candidates. Candidates should be evaluated against this specification.
- (g) Assess annually the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director based on the process implemented by the Board.

5. **POWER**

The Nominating Committee should not have the delegated power from the Board to implement its recommendations but should be obliged to report its recommendations back to the full Board for its consideration and implementation. This is in recognition of the importance of chemistry within the Board and the need for Board membership to be endorsed by all or the majority.

In carrying out its duties and responsibilities, the Nominating Committee will in principle have full, free and unrestricted access to the Company's records, properties and personnel. The Nominating Committee may use the services of professional recruitment firms to source for the right candidate for directorship or sought independent professional advice whenever necessary.

6. ***FREQUENCY OF MEETINGS***

The Nominating Committee to hold a minimum of at least one meeting in a year and as when it deemed necessary and report to the Board after each meeting.

The meeting shall be chaired by the Chairman of the Committee and shall have at least two members of whom majority shall be Independent Non-Executive Directors. The Chairman also has the discretion to call for additional meetings at any time. All recommendations and findings of the Nominating Committee are submitted to the Board of Directors for approval.

The Chief Executive Officer and/or other appropriate officers may be invited to attend where their presence is considered appropriate as determined by the Nominating Committee Chairman.

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