

**BHS INDUSTRIES BERHAD (719660-W)**  
(Incorporated in Malaysia)

**NOMINATING COMMITTEE**

**TERMS OF REFERENCE**

**1. Members**

The Committee shall be appointed by the Board of Directors and shall consist of not less than 2 members of which comprising exclusively non-executive directors, a majority of whom shall be independent directors.

In the event of any vacancy in the Committee resulting in the non-compliance of the above, the Company must fill the vacancy within 3 months.

The Board of Directors must review on annual basis the terms of office and performance of the Committee and each of its members to determine whether such Committee and members have carried out their duties in accordance with their terms of reference.

**2. Chairman**

The Chairman shall be elected by the Committee from among their members.

**3. Functions**

The Committee shall:-

- i. recommend the nomination of a person or persons for all directorships to be filled by the shareholders or the board;
- ii. Consider, in making its recommendations, candidates for directorships proposed by the Managing Director and, within the bounds of practicability, by any other senior executive or any director or shareholder;
- iii. recommend to the board, directors to fill the seats on board committees;
- iv. identify, evaluate and recommend candidates for appointment as Company Secretary;
- v. assess annually the effectiveness of the board as a whole, the committees of the board and the contribution of each existing individual director and thereafter, recommend its findings to the board;
- vi. review annually the required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the board and thereafter, recommend its findings to the board; and
- vii. review on annual basis the terms of office and performance of the audit committee and each of its members.

4. **Structures and Procedures**

The Committee should meet regularly, with due notice of issues to be discussed and should record its conclusion in discharging its duties and responsibilities. The Committee should disclose the number of committee meetings held in a year and the details of attendance of each individual member in respect of meetings held. The quorum shall be 2 members with majority of independent directors.

The Committee should have a formal schedule of matters specifically reserved to it for decision to ensure that the direction and control of the Committee is firmly in its hands. All assessments and evaluations carried out by the Committee in the discharge of all its functions should be properly documented.

The Committee should be entitled to the services of a secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both the Company's own records and for the purposes of meeting statutory requirements, as well as obligations arising from the Listing Requirements of Bursa Malaysia Securities Berhad and/or other regulatory authorities.

5. **Access to Advice**

In furtherance to their duties as the Committee's members of the Company, there should be an agreed procedure for the members, whether as a full Committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.