

NOMINATION COMMITTEE

TERMS OF REFERENCE

1. Membership

The members of the Nomination Committee (“**Committee**”) shall comprise *exclusively of Non-Executive Directors, a majority of whom must be Independent Directors.*

2. Chairman

The Chairman of the Committee shall be an *Independent Director or the Senior Independent Director* appointed by the Board but not the Chairman of the Board.

In the absence of the Chairman, the Committee members present shall elect a Chairman for the meeting from amongst the members present.

The Chairman of the Committee shall-

- (a) lead the meeting / discussion on the succession planning and appointment of Board members, including the future Chairman (Board and Board Committees) and Group Managing Director / Chief Executive Officer; and
- (b) lead the annual review of board effectiveness, ensuring that the performance of each individual director is independently assessed.

3. Secretary

The Company Secretary or his/her representative or other appropriate Senior Officer shall act as the Secretary of the Committee. The Company Secretary or his/her representative or other appropriate Senior Officer shall be responsible for drawing up the agenda in consultation with the Chairman. The agenda together with the relevant explanatory papers and documents shall be circulated to the Committee members at least five (5) business days prior to each meeting.

The Secretary or his/her representative or other appropriate Senior Officer shall be responsible for recording attendance of all members and invitees, keeping the minutes of the meeting of the Committee at the Registered Office of the Company, circulating to Committee members and to other members of the Board of Directors.

4. Quorum

The quorum of the Committee shall be *at least two* members present at the meeting, with the majority of Independent Non-Executive Directors.

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5. Frequency of Meeting

Meeting shall be held *at least once* a year. Additional meetings shall be held if the need arises.

6. Advisers

The Committee is authorised to seek appropriate professional advice inside and outside the group as and when it considers necessary at the expense of the Company. The Committee shall have full and unrestricted access to resources as deemed appropriate for discharge of its duties and responsibilities.

7. Duties and Responsibilities

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

New Appointments

- i) Recommend to the Board, candidates for all directorship and Senior Management. In making the recommendations the Committee should also consider candidates proposed by the Managing Director, and within the bounds of practicability, by any other senior executive, Director or major shareholder. The Committee may also utilise independent sources including directors' registry, industry and professional association, open advertisements and independent search firms to identify suitably qualified candidates.

The Committee shall evaluate the balance of skills, knowledge, experience and diversity on the existing Board and prepare a description of the role and capabilities required for particular appointment for recommendation to the Board. In making its recommendations, the Committee shall assess and consider the following attributes or factors:-

- a) professionalism;
- b) commitment (including time commitment) to effectively discharge his/her role as a Director (including, amongst others, attendance at Board or Committee meetings, participation in continuing training programmes, after consideration of the candidate's directorships in other listed issuers, public companies and corporations incorporated and listed outside Malaysia);
- c) merit and against objective criteria with due regard for diversity in gender, age, experience, skills and cultural background;
- d) contribution and performance;
- e) background, character, integrity, and competence;
- f) any business interests that may result in a conflict of interest that may arise within the Company or the Group; and

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in the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors. In considering independence, it is necessary to focus not only a Director's background and current activities qualify him or her as independent but also whether the Director can act independently of management.

The Company should disclose in its annual report how candidates for Non-Executive Director positions were sourced including whether such candidates were recommended by the existing board members, management or major shareholders.

If the selection of candidates was solely based on recommendations made by the existing board members, management or major shareholders, the Committee should explain why other sources were not used.

- ii) Recommend to the Board, the appointment of Chairman's position (Board/Committee) in consultation of the Board.
- iii) Recommend to the Board, Directors to fill the seats on Board Committees, in consultation with the Chairman of those committees.

Re-election, Re-appointment, Re-designation and Resignation/Termination

- iv) Recommend to the Board on the re-appointment of any Non-Executive Director at the conclusion of his or her specified term of office, re-election of any Director under the retirement by rotation provisions in the Company's Constitution.
- v) Make any necessary recommendations to the Board concerning the continuation in office of any Director at any time, including the suspension or termination of service of an Executive Director as an employee of the Company subject to provision of the law and their service contracts.
- vi) Recommend to the Board on the re-designation of the Independent Director to Non-Independent Director should the tenure of an Independent Director exceed a cumulative terms limit of 9 years. If the Board intends to retain an Independent Director beyond 9 years, it should be subjected to the following:-
 - a) annual assessment by the Committee, regarding the independence and contributions; and
 - b) annual shareholders' approval in a general meeting through a two-tier voting process, where the Board provides strong justification on the recommendation in the explanatory notes to the resolution in the notice of a general meeting.

Notwithstanding the above, an Independent Director who has served a cumulative term of twelve (12) years and above must resign or be re-designated as a Non-Independent Director.

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Specific Nomination and Succession Planning

- vii) Recommend suitable candidates for the role of Senior Independent Director, as applicable.
- viii) Review the Board's succession plans.
- ix) Review and make recommendations on Succession Planning for Management

Annual Performance Assessment of Board, Committee and Individual Directors

- x) Assess annually:-
 - a) the required mix of skills and experience of the Board, including the core competencies which Non-Executive Directors should bring to the Board;
 - b) the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director including his time commitment, character, experience and integrity vide a formal and objective assessment;
 - c) the character, experience, integrity and competence of Directors, chief executive and chief financial officer and to ensure they have time to discharge their respective roles;
 - d) the term of office and performance of the Audit and Risk Management Committee and each of its members to determine whether they have carried out their duties in accordance with their Terms of Reference; and
 - e) the independence of Independent Directors to ensure the Director can act independently of management.

All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented. The Committee may engage a professional, experienced and independent party to facilitate the Board evaluation.

- xi) Assess the fitness and propriety of each individual Director prior to his/her initial appointment as a Director and/or proposal on his/her re-election or re-appointment as a Director, and/or when the Company becomes aware of information that may materially compromise the Directors' fitness and propriety. The Committee, in conducting the fit and proper assessment, shall be guided by the Directors' Fit and Proper Policy.

Induction training and training needs analysis

- xii) Review and define orientation and induction plans for new Directors.
- xiii) Review the Directors' continuing education programmes.

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- xiv) Assess annually the training needs of each Director, review the fulfilment of such training, and disclose details in the annual report as appropriate.

Size of Board and Independent Directors

- xv) Review the structure, size and composition (including skills, knowledge, experience and diversity of the Board and core competencies which Non-Executive Directors should bring to the Board).
- xvi) Assess desirable number of Independent Directors.
- xvii) Recommend to the Board the Company's gender, ethnicity, age, experience and diversity policies, targets and discuss measures to be taken to meet those targets.

Notwithstanding the above, the Company must ensure that at least one (1) women Director in the Board.

- xviii) Develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors.

Statement about the activities of the Committee

- xix) Review and recommend to the Board a statement about the activities of the Committee in the discharge of its duties for the financial year for incorporation into the annual report. The statement must include the requirements as set out in Paragraph 2.20A of the Main Market Listing Requirements and contain the following information:-
- a) the policy on Board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of the Company;
 - b) the Board nomination and election process of Directors and criteria used in the selection process; and
 - c) assessment undertaken by the Committee in respect of its Board, committees and individual Directors together with the criteria for such assessment.

8. Meeting

The Executive Director or Senior Management or consultant may attend the Committee meeting by invitation of the Committee.

The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

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A member of the Committee shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to a situation of an actual or perceived conflict of interest for the member. Where this cause insufficient directors to make up a quorum, NC has the right to appoint another Director, who meets the membership criteria, to participate in the discussions or deliberations of such matter.

A resolution in writing, signed by all the members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Committee members. Any such document, may be accepted as sufficiently signed by a Committee member if transmitted to the Company by facsimile or other electronic means or digital written message purporting to include a signature of a Committee member.

9. General Meeting

The Committee Chairman should attend the general meeting to provide clarification to shareholders on the Committee's activities, particularly on matters pertaining to appointment or re-appointment or re-appointment of Director.

10. Reporting Responsibilities

The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters with its duties and responsibilities.

The Committee shall make whatever recommendation to the Board it deems appropriate or any area within its remit where action or improvement is needed.

The Committee shall produce a report to be included in the Company's annual report about its activities in the discharge of its duties and the process used to make appointments and explain if external advice or open advertising has not been used.

11. Periodic Review

This Terms of Reference shall be reviewed once every two years or as and when required by the Committee and these Terms of Reference must be disclosed on the Company's website.

This Term of Reference was reviewed and approved by the Board of Directors on 10 April 2023.