

TOYO VENTURES HOLDINGS BERHAD

Company Registration No. 202001001322 (1357641-P)

TERMS OF REFERENCE FOR NOMINATION COMMITTEE

1. OBJECTIVE

The Nomination Committee is entrusted with the task of proposing new nominees for the Board and for assessing the existing Directors on an on-going basis.

The ultimate decision as to who shall be nominated should be the responsibility of the full board after considering the recommendation of the Committee.

2. COMPOSITION

The members of the Committee shall be appointed by the Board from among their members and shall be composed exclusively of Non-Executive Directors of not fewer than 3 members.

The Committee shall elect a Chairman from among its members who shall be an Independent Non-Executive Director.

The term of office and performance of the Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their terms of reference.

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.

If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below 3, the Board shall, within 3 months from the date of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.

3. AUTHORITY

- a) The Committee is authorised to seek any information it requires from management of the Company in order to perform its duties.
- b) The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- c) The Committee is authorised by the Board to obtain, at the Company's expense, external legal or other professional advice on any matters within its terms of reference.

4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the Committee shall undertake, amongst others, the following duties and responsibilities:

- a) To determine the core competencies and skills required of the Board members to best serve the business and operations of the Group as a whole and the optimum size of the Board to reflect the desired skills and competencies.
- b) To recommend to the Board on the appropriated number of Directors to compose the Board which should fairly reflect the investments of the minority shareholders in the Company, and whether the current Board representation satisfies this requirement.

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- c) To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board.
- d) To consider in making its recommendations, candidates for directorships proposed by the Managing Directors and, within the bounds of practicability, by any other senior executive or any Director or shareholder.
- e) To recommend to the Board, Directors to fill the seats on Board Committees.
- f) To undertake an annual review of the required mix of skills and experience and other qualities of Directors, including core competencies, which Non-Executive Directors should bring to the Board.
- g) To assist the Board to implement a procedure to be carried out by Nomination Committee annually for assessing the effectiveness of the Board as a whole, the committees of the Board and for assessing the contributions and performance of Directors and Board Committee members.
- h) The Committee shall give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board in the future;
- i) The Committee shall ensure that the appointment of Board and senior management are based on objective criteria and ensure diversity in skills, experience, age, cultural background and gender.
- j) The Committee shall undertake an annual review of the training programmes attended by the Directors for each financial year as well as the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends; and
- k) The Committee shall assess and recommend to the Board, the continuation of terms of office of Independent Directors in compliance with the Corporate Governance Code.
 - If the Board intends to retain an Independent Director beyond 9 years, it should justify and seek annuals shareholders' approval.

5. MEETINGS OF THE COMMITTEE

The Committee shall meet at least once a year. However, additional meetings may be called at any time at the Nomination Committee Chairman's discretion.

In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non-Executive Director.

Subject to the notice and quorum requirements as provided in the Terms of Reference, meeting of the Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

6. QUORUM

The quorum of the meeting shall be a majority of members present.

7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than seven (7) days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

8. SECRETARY AND MINUTES

The Company Secretary and/or his or her representative or such other persons authorised by the Board shall act as the Secretary of the Committee. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Committee and ensure that the minutes are properly kept and produced for inspection if required.

9. CIRCULAR RESOLUTION

A resolution in writing, signed by a majority of the Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Committee, shall be as valid and effectual as if it had 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 of the members of the Committee.

10. REVISION AND UPDATES

This Terms of Reference will be reviewed and updated at least once a year to ensure it remains consistent with the Committee's objectives and responsibilities.

Approved on 15 October 2020