



ES CERAMICS TECHNOLOGY BERHAD
Registration No. 200301024697 (627117-P)
(Incorporated in Malaysia)

**TERMS OF REFERENCE
OF
NOMINATING COMMITTEE**

1. **Members**

The Committee shall be appointed by the Board of Directors and shall consist of not less than 2 members composed exclusively of non-executive directors, the majority of whom shall be independent directors with the responsibility for proposing new committees to the board and for assessing directors on an ongoing basis. The actual decision as to who should be nominated should be the responsibility of the full board after considering the recommendations of such as committee.

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 the term of office and performance of the Committee and each of its members at least once every 3 years 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 to the board candidates for all directorships to be filled by the shareholders or the board. In making its recommendations, the nominating committee should ensure that all directors fulfil that Directors' Fit and Proper Policy requirements, and for conducting assessments of the fitness and propriety of Directors such as the candidates'-
 - skills, knowledge, expertise and experience;
 - professionalism;
 - integrity (personal and financial); and
 - in the case of candidates for the position of independent non-executive directors, the nominating committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors;

- ii. consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any director or shareholder;
- iii. 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 for disclosure in the annual report;
- iv. 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;
- v. annually carry out a process implemented by the board, for assessing the effectiveness of the board as a whole, the Committees of the board, and for assessing the contribution of each individual director, including independent non-executive directors as well as the executive directors and all assessments and evaluations carried out by the Committee in the discharge of all its functions should be properly documented;
- vi. identify, evaluate and recommend candidates for appointment as secretary; and
- vii. review on annual basis the performance of the audit committee and the term of office and performance of 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 deliberations, in terms of the issues discussed, and the conclusions 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.

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 for 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 for the ACE Market 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.