

Terms of Reference of Kobay Nominating Committee

1. The Nominating Committee comprises Non-Executive Directors and a majority of the Committee members are appointed from the Independent Directors.
2. The Nominating Committee is chaired by an independent director or the Senior Independent Director. As chair of the Nominating Committee, who is not the Chairman of the Board, the independent director or a Senior Independent Director shall—
 - a) lead the succession planning and appointment of directors, and oversee the development of a diverse pipeline for board and management succession, including the future Chairman, Executive Directors and CEO; and
 - b) lead the annual review of board effectiveness, ensuring that the performance of each individual director and Chairman of the board are independently assessed.
3. The Nominating Committee's primary responsibilities include :-
 - a) leading the process for Board appointments and making recommendations to the Board.
 - b) assessing Directors on an on-going basis inclusive the composition and tenure of Directors.
 - c) annually reviewing the required skills and core competencies of Non-Executive Directors, including familiarization with the Company's operations.
4. In carrying out their duties, the Nominating Committee will :
 - a) Selecting and recommend individuals for nomination as members of the Board by assessing the desirability of renewing existing directorships inclusive but not limited to current compositions, independency and tenure of each existing Director. Due consideration should be given to the extent to which the interplay of the Director's expertise, skills, knowledge and experience was demonstrated with those of other Board members. If the candidates for appointment of Directors was based on recommendations made by existing Directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other independent sources are not used;
 - b) Facilitate the annual Board effectiveness assessment, through the Board and Directors' self-evaluation forms. This process should be coordinated by the Nominating Committee and thus, reporting to the Board at the end of each fiscal year with an assessment of the Board's performance and areas in which the Board, Board Committees or individual Director could improve on; and
 - c) Periodically reporting to the Board on boardroom gender diversity and succession planning for the Board Chairman and CEO. The Board should work with the Nominating Committee to evaluate potential successors.
 - d) Pursuant to Chapter 15 of the Listing Requirement, provide a statement in the Company's annual report, about the activities of the nominating committee in the discharge of its duties for the financial year.

5. The Committee will make the following recommendations to the Board :
 - a) As regard plans for succession for Directors especially on Executive Directors to maintain an appropriate balance of skills on the Board and business sustainability;
 - b) As regards the re-appointment of any Non-Executive Director at the conclusion of their specified term of office and Independent Director to ensure the pro-long tenure will not affect their independency;
 - c) Concerning the re-election by shareholders of any Director under the retirement by rotation provisions in the Company's Constitution after satisfactory evaluation of the director's performance and contribution to the board;
 - e) Concerning any matters relating to the continuation in office of any Director and/or senior management at any time;
 - f) Concerning the appointment of any Executive Director other than the positions of Chairman and CEO, the recommendation for which would be considered at a meeting of the Board; and
 - g) Concerning the approach to boardroom gender diversity and taken measure to comply with related requirement inclusive 30% women Director on the Board as guided by MCCG.
6. When there is a new director's nomination, the new director's curriculum vitae ("CV") shall be submitted to the Committee together with the recommendation from any Director or shareholder, via the Company Secretary, for assessment by the Nominating Committee. For the annual review, the Director's profile shall be updated and submitted to the Committee prior to the annual assessment being conducted.
7. After the perusal and approval from the Committee, the Company Secretary shall proceed to obtain the Board's approval on :-
 - (a) the new director's nomination; or
 - (b) for the annual review, the Company Secretary shall proceed to include the agenda in the Annual General Meeting's notice for the Board's approval then table for members' approval before announcing to Bursa, if required under the Listing Requirements.
8. In the event that the Board appoints a new Board Chairman, the Nominating Committee will be guided by the following principles prior to making recommendations to the Board :
 - a) That the senior Independent Director leads the appointment process.
 - b) That a systematic evaluation be undertaken to identify the skills and expertise required for the role.
 - c) That all short-listed candidates be considered with the possibility of obtaining external advice, if necessary.
 - d) Once the candidate be selected by the Nominating Committee after an interview is conducted, if any, the Nominating Committee will table for the Board's approval together with their justification of their selection. The Company Secretary will request necessary documents (inclusive statutory forms to be filled) from the candidates for submission pursuant to Companies

Act as well as Listing Requirement and relevant announcement shall be made to Bursa Securities Malaysia Berhad.

9. The Nominating Committee shall meet at least once a year or whenever the need arises. A seven (7) days' notice shall be served to all members for any meeting to be convened. However, if the notice period is shorter, it may be waived with the consent of all members of the committee in writing.
10. All or any members of the committee may participate in a meeting of the Committee by means of telephone conference, video conference or any communication technology, which allows the members of the committee communicate simultaneously with each other. A member of the Committee so participating shall be deemed present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participants is assembled or if there is no such group, the meeting shall be deemed held at the registered office of the Company. Minutes of the meeting should be part of the Board Meeting agenda.
11. A resolution in writing signed or approved by letter, telegram, telex or any form of electronic communication by all the committee members who are sufficient to form a quorum of two, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and convened. All such resolution may consist of several documents in like form, each signed by one (1) or more committee members.