

THONG GUAN INDUSTRIES BERHAD (324203-K)

Terms of Reference - Nominating Committee (the “Committee”)

Membership

- 1) The members of the Committee shall comprise exclusively of non-executive Directors and numbers at least 2 in total.
- 2) The Chairman of the Committee shall be a non-executive Director appointed by the Board.
- 3) The majority of the members of the Committee shall comprise independent Directors.

Duties

- 1) The duties of the Committee shall be to
 - a) recommend to the Board, candidates for directorships. 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 shareholder;
 - i. skills, knowledge, expertise and experience;
 - ii. professionalism;
 - iii. time commitment to effectively discharge his/ her role as a director ;
 - iv. contribution and performance;
 - v. character, integrity, and competence;
 - vi. boardroom diversity including gender diversity; and
 - vii. 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.
 - b) recommend to the Board, Directors to fill the seats on Board committees;
 - c) review annually the required mix of skills and experience of the Board, including the core competencies which non-executive directors should bring to the Board;

- d) assess annually 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. All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented;
- e) consider the size of the Board with a view to determine the impact of the number upon the Board's effectiveness and recommend it to the Board;
- f) recommend to Board the Company's gender diversity policies, targets and discuss measures taken to meet those targets; and
- g) recommend to Board protocol for accepting new directorships.

Quorum

- 1) The quorum of the Committee shall be at least two (2) members.

Secretary

- 1) The Secretary(ies) of the Company shall be the Joint Secretaries of the Committee.

Frequencies of meeting

- 1) Meeting shall be held at least (1) time a year and any other additional meeting deemed necessary by the Committee

Advisers

- 1) The Committee is authorized by the Board to seek appropriate professional advice inside and/or outside the group as and when it considers it necessary.

Minutes

- 1) The minutes of the meetings of the Committee shall be circulated to all members of the Board. 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.