

## **BOILERMECH HOLDINGS BERHAD (COMPANY NO. 897694-T)**

### **NOMINATION COMMITTEE TERMS OF REFERENCE**

#### **1. OVERALL OBJECTIVE**

- 1.1 The Nomination Committee is delegated by the Board of Directors ("Board") to identify and recommend to the latter, the nomination of new Directors to the Board, oversee the orientation of new Directors and the appointment of Senior Management. The Nomination Committee is also charged to assess the effectiveness of the Board as a whole and the Board Committees and the incumbent Directors, including the Independent Directors and to review the performance of Senior Management.

#### **2. SCOPE**

- 2.1 Identify and recommend candidates to the Board and Senior Management based on their skills, knowledge and experience, professionalism and integrity. In the case of Independent Directors, the Nomination Committee shall also evaluate the candidate's ability to discharge such responsibilities as expected from an Independent Director.
- 2.2 In identifying candidates for appointment of director, the Nomination Committee will consider utilising independent sources to identify suitably qualified candidates.
- 2.3 Assess on an annual basis, the effectiveness of the Board, as a whole and Board Committees in light of the needs of the Company and the operating environment.
- 2.4 Assess on an annual basis, the contribution of each Director.
- 2.5 Review performance of the Senior Management including recommendation for renewal of their service contract.
- 2.6 Review the term of office and performance of the Audit Committee and each of the Audit Committee Members annually to determine whether the Audit Committee and its Members have carried out their duties in accordance with their terms of reference.
- 2.7 Recommend a continuous education program for Board members to enhance their effectiveness.
- 2.8 Work together with the Remuneration Committee and the Board of Directors to develop an effective development and succession plan for Executive Directors and Senior Management of the Group.
- 2.9 Provide its assessment of the Executive Directors and Senior Management to the Remuneration Committee in its deliberation of the incumbents' remuneration packages.

#### **3. MEMBERSHIP**

- 3.1 The Nomination Committee shall comprise exclusively of Non-Executive Directors, the majority of whom are Independent Directors. The Nomination Committee shall be chaired by an Independent Director. Appointment of a member of the Nomination Committee is the prerogative of the Board, after having considered his integrity and objectivity.

3.2 Removal of a member of the Nomination Committee also the prerogative of the Board.

**4. FREQUENCY OF MEETINGS**

4.1 The Nomination Committee shall meet at least once a year and as and when necessary.