

**CENTURY BOND BHD.**

(Company No. 228669-V)

*(Incorporated in Malaysia)*

**TERMS OF REFERENCE FOR  
NOMINATION COMMITTEE (NC)**

**OBJECTIVES & PURPOSES**

The Board's Nomination Committee ("NC" or "the Committee") is established as a Committee of the Board pursuant to Article 136 of the Company's Articles of Association.

The primary objectives of the NC are to assist the Board in the following manner :

**RESPONSIBILITIES**

1. To oversee the selection criteria and recruitment process and recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board taking into consideration the candidates' :-
  - competencies, commitment, contribution and performance ;
  - professionalism ;
  - integrity ; and
  - in the case of candidates for the position of independent non-executive directors, the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.including formalising its stand and approach to boardroom diversity.
2. Consider, in making its recommendations, candidates for directorships proposed by the Managing Director and, within the bounds of practicability, by any other senior executive or any director or shareholder.
3. Recommend to the Board, directors to fill the seats on Board Committee.
4. Reviewing on an annual basis, that the Board's size, composition and balance is appropriate and in particular that the required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the Board are present.
5. To oversee the development, maintenance and review of the criteria to be used in the recruitment process and the annual review and assessment of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of each individual director, including an assessment of the independence of the independent non-executive directors and their length of tenure in office in line with the recommendations of MCG 2012.
6. To make assessment, consider justifications and make recommendations on the element of independence of an Independent Director should the Board wish to retain as an Independent Director, a person who has served in that capacity for more than nine years.
7. Review of Board's succession plans and facilitate induction and training programmes.

## **COMPOSITION & APPOINTMENT**

1. The members of the NC shall be appointed by the Board of Directors from among the members of the Board.
2. The members of the NC shall comprise exclusively of Non-Executive Directors, a majority of whom shall be Independent Directors ( as defined in Bursa Malaysia Berhad's Listing Requirements ) and shall consist of a minimum of not less than three members. The appointment and position of a NC member shall automatically terminate when he ceases to be a member of the Board of Directors.
3. The chair of the Nominating Committee should be the Senior Independent Director identified by the board.

## **POWER & AUTHORITY**

The NC has the power and authority to examine all issues as stated in its Terms of Reference and report to the Board with its recommendations.

In carrying out its duties and responsibilities the NC shall at the cost fully borne by the Company :

1. Have full and unrestricted access to the Company's resources, records, properties and personnel.
2. Be able to engage independent external professional advisers or consultants.
3. Be able to secure the attendance of outsiders with relevant experience and expertise.

## **PROCEDURE FOR NC**

1. The NC may meet together for the dispatch of business, adjourn and subject to Article 136 to 140 otherwise regulate their meetings as they think fit, provided that the Committee shall meet at least once a calendar year.
2. Any member of the NC may at any time and the Secretary shall on such request summon a meeting of the NC.
3. At least seven (7) day's written notice of a meeting of a NC shall be given to all NC Members at his last known address or other address given by him. The NC Members may meet on shorter notice and waive notice of any meetings as they deem necessary subject to the consent and agreement of all NC Members.
4. The quorum necessary for the transaction of business shall be two (2) comprised of a majority of Independent Non-Executive Directors.
5. Questions arising at any meeting shall be determined by a majority of votes of the members present and a determination by a majority of members shall for all purposes be deemed a determination of the NC.
6. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote PROVIDED THAT where two (2) members form a quorum, the chairman of the meeting at which only such a quorum is present, or at which only two members are competent to vote on the question at issue, shall not have a casting vote.

7. The NC shall cause minutes to be duly entered into minutes books provided for the purposes :-
- of the names of all NC members and other participants of each meeting of the NC ;
  - of all resolutions and proceedings of the NC Meetings ; and
  - of all orders, recommendations and reports made by the Committee.

Such minutes shall be signed by the Chairman of the NC at which the proceedings were held or by the Chairman of the next succeeding meeting, and if so signed, shall be conclusive evidence without any further proof of the facts therein stated.

8. The books containing the minutes of the proceedings of the NC shall be kept by the Company at the Registered Office of the Company subject to the provisions of the Companies Act. 1965, relating to keeping the minutes of the Board of Directors and any committee of the Board of Directors.

**SECRETARY**

The Company Secretary shall be the Secretary of the NC.