

CHEMLITE INNOVATION BERHAD
[Registration No. 202401021849 (1567698-V)]
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE ("NC")

1. Objectives

- 1.1. The principal objective of the NC is to assist the Board of Directors ("**Board**") of Chemlite Innovation Berhad (the "**Company**") in their responsibilities in appointing new nominees to the Board and Board Committees and to ensure that their compositions meet the needs of the Company. The NC shall also assess the performance of the Board, Board Committees and the individual Directors of the Company on an on-going basis.

2. Composition of members

- 2.1. The NC shall comprise of at least three (3) members.
- 2.2. The Board shall appoint the NC members from amongst themselves, comprising exclusively of Non-Executive Directors, of which a majority of whom shall be Independent Directors.

In this respect, the Board adopts the definition of "Independent Director" as defined under the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

- 2.3. The term of office of the NC shall be for such time as determined by the Board and members of the NC may be re-nominated and appointed by the Board from time to time.
- 2.4. No alternate Director of the Board shall be appointed as a member of the NC.

3. Chairman

- 3.1. The Chairman of the NC shall be an Independent Director or Senior Independent Director appointed by the Board from amongst the NC members. The Chairman of the NC shall chair all NC meetings but in the absence of the Chairman, the members of the NC can elect from amongst themselves as the Chairman of the NC meeting.
- 3.2. The Chairman of the NC 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 Chief Executive Officer (or any other person assuming the similar roles and responsibilities); 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.

4. Secretary(ies)

- 4.1. The Secretary(ies) of the NC shall be the Company Secretary(ies) of the Company.
- 4.2. The Secretary(ies) shall be responsible for drawing up the agenda and circulating it prior to each meeting and keeping the minutes of meetings of the NC.

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5. Meetings

- 5.1. The NC may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman or any member of the NC may call for additional meetings at any time at their discretion.
- 5.2. Reasonable notice of the NC meetings shall be given in writing sent through post, facsimile, electronic mail and by any means of telecommunication in permanent written form to all the NC members except in the case of emergency, where unless the NC may waive such requirement.
- 5.3. The NC may hold a committee meeting at two (2) or more venues within or outside Malaysia using any technology that gives the NC members as a whole a reasonable opportunity to participate. Any member of the NC participating at a NC meeting by way of telephone and video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other and be heard for the entire duration of the meeting in which event such member shall be deemed to be present at the meeting. A member participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the members attending the meeting provided that at least one (1) of the NC members present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to or at/during the meeting.
- 5.4. Questions arising at any meeting of the NC shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the NC shall have a second or casting vote.
- 5.5. Other Board members, employees and/or consultants may attend the NC meeting upon invitation of the NC.

6. Quorum

- 6.1. A quorum shall consist of two (2) members, who are Independent Non-Executive Directors.

7. Circular Resolution

- 7.1. A resolution in writing may be accepted as sufficiently signed by a member of the NC if transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by a majority of the NC members for the time being and shall be valid and effectual as if it had been passed at a meeting of the NC duly called and constituted. All such resolutions shall be described as "NC Members' Resolution in Writing" and shall be forwarded or otherwise delivered to the Company Secretary(ies) without delay and shall be recorded by the Company Secretary(ies) in the minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more NC members.

8. Minutes

- 8.1. Minutes of each NC meeting shall be kept at the registered office and distributed to each member of the NC and also to the other members of the Board. The NC Chairman shall report on the proceedings of each meeting to the Board.

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- 8.2. The minutes of the NC meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.
- 8.3. The NC members may inspect the minutes of the NC at the registered office or such other place as may be determined by the NC.

9. Reporting

- 9.1. The Chairman of the NC shall report to the Board on the proceedings of each meeting and on matters as it considers appropriate within its Terms of Reference ("**TOR**") at least once a year, but more frequently if it so wishes, either formally in writing or verbally.
- 9.2. The NC may from time to time submit to the Board its recommendation on matters within its purview for the Board's decision.
- 9.3. The NC shall report to the Board on any specific matters referred to it by the Board.

10. Authority

The NC in performing its duties shall, in accordance with a procedure to be determined by the Board, where necessary and reasonable for the performance of its duties:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to any information pertaining to the Company;
- (c) be able to obtain independent professional advice; and
- (d) be able to secure the attendance of external advisers and shall have the discretion to decide who else other than its own members to attend meetings, if it thinks fit.

11. Duties and Responsibilities

The duties and responsibilities of the NC are as follows:-

- (a) to identify, assess and recommend to the Board, candidates for board directorships, having regard to their expertise, experience, and other core competencies, potential conflict of interest, contribution and integrity which the Directors should bring to the Board to meet the needs of the Company, strengthen Board leadership and oversight of sustainability issues;
- (b) to recommend to the Board, a mixture of suitable, qualified and experienced candidates as Directors to fill the seats on the Board committees, taking into consideration the optimum and effective size of the Board and the candidates:-
 - (i) character, competency, knowledge and experience;
 - (ii) professionalism;
 - (iii) integrity and credibility;

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- (iv) fit and properness;
 - (v) time commitment, particularly number of other directorships; and
 - (vi) in the case of the candidates for the position of Independent Non-Executive Directors, the NC would also evaluate the candidates' ability to discharge such responsibilities or functions as expected from the Independent Non-Executive Directors;
- (c) to assess and evaluate, on an annual basis, or as required, the desirability of the overall composition of the Board and the balance amongst Executive, Non-Executive and Independent Directors;
- (d) to evaluate the effectiveness of the Board and Board committees as a whole (including its size and composition) and contributions of each individual Director including a review of the performance of the Board in addressing the Company's material sustainability risks and opportunities. All assessments and evaluations carried out by the NC in the discharge of all its functions would be properly documented;
- (e) to determine the independence of each Director annually and ensure that the Independent Directors can bring independence and objective judgement to board deliberations;
- (f) to review on an annual basis, the required mix of skills, experience, gender diversity and other qualities, including core competencies which Non-Executive and Executive Directors should have;
- (g) to assess on an annual basis, the effectiveness of the Board and the Committees of the Board as a whole and each individual Director of the Board including a review of the performance of the Board in addressing the Company's material sustainability risks and opportunities;
- (h) to review on an annual basis, the terms of office and performance of the Audit and Risk Management Committee ("**ARMC**") and each of its members to determine whether the ARMC and its members have carried out their duties in accordance with the terms of reference of the ARMC;
- (i) to review and ensure an appropriate framework and plan for the Board succession;
- (j) to recommend Director(s) who are retiring (by casual vacancy and/or by rotation) for re-election at the annual general meeting; and
- (k) to ensure that the Directors receive appropriate induction programs and undergo continuous training in order to broaden their perspectives and to keep abreast with developments in the marketplace, changes in new statutory and regulatory requirements and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities.
- (l) to consider any other relevant matters as delegated by the Board.

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12. Review of TOR

This TOR shall be assessed, reviewed and updated where necessary. All amendments to the TOR, as recommended by the NC, must be approved by the Board.

This TOR is adopted by the Board on 17 February 2025