

ANALABS RESOURCES BERHAD (468971-A)

NOMINATION COMMITTEE –TERMS OF REFERENCE

Objective

The primary objective of the Nomination Committee (“NC”) is to support and advise the Board of Directors in fulfilling their responsibilities to ensure the Board and the key management of the Company comprised individuals with the appropriate mix of qualifications, skills and experience.

Composition

1. The members of the NC shall be appointed by the Board comprising at least three (3) directors and exclusively Non-Executive directors, a majority of whom must be independent.
2. The Chairman of the NC shall be an Independent Non-Executive Director appointed by the Board amongst the members of the NC.

Chairman and Membership

1. The members of the NC shall elect a Chairman from amongst their number to be Chairman of the NC.
2. The Board shall ensure that any vacancy in the NC is filled within three months of such vacancy arising.
3. The appointment of a committee member automatically terminates when the member ceases to be a director.

Rights

The Board must ensure that whatever necessary and reasonable for the performance of its functions, the NC has the following rights:

- (i) to the resources which are required to perform its duties;
- (ii) full and unrestricted access to any information pertaining to the directors and employees of the Company and the Group;
- (iii) direct communication channels with key management staff such as personnel, accounts, secretarial or independent consultants engaged by the Company; and
- (iv) to obtain independent professional or other advice at the expense of the Company.

The Board has however full power to decide on the suitability of the nominees and approve their appointments.

Functions

1. To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board. In making the recommendations, the Committee will also consider candidates proposed by directors, senior management, shareholders or third party referrals. In making its recommendations, the Committee shall assess and consider the following-
 - a. the candidate's resume, curriculum vitae and qualification and time to effectively discharge his/her role as a Director of the Company;
 - b. character, integrity, competence, wisdom, ability to work as a team to support the Board, understanding of the business environment and in the case of candidates for the position of Independent Non-Executive Directors, the independence and ability to discharge such responsibilities as expected from the Independent Non-Executive Director;
 - c. whether the candidate has any conflict of interest with the Company;
 - d. any other relevant criteria as may be determined by the NC from time to time.
2. To recommend to the Board, directors to fill the seats on the Board Committees.
3. To review the required mix of skills and experience and other qualities, including core competencies which the Non-Executive Directors should bring to the Board;
4. To assess on an annual basis the following matters:
 - a. The effectiveness of the Board as whole;
 - b. The Committees of the Board; and
 - c. The contribution of each individual Director.

The assessment process should be pre-determined by the Board.

5. To review the Board size, Board balance and determine if additional Directors are required and also to ensure that at least one-third (1/3) of the Board is independent.
6. To review and recommending Directors who are retiring by rotation to be put forward for re-election.
7. To assess independence and apply these criteria upon admission, annually and when any new interest or relationship develops.
8. To facilitate the development of succession planning policy and ensure that the policy is kept under review. Any changes to the succession planning and its policy should be subjected to the endorsement of the full Board;
9. To recommend to the Board the training programmes for directors from time to time.
10. To introduce any policy or guidelines which would enable the smooth administration and effective discharge of the Committee's duties and responsibilities.
11. To furnish a report to the Board of any findings of the Committee.

Secretary

The Company Secretary is the Secretary to the NC.

Meetings

- (1) Meetings of the Nomination Committee should be held when necessary but at least once a year or more frequently as circumstances required and each meeting must be attended by at least two (2) members.
- (2) The quorum for the meeting shall be two (2) members.
- (3) In the absence of the NC Chairman, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position.
- (4) Only members of NC have the right to attend the committee meetings. However, other individuals such as the Chairman, Executive Directors, the representatives of Management may be invited to attend all or part of any meeting, as and when appropriate and necessary.
- (5) In order to avoid conflict of interest, a member of the NC shall abstain from participating in discussions and decisions on matters directly involving himself/herself.

Circular Resolution

A resolution in writing signed by a majority of the NC members for the time being shall be as valid and effectual as if it had been passed at a meeting of the NC duly called and constituted. Any such resolution may consist of several documents in like form signed by one or more Committee members. Any such document may be accepted as sufficiently signed by a Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Committee member.

This Terms of Reference was revised and adopted by the Board on 28 June 2018.