



**COMFORT GLOVES BERHAD**  
**Registration No. 193701000006 (852-D)**

(Incorporated in Malaysia)

**Appendix B**

**NOMINATION COMMITTEE – TERMS OF REFERENCE**

The Nomination Committee (“**NC**”) was established on 12 October 2004. The terms of reference of the NC shall be as follows:-

**1. Objective**

The primary objective of the NC is act as a committee of the full Board to assist in discharging the Board’s responsibilities in the following areas:-

- (a) Ensure that the Board and the Committees of the Board (“**Board Committees**”) have an effective and balanced composition with a diverse mix of skills, independence, knowledge, qualifications, experience, age, cultural background and gender to discharge their responsibilities respectively. The Board Committees refer, in a collective sense to the Audit Committee, Executive Committee, NC and Remuneration Committee.
- (b) Identify new candidates for the Board of the Company to ensure that the composition of the Board is refreshed periodically.
- (c) Assessing the effectiveness of Directors of the Group on an ongoing basis;
- (d) Reviewing the effectiveness of the CEO and Chief Financial Officer and other senior executive officers;
- (e) Reviewing the Board’s corporate governance principles of the Group.



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## 2. Composition

- 2.1 The NC shall be appointed by the Board from amongst the Directors of the Company. The NC shall comprise wholly of independent non-executive Directors (“**INED**”). The NC shall comprise no fewer than 3 members. In this respect, the criteria for independence of the “independent directors” shall be as defined under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**MMLR**”).
- 2.2 The Chairman of the NC shall be an Independent Non-Executive Director or Senior Independent Non-Executive Director of the Company. In the absence of the Chairman of the NC, the members present shall elect one of their number who is independent to chair the meeting.
- 2.3 Alternate Director of the Board or Chairman of the Board shall not be appointed as a member of the NC.
- 2.4 In the event of any vacancy in the NC which results in the number of members to be reduced to below three (3) and the election of an independent Chairman, the Board shall fill the vacancy within three (3) months of the event.
- 2.5 The appointment of NC member shall automatically be terminated if the member ceases for any cause to be a Director, or as determined by the Board.

## 3. Meeting Procedures

- 3.1 The NC is to meet at least one (1) time a year or more frequently as the need arises or if so requested by any member of the NC or by the Chairman of the Board.
- 3.2 Quorum for any meetings shall be two (2) members. In the absence of the Chairman of the NC, the members present shall elect a Chairman from amongst them.
- 3.3 The NC may, as and when necessary, invite other Board members and /or senior management and / or employees to attend the meeting.
- 3.4 The Company Secretary or his/her representative shall be in attendance at each NC meeting and record the proceedings of the meeting thereat.
- 3.5 The NC shall record its conclusion on issues discussed during meetings and report to the Board at the quarterly Board meetings. The minutes shall be circulated to members of the Board.
- 3.6 Subject to item 3.1 above, in appropriate circumstances, the NC may deal with matters by way of circular reports and resolutions in lieu of convening a formal meeting. A resolution in writing signed by all members in lieu of convening a formal meeting shall be as valid and effectual as it had been passed at a meeting of the NC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members.



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**4. Authority**

4.1 The NC shall:

- (a) have explicit authority to investigate any matter within its terms of reference;
- (b) have the resources which are required to perform its duties;
- (c) have full and unrestricted access to any information and records pertaining to the Company and Group as well as personnel of the Company and the Group;
- (d) be able to obtain independent professional or other advice, at the expense of the Company wherever necessary and reasonable and in accordance with a procedure to be determined by the Board of Directors, in order to perform of its duties; and
- (e) 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.

4.2 The Chairman of the NC shall engage on a continuous basis with senior management, such as the Chairman, the Managing Director or Chief Executive Officer and the Chief Financial Officer/Finance Manager in order to be kept informed of matters affecting the Group.

**5. Secretary**

5.1 The Company Secretary shall be the Secretary of the NC.

5.2 The Secretary shall organize and provide assistance at NC meetings and have the following key responsibilities:

- (a) ensure meetings are arranged and held accordingly;
- (b) assist the Chairman in planning the NC's activities;
- (c) draw up meeting agendas in consultation with the NC Chairman and maintain the minutes and draft its scheduled activities for the financial year;
- (d) ensure structured communication channels between the Board and the NC;
- (e) ensure proceedings of meetings are recorded and the minutes circulated in a timely manner and reviewed by the NC before disseminating them to the Board; and ensure NC recommendations presented to the Board are supported by papers that explain the rationale for the NC's recommendations.

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## 6. Functions and Responsibilities

- 6.1 The NC will undertake the following responsibilities and functions, among others, in fulfilment of the MCCG as well as para 15.08 and para 15.08A of the MMLR, and report on the same to the Board.
- (a) make recommendations to the Board with regard to any appointment of Directors considering their skills, knowledge, education, qualities, expertise and experience; professionalism; integrity, time commitment, contribution, Boardroom diversity including gender diversity and other factors that will best qualify a nominee to serve on the Board; and for the position of Independent Non-Executive Directors, the ability to discharge such responsibilities/functions as expected;
  - (b) consider, in making its recommendations, candidates for directorships proposed by the Chairman and within the bounds of practicability, by any other senior executive or any other Director or shareholder;
  - (c) assist the Board to review regularly the Board structure, size and composition and the required mix of skills and experience and other qualities including core competencies which Non-Executive Directors should bring to the Board;
  - (d) assess the effectiveness of the Board, any other committees of the Board and the contributions of each individual Director, including the independence of Independent Non-Executive Directors, as well as the Group Financial Controller (where these positions are not Board members), based on the process and procedures laid out by the Board; and to provide the necessary feedback to directors in respect of their performance;
  - (e) ensure proper documentation of all assessments and evaluations so carried out;
  - (f) recommend to the Board, the Directors to fill the seats on any committees of the Board;
  - (g) propose to the Board the responsibilities of non-executive directors, including membership and Chairmanship of Board Committees;
  - (h) recommend to the Board for continuation or discontinuation in service of Directors as an Executive Director or Non-Executive Director;
  - (i) recommend to the Board, Directors who are retiring by rotation to be put forward for re-election;
  - (j) require the directors to attend training courses, where necessary;



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- (k) arrange induction programmes for newly appointed directors to familiarize themselves with the operations, products and services of CGB Group through briefings by the relevant management teams;
- (l) recommend to the Board the employment of the services of such advisers as it deems necessary to fulfil the Board's responsibilities; and
- (m) carry out other responsibilities, functions or assignments as may be defined by the Board from time to time.

**7. Reporting**

- 7.1 The Chairman shall, at the conclusion of each meeting, report to the Board on activities that it had undertaken and key recommendations for the Board's consideration and approval as well as follow-up status on any key recommendations from previous meetings.
- 7.2 Where the NC is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of Bursa Securities' Listing Requirements, the NC shall promptly report such matter to Bursa Securities.

**8. Review of the NC**

- 8.1 The Board of Directors must review the NC (together with other committees) at least once annually to determine whether the NC has carried out their duties and responsibilities effectively.

**9. Disclosure**

- 9.1 The NC is required to prepare an annual report at the end of each financial year to be included and published in the Annual Report of the Company. The NC Report shall include all the prescribed information as stated under para 15.08(3) and para 15.08A(3) of the MMLR:
  - (a) Statement on training attended by the Directors incorporating the following:
    - (i) assessment by the Board of the training needs of each Director;
    - (ii) a brief description on the type of training that the Directors have attended for the financial year;
    - (iii) in exceptional circumstances where any Director has not attended any training during the financial year, valid justifications for the non-attendance of such Director.



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- (b) statement on activities of the NC in the discharge of its duties containing the following information:
  - (i) review pursuant to para 2.20A of the AMLR that each of its Directors, chief executive or chief financial officer has the character, experience, integrity, competence and time to effectively discharge his role as a director, chief executive or chief financial officer;
  - (ii) the policy on board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of the Company;
  - (iii) the board nomination and election process of Directors and criteria used by the NC in the selection process;
  - (iv) the assessment undertaken by the NC in respect of the Board, Committees and individual Directors together with the criteria used for such.

**10. Revision of the Terms of Reference**

- 10.1 The terms of reference will be subjected to review from time to time by the NC and any amendments are to be approved by the Board before becoming effective.
- 10.2 Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.
- 10.3 The Terms of Reference of the NC must be made available on the Company's website.

**11. Deeming Provisions**

The provisions under this Terms of Reference have been drafted in a manner to incorporate the provisions under the Bursa Securities Listing Requirements and other statutes, regulations and guidelines applicable to the NC (if any). In the event the applicable provisions of the Bursa LR and/or relevant governing statutes, regulations and guidelines relating to the NC are from time to time amended, modified or varied, such amendments, modifications and variations shall be deemed inserted herein whereupon this Terms of Reference shall be read and construed subject to and in accordance with the amended, modified or varied Bursa LR, statutes, regulations and guidelines.

**12. Approval**

This Terms of Reference is revised and adopted by the Board of Directors on 18 February 2022.