CHOO BEE METAL INDUSTRIES BERHAD

TERMS OF REFERENCE FOR NOMINATION AND REMUNERATION COMMITTEE

1. PURPOSE

The Nomination and Remuneration Committee ("NRC") shall be established by the Board of Directors ("Board") of Choo Bee Metal Industries Berhad ("Company") and its subsidiaries ("the Group") with the following responsibilities:

- ensure that the Board and the Board Committees have an effective and balance composition with a diverse mix of skills, knowledge, qualifications, experience, age, cultural background and gender to discharge their responsibilities respectively;

- conduct an annual assessment on the effectiveness of the Board, the Board Committees, the contribution of each individual Director, Senior Management and the independence of Independent Directors; and

- ensure that the Group has in place a remuneration policy and framework consistent with the Group's business strategy, and a competitive remuneration structure so as to link rewards with corporate and individual performance to attract and retain the right talent of the appropriate calibre, skills, experience and quality needed in the Board in order to drive and achieve the Group's long-term objectives.

2. AUTHORITY

2.1 The NRC has the authority to carry out the functions as stated in its Terms of Reference and report to the Board with recommendations.

2.2 The NRC in performing its duties, shall in accordance with the same procedures adopted by the Board:

(a) has the resources which are required to perform its duties;

(b) has full and unrestricted access to any employee and information pertaining to the Group; and

(c) be able to engage independent professional advisers or other advisers with relevant experience and expertise, whenever deemed necessary.

3. MEMBERSHIP

3.1 The members of the NRC shall be appointed by the Board and shall consist of not less than three (3) members.

3.2 The NRC shall comprise only Non-Executive Directors, a majority of whom shall be Independent Directors.

3.3 In the event of any vacancy in the NRC resulting in the non-compliance of the Main Market Listing Requirements ("MMLRs") of Bursa Malaysia Securities Berhad, the vacancy shall be fulfilled within 3 months.

3.4 The Board shall review the term of office and performance of the NRC and each of its members annually.

4. FUNCTIONS AND DUTIES

The NRC shall carry out the following functions and duties:

(a) Review and assess the performance and effectiveness of the Board as a whole, the Board Committees, the contribution of each individual Director, including Independent Non-Executive Directors and Senior Management, ensuring that:

- (i) the size and composition of the Board is sufficient with appropriate mix of knowledge, wide and varied technical, financial and commercial experience;
- (ii) the Board, Board Committees, individual Directors and Senior Management have been able to discharge their duties professionally and effectively;
- (iii) all the Directors continue to uphold the highest governance standards in their conduct and that of the Board;
- (iv) all the members of the Board are well qualified to hold their positions as Directors in view of their respective academic and professional qualifications, depth of knowledge, skills and experience and their personal qualities;
- (v) the Directors are able to devote sufficient time commitment to their roles and responsibilities as Directors of the Company, as they hold not more than five (5) directorships in public listed companies.

(b) Review that there is proper succession planning in place for the Directors, CEO and Senior Management.

(c) Review the Diversity Policy for Board and Senior Management (which includes gender policy requirement) and monitor the scope and applicability of this policy, from time to time on the progress of achieving the objectives.

(d) Review the Fit and Proper Policy for Directors and monitor the scope and applicability of this policy, from time to time on the progress of achieving the objectives.

(e) Recommend to the Board any suitable candidate for appointment as Directors, taking into consideration the following aspects when considering new appointments on the Board:

- (i) the candidates' skills, qualifications, knowledge, expertise, experience, professionalism and integrity;
- (ii) in the case of candidates for the position of Independent Non-Executive Directors, the ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors; and
- (iii) the Board's diversity in terms of age, gender and culture.

(f) Review annually the Board structure, size, balance and composition to ensure that the Board has the appropriate mix of skills, experience and other qualities including core competencies to function effectively and efficiently and is in compliance with the MMLRs;

(g) Review the terms of office and performance of the Audit and Risk Management Committee ("ARMC") and each of its members while assessing whether its members have carried out their duties in accordance with their Terms of Reference;

(h) Review the independence of the Independent Non-Executive Directors which complied with the definition of Independent Non-Executive Director as defined in the MMLRs;

(i) Review and recommend to the Board to put forth the proposal for re-election of Directors at the forthcoming Annual General Meeting; and

(j) Assess Directors' training needs and ensure the adequacy of trainings attended by the Directors meet the Company's policy of requiring each Director to attend at least 1 training annually.

(k) Review and develop remuneration policies to ensure that the remuneration given to the Directors and Senior Management and staff are fair and commensurate to their level of contributions and are appropriate to attract, retain and motivate them;

(l) Review the Remuneration Policy for Members of the Board and Senior Management, and monitor the scope and applicability of this policy, from time to time on the progress of achieving the objectives.

(m) Recommend to the Board the remuneration for the Executive Directors in all its forms;

(n) Review and recommend to the Board the Directors' Fees and benefits (if any) payable to the Non-Executive Directors for recommendation to the shareholders of the Company for approval;

(o) Review the remuneration for Senior Management, with inputs and feedback from the CEO and NRC; and

(p) Review and evaluate the sustainability performance of the Board, Board Committees, individual Directors and Senior Management, taking into account their respective roles and responsibilities in addressing the Group's material sustainability-related risks and opportunities.

5. MEETINGS

5.1 Meetings of the NRC shall be held at least once during the financial year of the Company and with additional meetings to be convened as and when required by any member of the NRC.

5.2 If a NRC member is unable to be physically present at a meeting, the NRC member may choose to participate at a meeting by way of video or tele-conferencing or by means of other communication equipment so that the said member shall be deemed to be present at the meeting.

5.3 The quorum for a meeting of the NRC shall be two (2) members, whom shall be Independent Directors.

5.4 In the absence of the Chairman, the members present shall elect a chairman for the meeting from amongst the members present.

5.5 Each member of the NRC is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the NRC. In the event of an equality of votes, the Chairman of the NRC shall be entitled to a second or casting vote.

5.6 A resolution in writing described as "Circular Resolutions of the NRC" signed by a majority of the NRC members shall be valid and effectual as if it had been passed at a meeting of the NRC duly called and constituted. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The resolution in writing may be accepted as sufficiently signed by the NRC member if transmitted to the Company via facsimile or other forms of electronic communications.

5.7 The NRC may request other Directors, employees, legal counsels and consultants to participate in the meeting, when necessary.

5.8 An eligible person appointed by the NRC shall be the Secretary of the NRC.

5.9 Minutes of NRC meeting must be separate from that of the main Board meeting.

5.10 The Secretary shall maintain minutes of the proceedings of the meetings of the NRC. The minutes will be circulated to all members of the Board.

5.11 The NRC, through its Chairman, shall report matter(s) discussed and deliberated by NRC to the Board, which requires attention and approval of the Board. When presenting any recommendation to the Board, the NRC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

6. REVIEW TERMS OF REFEENCE ("TOR")

6.1 The TOR of the NRC shall be reviewed periodically and made available on the Company's website in accordance with the applicable requirements of Bursa Malaysia's Main Market Listing Requirements.

6.2 The TOR of the NRC is available on the Company's website at www.choobee.com.

7. DEEMING PROVISIONS

The provisions under this Terms of Reference have been drafted in a manner to incorporate the provisions under the MMLRs and other statutes, regulations and guidelines applicable to the NRC (if any). In the event the applicable provisions of the MMLRs and/or relevant governing statutes, regulations and guidelines relating to the NRC 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 MMLRs, statutes, regulations and guidelines.

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Approved by the Board : 18 November 2026