



Ideal Spinning Mills Ltd.



TERMS OF REFERENCE NOMINATION COMMITTEE

PURPOSE

The Committee's purpose is to review and report on the leadership and succession needs of the Company and ensure that appropriate procedures are in place for nominating, training, evaluating and succession planning for directors and Senior Management. The Committee considers the benefits of diverse senior leadership, including gender, social and ethnic backgrounds, cognitive and personal strengths.

MEMBERSHIP AND QUORUM

- The Committee shall be made up of at least three members.
- Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary or if required to do so by the terms of any relationship agreement entered into by the Company.
- Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three years.
- The Board shall appoint the Chairman. In the absence of the Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those. The Company Chairman shall not chair the Committee when it is dealing with the matter of succession to the Company chairmanship.
- The quorum necessary for the transaction of business shall be two members.
- A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable by, the Committee.

FREQUENCY OF THE MEETING

Meetings of the nomination committee shall be held as per the following requirements:

- The nomination committee of the Company shall meet at least once in the financial year.
- Meeting of the nomination committee shall be called by the Secretary of the committee at the request of Chairman.

Head Office:

1088-Jail Road,
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Mills:

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Lahore Office:

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SECRETARY

- The Company Secretary, or his or her nominee, shall act as the Secretary of the Committee and shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- The Secretary must ascertain, at the beginning of each meeting, whether any conflicts of interest exist and, if so, minute them accordingly.

ROLES AND RESPONSIBILITIES

Nomination Committee will be responsible for;

- regularly reviewing the structure, size and composition (including the skills, knowledge, experience, independence and diversity) of the Board and Senior Management and their direct reports making recommendations to the Board with regard to any changes;
- giving full consideration to succession planning for directors and other senior executives in the course of its work, to maintain an appropriate balance of skills and experience within the Company and on the Board and to ensure progressive refreshing of the Board, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed by the Board in the future;
- keeping under review the leadership needs of the Company, both executive and nonexecutive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- keeping up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- identifying and nominating for the approval of the Board, candidates to fill Board and management vacancies as and when they arise;
- before any appointment is made by the Board, evaluating the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role, required capabilities and expected time commitment required for a particular appointment;
- reviewing the results of the Board performance evaluation process that relate to the composition of the Board; and
- working and liaising as necessary with all other Board committees.

For Ideal Spinning Mills Ltd


Director

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