



APB Resources Berhad

Registration No.: 200101029080 (564838-V)

TERMS OF REFERENCE NOMINATION COMMITTEE

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1 Name of Committee

Nomination Committee of APB Resources Berhad (“Committee”)

2 Objectives

The objective of the Committee is to ensure that the Directors of the Board comprise members which provide a required mix of responsibilities, skills and experience needed to direct and control the Company towards achieving its intended goals and objectives.

The Committee will also assist the Board in reviewing on an annual basis the appropriate balance and size of Non-Executive participation and in establishing procedures and processes towards an annual assessment of the effectiveness of the Board as a whole and contribution of each individual Director and Board Committee member.

3 Roles and Responsibilities

The duties and responsibilities of the Committee are as follows:

- (a) to recommend to the Board of Directors, candidates for all directorships to be filled by the Shareholders or the Board of Directors. In making its recommendations, the Committee would consider the following attributes of candidates:
 - (i) skills, knowledge, expertise, qualification, experience, professionalism, integrity, time commitment, age and gender; and
 - (ii) in the case of the candidates for the position of independent non-executive Directors, the Committee would also evaluate the candidates’ ability to discharge such responsibilities/functions as required of the independent non-executive Directors;
- (b) to 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 Director or Shareholder.
- (c) to consider and recommend the election, re-election, appointment and re-appointment of members of the Board and the Board Committees.
- (d) to assess the effectiveness of the Board of Directors as a whole and each individual Director/committee of the Board, including the Chairman. All assessments and evaluations carried out by the Committee in the discharge of all its functions would be properly documented.
- (e) to ensure that orientation and education programmes are provided for new members of the Board and to evaluate and determine the training needs of its Directors and review the training and education programmes for the Board.
- (f) to perform such other functions and matters as may be delegated by the Board and/or under the relevant laws and regulations from time to time.

4. Authority

The Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company:

- (a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and the Board Committees and make recommendations to the Board with regards to any changes thereof;
- (b) assess on an annual basis, the performance and effectiveness of the Board as a whole, the Board Committees and assessing the contribution and performance of each individual Director;
- (c) assess on an annual basis, the independence of the Independent Directors of the Board and determine whether the Board member can remain as an Independent Director after serving a cumulative term of 9 years;
- (d) be entitled to the services of a Company Secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both for the Company's own records and for the purposes of meeting the obligations under the Listing Requirements of Bursa Malaysia Securities Berhad and any other regulatory requirements; and
- (e) be authorized to obtain outside legal or other professional advice on matters within its terms of reference.

5 Members

The Board of Directors shall elect the Committee members from amongst themselves. The Committee shall comprise at least three directors, composed exclusively non-executive directors, a majority of whom are independent directors.

6 Chairman

The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director and shall not be the Chairman of the Board. In the absence of the Chairman in any meeting, the remaining members present shall elect one (1) of themselves to chair the meeting.

7. Quorum

The quorum for meetings shall be at least two (2) members, of whom the majority present shall be an independent director. A duly convened meeting of a Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

8 Number of Meetings and Notices of Meetings

The Committee shall meet at least one (1) time each financial year and at such other times as the Chairman of the Committee considers necessary or appropriate.

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chairman of the Committee. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed,

shall be forwarded to each member of the Committee and any other person required to attend, no later than seven (7) business days before the date of the meeting. Reasonable time should be given for the Committee members and to other attendees as appropriate, to consider all relevant papers and materials prior to the Committee meeting.

The Committee may pass circular resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

9 Voting, Proceedings and Minutes of Meetings

Matters arising at any meeting shall be decided by a majority vote of the members present, each member having one (1) vote. In the event of equality of votes, the Chairman of the Committee shall have a second or casting vote. However, at meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman of the Committee will not have the second or casting vote.

The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. The minutes of the Committee, when approved by the Committee, should be circulated to the Board.

The Committee may pass resolutions in writing, signed by all the members, which shall be valid and effectual as if it is passed at a meeting of the Committee duly convened and held.

10 Reporting Structure

In addition to the availability of detailed minutes of the Committee meetings to all Board members, the Chairman of the Committee at each Board meeting will report a summary of significant matters.

The Committee shall not be delegated with decision making powers but shall report its recommendations to the Board for decision.

The Committee shall compile a report to shareholders on its own activities to be included in the Company's Annual Report.

The Committee Chairman shall respond to any questions relating to the Committee's activities at the Annual General Meeting of the Company, where required.

11 The Secretary

The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman of the Committee, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.

The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee, including the names of those present and in attendance. Meeting minutes shall be approved by the Committee at its next meeting. The minutes of the Committee, when approved by the Committee and signed by the Chairman of the Committee, should be circulated to the Board.

12 **Review of the Terms of Reference**

The Terms of Reference of the Committee shall be reviewed and amended as necessary to determine its adequacy in line with the current circumstances, the Company's policies and applicable rules and regulations.