

HENG HUAT RESOURCES GROUP BERHAD

(Company No. 969678-D)

(Incorporated in Malaysia)

NOMINATION COMMITTEE'S TERMS OF REFERENCE

1. Appointment/Composition:
 - 1.1 The members of the Committee shall be appointed by the Board.
 - 1.2 The Committee shall consist of not less than three (3) members composed exclusively of Non-Executive Directors, a majority of whom are Independent Directors.
 - 1.3 The Chairman of the Committee shall be appointed by the members of the Committee among their number who is the senior Independent Non-Executive Director.
2. Meetings:
 - 2.1 Meetings shall be held at least once a year and also as and when required.
 - 2.2 The Committee shall meet to carry out the duties and responsibilities in paragraph (4) as stated below. The quorum for a meeting shall be two (2) members and composed of a majority of Independent Directors.
 - 2.3 Meetings will be attended by the members of the Committee and the Company Secretary or the representative of the Secretary shall act as the secretary of the Committee.
3. Authority:
 - 3.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference. It shall be provided with the resources to perform its duties and shall have at the expense of the Company, unlimited/unrestricted access to all information and documents/resources which are required to perform its duties.
 - 3.2 The Committee shall also have the right to be able to obtain advice from independent parties and other professionals where they consider it necessary to carry out their duties.
 - 3.3 The Board shall make all decisions the appointments after considering the recommendations of the Committee.
4. Functions and Responsibilities:

The functions and responsibilities of the Committee shall include the following:

 - (a) to propose, consider and recommend to the Board suitable persons for appointment as Directors of the Company. In making its recommendations, the Nomination Committee should consider the candidates:-

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- skills, knowledge, expertise and experience
- professionalism
- integrity; and
- in the case of candidates for the position of independent non-executive directors, the Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.

In making its recommendations, the Committee shall also consider candidates for directorships proposed by the chief executive officer and, within the bounds of practicability, by any other senior executive or any director or shareholder

- (b) to recommend to the Board, directors to fill the seats on Board committees.
- (c) to annually review the required mix of skills and experience and other qualities, including core competencies, which non-executive directors should bring to the Board. This should be disclosed in the annual report.
- (d) to annually assess the effectiveness of the Board as a whole, the committees of the Board and contribution of each individual director including independent non-executive directors, as well as the chief executive officer. All assessments and evaluation carried out by the Committee in the discharge of all its functions should be properly documented.
- (e) to review the Board's succession plans and training programmes for the Board.
- (f) to carry out such other responsibilities as may be delegated by the Board from time to time.
- (g) to review the term of office and performance of an audit committee and each of its members annually to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference.

5. Minutes

The Secretary shall maintain minutes of the proceedings of the meetings and circulate such minutes to all members of the Committee and to the Board members.