



**HANDAL RESOURCES BERHAD**  
**Company No. 816839-X**

**NOMINATION COMMITTEE**  
**("the Committee")**  
**TERMS OF REFERENCE**

**1. Composition**

The Committee shall be appointed by the Board of Directors ("the Board") from amongst the Directors of the Company and shall comprise exclusively of non-executive Directors, majority of whom are Independent Directors (Paragraph 15.08A(1) of Listing Requirements).

The Committee shall consist of at least three (3) members.

**2. Chairman**

The members of the Committee shall elect a Chairman from among their members who shall be an independent Director or Senior Independent Director (Practice 4.7 of MCCG 2017). In the absence of the Chairman of the Nomination Committee, the remaining members present shall elect one of their members as Chairman of the meeting.

**3. Quorum**

Two (2) members shall form a quorum for meetings.

**4. Secretary**

The Secretary to the Committee shall be the Company Secretary and shall be responsible for drawing up the Notices, meeting agendas with the concurrence of the chairman and circulating it, supported by explanatory documentations to Committee members prior to each meeting.

Unless otherwise agreed by the Committee, notice of each meeting confirming the venue, time and date together with the meeting agendas can be sent/circulated to the Committee members in electronic form prior to each meeting.

The Secretary shall also be responsible for recording the proceedings of the Audit Committee and the minutes of meetings shall be ready for the Committee's approval before tabling at Board meetings.

**5. Meetings and Minutes**

- a) The Nomination Committee shall meet at least once a year or at such other times as the Chairman of the Committee deemed necessary.
- b) Minutes of each meeting shall be distributed to each member of the Board.
- c) Question arising shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote provided that where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote.

**6. Functions/Duties**

- a) To review regularly the Board structure, current mix of skills, size, composition and diversity (including gender) and make recommendations to the Board with regard to any adjustments that are deemed necessary.
- b) To review the Board balance, focusing on as well as considering the Board's succession planning and recommending new candidates from diverse background for appointment to the Board and Board Committees.
- c) To assess Directors on an annual basis, the Board's mix of skills, knowledge, expertise, professionalism, integrity, experience and the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director, ensuring such assessments and evaluations are properly documented, recommendations and/or action plans for enhancements are tabled to the Board. A statement on the assessment undertaken and criteria used for such assessment must be disclosed in the Annual Report (Practice 5.1 of MCCG 2017 and Paragraph 15.08A(3)(c) of Listing Requirements).
- d) To review annually the independence and objectivity of the Independent Directors and receive confirmation from the Independent Directors regarding their independence.
- e) 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.
- f) To recommend to the Board for continuation (or not) in service of Executive Director(s) and Directors who are due for retirement by rotation.
- g) To deliberate on the appropriate training needs and continuing education programmes for the Board members to assist them in discharging their fiduciary and leadership functions.

- h) To orientate and educate new Directors as the nature of the business, current issues within the Company and the corporate strategy, the expectations of the Company concerning input from the Directors and the general responsibilities of Directors.
- i) To oversee the appointment, management succession planning and performance evaluation of the key Company-wide senior management officers.

#### **7. Reporting Procedure**

- a) The actual decision as to who shall be appointed to the Board shall be the responsibility of the Board of Directors after considering the recommendation of the Committee. The board nomination and election process of directors and criteria used in the selection process must be disclosed in the Annual Report (Paragraph 15.08A(3)(b) of Listing Requirements).
- b) Reporting to the Board of Directors from time to time its recommendations for consideration and implementation.
- c) The Committee shall provide such information to the Board to assist the Board in making disclosure in the Annual Report in accordance with the Guidance to Practice 4.6 of MCCG 2017 and Paragraph 15.08A and Appendix 9C Part A of the Listing Requirements.