



**TEXCHEM RESOURCES BHD.**  
**(Company Registration No.: 197301002868 [16318-K])**

## **NOMINATION COMMITTEE**

### **TERMS OF REFERENCE**

#### **Objective**

In accordance with the Malaysian Code on Corporate Governance, the Nomination Committee is set up to provide recommendations to the Board of Directors (“Board”) on the candidates for all directorships of Texchem Resources Bhd. (“TRB”). Final decision on the appointment of any directors of TRB shall be made by the Board.

The Nomination Committee shall be responsible in ensuring the appropriate Board balance and size, and that the Board has a required mix of skills, knowledge, experience, independence and diversity (diversity in gender, ethnicity and age). An annual review of the mix of skills, knowledge, experience and other core competencies of the Board shall be made by the Nomination Committee.

#### **Size and Composition**

The composition of Nomination Committee must not be less than (2) members. The Nomination Committee shall comprise wholly of Non-Executive Directors, the majority of whom are independent. The members of the Nomination Committee shall elect a Chairman from amongst any of its members who shall be an Independent Director. The Chairman shall attend the Annual General Meetings and provide response to questions addressed to the Chairman.

#### **Meetings**

The Nomination Committee shall meet as and when is necessary. The quorum for any meetings shall be two (2) members subject to any laws, guidelines or rules that may be imposed by Bursa Malaysia Securities Berhad and/or any other relevant authority(ies).

The Nomination Committee may from time to time and if deemed appropriate, consider and approve and/or recommend relevant matters via a Circular Resolution in writing in lieu of formally convening a meeting. The Circular Resolution shall be as valid and effectual as if it has been passed by a meeting of the Nomination Committee duly convened.

#### **Notice**

The Company Secretaries shall issue and circulate the notice for the Nomination Committee’s meetings at least five (5) working days before each meeting to the members and invitees.

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**Secretaries**

The Company Secretaries shall act as Secretaries to the Nomination Committee and shall be responsible for keeping minutes of meetings of the Nomination Committee and circulating them to the Nomination Committee members.

**Duties and Responsibilities**

- 1) To review regularly the Board structure, size and composition and make recommendations to the Board with regard to any adjustments thereof and/or the appointment of Directors as the Nomination Committee deems necessary.
- 2) To consider, in making its recommendations, candidates for directorships proposed by the President/Managing Director/Chief Executive Officer of TRB, any other senior executive or any other Director or shareholder of TRB or identified via independent sources, as well as make recommendations to put in place the plans for succession, in particular for the Chairman/President and the Managing Director/Chief Executive Officer. Factors to be taken into consideration when considering any candidates are as follows:
  - (a) skills, knowledge, expertise and experience;
  - (b) character, professionalism and integrity;
  - (c) age, gender, background; and
  - (d) in the case of candidates for the position of independent non-executive directors, the Nomination Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- 3) To conduct a performance evaluation annually in order to assist the Board to review the required mix of skills, knowledge, experience, independence, diversity (diversity in gender, ethnicity and age) and other qualities including core competencies which Directors should bring to the Board and to assess the effectiveness of the Board as a whole and any other committees of the Board and the contributions of each individual Director of TRB based on the process and procedures laid out by the Board.
- 4) To review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and members have carried out their duties in accordance with the terms of reference of the Audit Committee.
- 5) To review the induction and training needs of Directors under the continuing education programmes.
- 6) To recommend to the Board for continuation or discontinuation in service of Directors as an Executive Director or Non-Executive Director.

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- 7) To recommend Directors who are retiring by rotation to be put forward for re-election.
- 8) To recommend to the Board the Directors to fill the seats on any committees of the Board.
- 9) To recommend to the Board the employment of the services of such advisers as it deems necessary to fulfill the Board's responsibilities.
- 10) To carry out other responsibilities, functions or assignments as may be defined by the Board from time to time.

**Review of the Terms of Reference**

The Terms of Reference shall be reviewed and updated as and when necessary and the Nomination Committee shall recommend any change to its Terms of Reference as the Nomination Committee deems appropriate to the Board for approval.

This Terms of Reference was revised and adopted by the Board on 20 May 2020.