



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

The Terms of Reference of Nomination Committee (“**NC**” or “**Committee**”) are as follows:

**1. Purpose**

The purpose of NC is to establish a structured oversight process for recruiting, retaining, training, and developing individuals qualified to become members of the Board of Directors (“Board” or “Director”) of the Company and to ensure the best composition of the Board, taking into account the current and future needs of the Company and its subsidiaries (“Group”), boardroom diversity and other soft attributes required as a Director of the Company and/or the Group.

**2. Composition**

The NC shall be appointed from amongst the Board members and shall:

- i. comprise of not less than three (3) members; and
- ii. comprise of exclusively of Non-Executive Directors, a majority of whom must be independent.

The office of a NC member shall be vacated when he/she ceases to be a Director of the Company.

In the event of any vacancy in the NC resulting from the non-compliance of the above, the Company must fill the vacancy within three (3) months.

No alternate Director shall be appointed as a NC member.

**3. Chairman**

The Chairman of the NC shall be elected by the NC from amongst their members, who is an Independent Non-Executive Director and shall not be the Chairman of the Board.

The Chairman’s role is to:

- (a) lead the succession planning and appointment of Directors, and oversee the development of a diverse pipeline for Board and Management succession, including the future Chairman of the Board, Managing Director, Executive Director(s) and the Chief Executive Officer; and
- (b) lead governance issues, particularly the annual review for board effectiveness, ensuring that the performance of each individual Director and Chairman of the Board is independently assessed.



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

In the absence of the Chairman, the meeting shall be chaired by another NC member, who is an Independent Director.

**4. Secretary**

The Company Secretary or his/her nominee shall act as Secretary of the NC and shall be responsible, in conjunction with the NC Chairman, for drawing up the agenda and circulating it prior to each meeting.

The Company Secretary or his/her nominee shall be in attendance at each NC meeting and record the proceedings of the NC meeting thereat and minute the resolutions.

The Company Secretary shall also be responsible for keeping the minutes of NC meetings and circulating them to the NC Members. The NC members may inspect the minutes of the NC meetings at the Registered Office of the Company.

**5. Meetings**

The number of meetings which the Nomination Committee shall hold will depend on the circumstances but as a minimum, there must be at least one (1) meeting in each financial year. Additional meetings shall be scheduled as considered necessary by the NC or Chairman. The NC may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.

The NC members may participate in a NC meeting by means of conference telephone, conference videophone or any similar or other communications equipment by which case all persons participating in the NC meeting can hear each other. Such participation in a NC meeting shall constitute presence in person at such a meeting.

The quorum for a NC meeting shall be two (2) NC members with majority of Independent Directors present at the meeting.

All decisions at such NC meeting shall be decided on a show of hands by majority of votes. In the case of an equality of votes, the NC Chairman shall be entitled to a casting vote in addition to the vote to which he is entitled as a NC Member.

The NC meetings shall be called by the Secretary of the NC at the request of the NC Chairman based on planned calendar dates. Notice of each NC meeting confirming the venue, time and date, together with an agenda of items and its supporting papers to be discussed, shall be forwarded to all NC members.



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

The NC shall have the right to invite other Directors, members of Management and/or external advisers/consultants as applicable to participate in the NC Meeting, as and when necessary, to carry out its responsibilities.

The Secretary or his/her nominee shall minutes the proceedings and resolutions, including the names of all attendees. Draft minutes of NC meetings shall be circulated to all NC members. Once approved, minutes should be circulated to all other Directors, unless a conflict of interest exists.

The NC Chairman shall report to the Board on its proceedings after each NC meeting on matters within its duties and responsibilities. The NC shall make recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed.

**6. NC Resolutions in Writing**

In the event the NC require matters to be approved by way of a written resolution, a resolution in writing signed or approved by any other form of electronic communications by all NC members, shall be as valid and effectual as if it had been passed at a NC meeting duly called and constituted.

Any such resolution may be executed in any number of counterparts, each signed by one (1) or more NC members, all of which, taken together and when delivered to the Secretary without delay, shall constitute one (1) and the same resolution and recorded by him/her in the Company's minutes book.

**7. Authority**

The right of NC shall:

- a) have the resources which are required to perform its duties;
- b) have full and unrestricted access to all resources and information and documents within the Group as deemed appropriate for the discharge of its responsibilities to the Company;
- c) have the right to obtain independent professional or other advice at the Company's expense, with the prior consent of the Managing Director/Executive Directors to approve the budget;
- d) be entitled to the services of the Company Secretary to ensure that all appointments are properly made, that all necessary information is obtained from the Board, both the Company's own records and for the purposes of meeting statutory requirements, as well as



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

obligations arising from the Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and/or other regulatory authorities.

- e) have the right to invite any employee of the Group to attend the NC meetings and to brief the NC members on matters being deliberated;
- f) meet as and when required on a reasonable notice and have the right to regulate its own procedure on the calling of NC meeting; and
- g) have the right to pass resolutions by a simple majority vote of the Committee members and the Chairman shall have the casting vote should a tie arise; and
- h) have the right to provide recommendations to the Board for consideration and approval.

**8. Duties and Functions**

The main functions and duties of the NC shall include, but are not limited to the following:

**New Appointments of Director or Senior Management**

1. To consider and recommend to the Board candidates, proposed by Management, Directors, or major shareholders, or outsourced service providers, taking into consideration the candidates’ skills, knowledge, expertise and experience, time commitment, character, competence, professionalism, integrity, age, cultural background, and gender.

For the position of Independent Non-Executive Directors, the NC should also evaluate the candidates’ ability to act independently from Management when discharging such responsibilities as would be expected of an Independent Non-Executive Directors.

If the selection of candidates was based on recommendations made by existing Board members, major shareholders, or Management, the NC shall explain the rationale for not utilising other sources to search for a suitable candidate.

2. Before any appointment by the Board, to evaluate the balance of skills, knowledge, expertise and experience, independent elements, diversity on the Board, and the current and future needs (including the need to bring new skills and perspective to the boardroom) and the size of the Group in identifying suitable candidates, the NC may:
  - a) utilise the services of external advisors or independent sources (including sourcing from a Directors’ registry and open advertisements) to facilitate the search from diverse pools;



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

- b) consider candidates from a wide range of backgrounds;
  - c) consider candidates on merit and against objective criteria with due regard to diversity, including skills, knowledge, expertise and experience, gender, ethnicity and age, time commitment, character, professionalism and integrity;
  - d) request to consider the disclosure of any business interests that may result in a conflict of interest; and
3. To consider and recommend to the Board candidates to fill the seats on Board Committees, in consultation with the Chairmen of those committees. In the event that the chairman's position (regardless of Board/Committee) is to be filled, he shall consult with the Board.
4. To consider and recommend to the Board, the candidates for executive Directors [Managing Director, Chief Executive Officer, Chief Operating Officer, Chief Information Officer], Non-Executive Directors (Non-Independent Non-Executive Director ("NINED") and Independent Non-Executive Director ("INED")), principal officer (Chief Financial Officer) and/or key senior management, taking into consideration the candidates' skills, knowledge, expertise and experience, time commitment, character, professionalism and integrity, and Senior Management diversity.
5. To undertake the necessary steps to ensure women candidates are sought in its recruitment exercise for Board and/or Senior Management positions.

**Re-election, Re-appointment and Resignation/Termination**

1. Recommend to the Board the candidates for re-election of Directors by shareholders under the annual re-election provisions or retirement in accordance with the Directors' Fit and Proper Policy and thereafter, recommend the candidate, contingent on the satisfactory evaluation of the Director's performance and contribution to the Board, with due consideration to the extent to which the interplay of the Director's expertise, skills, knowledge and experience with those of other Board members, as well as their roles as committee members.
2. Attention should be given to INEDs who are retained beyond nine (9) years as the Board is required to provide strong justification in exceptional circumstances and seek shareholders' approval through a two-tier voting process.

Shareholders' approval through a two-tier voting process at the annual general meeting shall be in accordance with the Malaysian Code on Corporate Governance ("MCCG").



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

Prior to obtaining the shareholders' approval, the NC shall conduct an assessment of the INEDs and recommend to the Board whether the INEDs should remain independent or be re-designated as a Non-Independent Director.

3. Dealing with the matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of an Executive Director as an employee of the Group, subject to the provisions of the law and his or her service contract.
4. Review the re-appointment of any Non-Executive Director at the conclusion of his or her term of office, having given due regard to his or her performance and ability to continue to contribute to the Board in terms of knowledge, skills and experience required.

**Specific Nominations and Succession Planning**

1. Understanding the current performance, competencies, and potential of those holding key senior management positions in order to identify and develop plans for those key talents.
2. Recommending to the Board the succession plans for the Board's Chairman, Directors of the Company, Principal Officers and/or key Senior Management personnel, particularly for both Executive and Non-Executive Directors, and the re-appointment of any Non-Executive Director at the conclusion of his or her specified term of office.
3. Recommending suitable candidate for the role of Senior Independent Director ("SID"), as may be necessary.
4. Establishing a clear succession plan for Board Chairman, Directors of Company, principal officers and/or key senior management personnel, giving full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board and by the Company/Group in the future.

In terms of senior management, the NC may request, from time to time, detailed views (either in the form of a report or otherwise) and work together with the Managing Director/Chief Executive Officer and/or Senior Management of the Company to:

- a) identify expected critical position vacancies and determine any future critical positions; and
- b) identify gaps in current employees and develop individual development plans, coaching and mentoring programmes.



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

The Board should work with the NC to evaluate potential successors, taking into account the challenges and opportunities faced by the Company and the skills and expertise, including diversity, needed on the Board in the future.

**Annual Performance Assessment of Board, Board Committee, Individual Directors**

1. Annually review the required mix of skills, experience, diversity and other qualities, including core competencies and effectiveness of the Board, as a whole, the Board Committees and the tenure and contribution of each individual Director.

All evaluations carried out by the NC in the discharge of its functions should be properly documented. This process shall be coordinated by the NC, with the assistance of the Secretary, and thus reported to the Board at the end of each financial year with an assessment of the Board's performance and areas in which the Board, Board committees or individual Director could improve.

2. Annually review the time required of Non-Executive and INEDs to discharge their duties and responsibilities. Performance assessments should be undertaken to assess whether the Directors are spending enough time to fulfil their duties.
3. Evaluate and appraise the performance of the Chairman of the Board.
4. Annually review the independence of the INEDs and recommend to the Board whether the INEDs who have exceeded the cumulative term of nine (9) years, should remain independent or be re-designated.
5. Annually review the performance of the Executive Directors i.e. Managing Director, Chief Executive Officer and Chief Financial Officer.
6. Annually review the terms of office and performance of the Audit Committee ("AC") and each of its members to determine whether AC and each of its members have carried out their duties in accordance with their terms of reference.

**Continuous Education/Development**

1. The NC shall, from time to time, identify suitable orientation, educational and training programmes for the continuous development of Directors and ensure all Directors receive appropriate continuous training programmes in order to keep abreast with developments in the industry and with changes in the relevant statutory and regulatory requirements.
2. Assess the AC members' knowledge of financial literacy.



**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

**Size of Board of Directors and Independent Directors**

1. To assess the desirable balance in Board membership by reviewing the size, structure and composition of the Board, taking into consideration the number of Directorships.
2. To assess the desirable number of INEDs.
3. To consider the representation of interest groups as part of boardroom diversity. Factors to consider may include gender, race, religion, nationality, age, professional background and culture.

In developing its procedures and making recommendations to the Board, the NC will take into account:

- a) the provisions of the Company's Constitution, the Companies Act 2016, Main Market Listing Requirements of Bursa Securities and other laws and regulations, if any, in respect of the appointment, removal, etc of Directors;
- b) the need for the Board to operate an open and transparent appointment process. This may include public advertisement or direct approaches being made to individuals who may be suitable or organisations that may be able to advise;
- c) the overall composition and balance of the Board, including the participation of women on the Board and Senior Management; and
- d) the Board Diversity Policy, Directors' Fit and Proper Policy and Succession Planning Policy.

**9. Shareholders' Meeting**

The Chairman of the NC should attend the shareholders' meeting to answer any shareholder's questions on the NC's activities, particularly on areas pertaining to proposed resolutions for shareholders to consider the appointment or re-appointment of Directors or the retention of an INED who has served the Company for more than a cumulative term of nine (9) years.





**CAM Resources Berhad [Registration No. 200001032704 (535311-D)]**  
**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

**10. Reporting Responsibilities**

The Chairman of the NC shall report to the Board on the NC's proceedings after each NC meeting. The NC shall make recommendations to the Board as appropriate on any area within its responsibility or as delegated by the Board, where action or improvement is required.

The NC shall review the report to be included in the Company's annual report regarding its activities and the processes used to identify candidates and make appointments.

**11. Access to Advice**

In furtherance to their duties as the NC members of the Company, there should be an agreed procedure for the members, whether as a full NC or in their individual capacity, access to resources and information as deemed appropriate for the discharge of their responsibilities to the Company, including obtaining independent professional advice at the Company's expense and periodic review of its terms of reference against its performance.

**12. Review and/or Updates of Terms of Reference**

The terms of reference should be assessed, reviewed and updated at least once every three (3) years by the NC or as and when there are changes to the Malaysian Code on Corporate Governance, Main Market Listing Requirements of Bursa Securities, and any other regulatory requirement that may be applicable or have an effect on the responsibilities of the NC, or any changes to the direction or strategies of the Group that may affect the NC's roles and responsibilities.

The NC should recommend any changes to the terms of reference to the Board for approval in such manners as the NC deems appropriate to the Board for approval.

The terms of reference were reviewed and approved by the Board on 17 November 2022.