

**Perusahaan Sadur Timah Malaysia
(Perstima) Berhad**

(Company No. 49971-D)
(Incorporated in Malaysia)

**Term of Reference
Of
Nomination Committee**

Functions

The primary functions of the Committee are to:

1. identify individuals qualified to become members of the Board of Directors consistent with criteria approved by the Board of Directors.
2. recommend to the Board of Directors nominees for election to the Board of Directors at each annual meeting of shareholders or to fill vacancies on the Board of Directors and to address related matters.

Composition

1. The Committee shall consist of not less than three members and comprise exclusively Non Executive Directors, majority shall be Independent Non-Executive Director.
2. Each member of the Committee shall be elected annually from among the members of the Board of Directors to hold offices for the ensuing year or until their successors are elected. Committee members may be removed at any time by the Board of Directors.
3. Each Committee member shall be independent according to the independence standards established by the Board of Directors, and all applicable corporate and securities law and stock exchange listing standards.
4. The Board of Directors shall appoint the Chair of the Committee and the Secretary of the Company or such other appropriate senior officer shall be the Secretary of the Committee.

Meetings and Minutes

1. A majority of the members of the Committee shall constitute a quorum. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called and held. All Committee members are expected to attend each meeting, in person or via tele or video-conference. The Committee may deal with matters by way of circular resolutions in lieu of convening a formal meeting and such circular resolutions must be signed by all the members of the Committee.
2. The Committee may invite such officers, directors and employees of the Company as it may see fit from time to time to attend meetings of the Committee and assist in the discussion and consideration of the duties of the Committee.
3. The time at which and place where the meetings of the Committee shall be held, the calling of meetings and the procedure of all things at such meetings shall be determined by the Committee. Following a Committee meeting, the Committee Chair shall report on the Committee's activities to the Board of Directors at the next Board of Directors' meeting. The Committee shall keep and approve minutes of its meetings, which shall record all action taken by it and such minutes shall be made available as soon as practicable to the Board of Directors. The minutes of meetings of the Committee shall be circulated to all members of the Board.

Chair

The Chair of the Committee shall have the duties and responsibilities as described below;

- 1) Provide overall leadership to enhance the effectiveness of the Committee, including:
 - a) Overseeing the structure, composition, membership and activities delegated to the Committee;
 - b) Chairing every meeting of the Committee meetings with input from other Committee members, the Chair of the Board of Directors and management;
 - c) Scheduling and setting the agenda for Committee meetings with input from other Committee members, the Chair of the Board of Directors and management as appropriate;
 - d) Facilitating the timely, accurate and proper flow of information to and from the Committee;
 - e) Arranging for management, internal personnel, external advisors and others to attend Committee meetings as appropriate;
 - f) Arranging sufficient time during Committee meetings to fully discuss agenda items;
 - g) Encouraging Committee members to ask questions and express viewpoints during meetings; and
 - h) Taking all other reasonable steps to ensure that the responsibilities and duties of the Committee, as outlined in its Charter, are well understood by the Committee members and executed as effectively as possible.
- 2) Foster ethical and responsible decision making by the Committee and its individual members.
- 3) Encourage the Committee to meet in separate, regularly scheduled, non-management, closed sessions with internal personnel or external advisors, as needed or appropriate.
- 4) Following each meeting of the Committee, report to the Board of Directors on the activities, findings and any recommendations of the Committee.
- 5) Carry out such other duties as may reasonably be requested by the Board of Directors.

Responsibilities

The Committee is responsible for making recommendations to the Board on new qualified candidates for directorships and Board Committees consistent with criteria approved by the Board of Directors for its consideration and implementation at each annual meeting of shareholders. The Committee is responsible for all matters relating to Directors' Recruitment, Directors' Orientation and continuing education, and for the regular evaluation of the Board of Directors. Without limiting the generality of the foregoing, the Committee shall have the following duties;

- a) Regarding Directors' recruitment, the Committee should, in the discharge of its duties:
- Review each year the composition of the Board and general and specific criteria applicable to candidates to be considered for nomination to the Board. The objective of this review will be to maintain the composition of the Board in a way which provides the best mix of skills and experience to guide the long term strategy and ongoing business operations of the Company. This review will also take into account the desirability of maintaining common characteristics such as personal integrity, good judgement, high ethics and standards, outstanding ability in their individual fields of expertise and a willingness to devote necessary time to Board matters.
 - in consultation with the Board of Directors and the Managing Director ("MD") and, on an ongoing basis, maintain a database of potential candidates. All directors are actively encouraged to identify potential candidates and provide their names and such supporting material as appropriate to the Board Chair or Chair of the Nominating Committee.
 - Implement a procedure to identify, with as much advance notice as practicable, impending vacancies on the Board of Directors, so as to allow sufficient time for recruitment and for introduction of proposed nominees to the existing Board of Directors.
 - develop a list of qualified candidates and arrange for each candidate to meet with the Committee, the Chair of the Board of Director and the MD.
 - Recommend to the Board of Directors as a whole proposed nominee (s) for the next annual meeting of the shareholders and arrange for their introduction to as many members of the Board of Directors as practicable.
 - Encourage diversity in the composition of the Board of Directors.
- b) The Committee shall also carry out such other duties that may be delegated to it by Board of Directors from time to time.
- c) The Committee may delegate from time to time any of its responsibilities to a subcommittee comprising one or more members of the Committee.
- d) In the discharge of its duties, the Committee has sole authority to retain and terminate any outside advisors. Without limiting the generality of the foregoing, the Committee has sole authority to retain and terminate any external advisors used to identify candidates to be nominated as Directors, including sole authority to approve the external advisors' fees and other retention terms.

Other

- 1) The Committee shall conduct an evaluation of the Committee's performance and Nominating Committee Charter, at least annually, and recommend to the Board of Directors such Committee Charter changes as the Committee deems appropriate.
- 2) Authority to make minor technical amendments to this Committee Charter is hereby delegated to the Secretary of the Company or such other appropriate senior officer, who will report any amendments to the Board of Directors at its next meeting.