

**HIBISCUS PETROLEUM BERHAD**  
**(“Hibiscus Petroleum” or the “Company”)**

**NOMINATING COMMITTEE**

**TERMS OF REFERENCE**

TABLE OF CONTENTS

	Page
1.0 Definitions and Interpretation	2
2.0 Powers	3
3.0 Composition	3
4.0 Duties and Responsibilities	3
5.0 Committee Meetings	5
6.0 Disclosure	6
7.0 Written Terms of Reference	6
8.0 Revision of the Terms of Reference	6

**HIBISCUS PETROLEUM BERHAD**  
**(“Hibiscus Petroleum” or the “Company”)**

**NOMINATING COMMITTEE**

**TERMS OF REFERENCE**

**1.0 DEFINITIONS AND INTERPRETATION**

1.1 In this Terms of Reference, where the context so admits the following expressions shall have the following meanings:

“Board”	The Board of Directors of Hibiscus Petroleum
“Company Secretary”	Company Secretary(ies) of Hibiscus Petroleum
“Group”	Hibiscus Petroleum Berhad (Registration Number : 200701040290 (798322-P)) and its subsidiaries
“Hibiscus Petroleum” or “Company”	Hibiscus Petroleum Berhad (Registration Number : 200701040290 (798322-P))
“Independent Director”	An independent director as defined in Chapter 1 of the Listing Requirements
“Listing Requirements”	The Main Market Listing Requirements of Bursa Malaysia Securities Berhad, including any amendment made from time to time
“Member”	A member of the Nominating Committee as appointed pursuant to this Terms of Reference
“Secretary”	Secretary of the Nominating Committee
“Senior Management”	Employees of the Company who are able to exercise significant influence in making strategic decisions in the Group
“Terms of Reference”	The terms of reference of the Nominating Committee

1.2 In this Terms of Reference, unless the context otherwise requires:

1.2.1 words importing the masculine gender shall include the feminine, neuter genders and vice versa; and

1.2.2 words importing the singular shall include the plural and vice versa

## **2.0 POWERS**

In carrying out its duties and responsibilities, the Nominating Committee shall have the following rights:

- (a) The Nominating Committee shall not have the power to implement its recommendations but shall be obliged to report its recommendations to the full Board for the Board's consideration.
- (b) The Nominating Committee shall have access to all required information and assistance from personnel within the Company (and the Group, as applicable) or to obtain external professional advice, at the cost of the Company, and to secure the attendance of representatives of such external advisers if deemed necessary.

## **3.0 COMPOSITION**

- (a) The Nominating Committee must comprise not less than 2 members, consisting of wholly non-executive directors and a majority of whom are independent.
- (b) No alternate director shall be appointed as a member of the Nominating Committee.
- (c) The Chairman of the Nominating Committee shall be an Independent Non-Executive Director approved by the Board.
- (d) In the event of any vacancy resulting in non-compliance of the minimum of 2 members, the Board shall appoint such number of directors to fill up such vacancy within 3 months of the event.

The Board must review the term of office and performance of the Nominating Committee and each of its members at least once every 3 years to determine whether the Nominating Committee and members have carried out their duties in accordance with their terms of reference.

## **4.0 DUTIES AND RESPONSIBILITIES**

- (a) Recommend to the Board, candidates for all directorships of the Group to be filled by the shareholders or the Board based on the Group's Fit and Proper Policy for the Appointment and Re-election of Directors, taking into consideration the candidates':
  - (i) skills, knowledge, competence, expertise and experience;
  - (ii) professionalism and integrity;
  - (iii) commitment (including time commitment) and contribution;
  - (iv) background, character and integrity;
  - (v) Boardroom diversity; and
  - (vi) in the case of candidate for the position of independent non-executive director, the Nominating Committee shall also evaluate the candidate's ability to discharge such responsibilities/functions as expected from independent non-executive directors.

**Hibiscus Petroleum Berhad**

**Registration Number : 200701040290 (798322-P)**

**Nominating Committee**

- (b) Consider, in making its recommendations, candidates for directorships proposed by the Managing Director, Chairman and, within the bounds of practicability, by any other Senior Management or any director or shareholder and recommend to the Board, directors to fill the seats on the Board and/or the Board Committees of the Company (and Group, as applicable);
- (c) Review the selection of a Managing Director and recommend to the Board for approval;
- (d) Review the candidates recommended by the Managing Director to be appointed as Senior Management of the Company and make the appropriate recommendation to the Board for approval;
- (e) Assist the Board in the annual review of the performance of the Managing Director, all C-Suites or high ranking officers reporting directly to the Managing Director, and any other senior officer(s) deemed appropriate by the Board;
- (f) Assist the Board, in the annual review of the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director including his/her time commitment, character, experience, integrity and competence to effectively discharge his/her role as a Director. The annual review would also include directors on the boards of the subsidiaries, in accordance with the Group's Fit and Proper Policy for the Appointment and Re-election of Directors. In assessing the Director's time commitment, the Nominating Committee should evaluate whether a Director is allocating sufficient time and attention to the affairs of the Company, including, among others, attendance at board or committee meetings, major company events, briefings or site visitations; participation in continuing training programmes; the directorships held in other listed issuers, public companies and corporations incorporated and listed outside Malaysia; and other commitments or positions taken by a Director and the time commitment involved.;
- (g) Assess desirable numbers of independent directors and the independence of its independent Directors annually;
- (h) Review the term of office and performance of the Audit and Risk Management Committee ("**ARMC**"), and each of its members, annually to determine whether the ARMC has carried out its duties in accordance with its Terms of Reference;
- (i) Ensure that a new director to the Board of the Company is provided with an induction programme including, but not limited to, training to familiarise the director as to the nature of the business of the Company, current issues within the Company, the corporate strategy, the expectations of the Company concerning input from directors and the general responsibilities of directors;

**Hibiscus Petroleum Berhad**

**Registration Number : 200701040290 (798322-P)**

**Nominating Committee**

- (j) Review training requirements for each individual Director, recommend appropriate plans and programmes to ensure the Board's required mix of skills are met. Details of trainings attended by all Directors of the Company shall be disclosed in the Annual Report as appropriate;
- (k) Assess the desirable balance in board membership, considering the size, structure and number of directorships;
- (l) Review and recommend re-election of existing Directors under retirement by rotation based on the respective provisions in the Company's Constitution (and subsidiaries' constitutions, as applicable), having regard to the annual assessment made for the relevant Directors, in accordance with the Group's Fit and Proper Policy for the Appointment and Re-election of Directors;
- (m) Consider the possible representation of interest groups;
- (n) Recommend the individuals for nomination as members of the Board of the Company and Group by assessing the desirability of renewing existing directorships;
- (o) Apply the process as determined by the Board of the Company, for assessing the effectiveness of the Board as a whole, the committees of the Board, and for assessing the contribution of each individual director, including independent non-executive directors, as well as the Managing Director where all assessments and evaluations carried out by the Nominating Committee in the discharge of all its functions should be properly documented in accordance with the Group's Fit and Proper Policy for the Appointment and Re-election of Directors;
- (p) Recommend to the Board the Company's proposed boardroom diversity policies, targets (if any) and discuss measures to be undertaken to achieve those targets; and
- (q) Recommend to the Board on the proposed protocol for accepting new directorships.

**5.0 COMMITTEE MEETINGS**

- (a) The Nominating Committee shall meet at least once in the financial year and additional meetings may be called at any time, at the discretion of the Chairman of the Nominating Committee.
- (b) The Nominating Committee should be entitled to the services of the Company Secretary who must ensure that all appointments are properly made, all necessary information is obtained from the Board, the Company's own records and for the purposes of meeting statutory requirements, as well as obligations arising from the Listing Requirements and / or other regulatory authorities.
- (c) The quorum for a meeting shall be 2 members.

## **6.0 DISCLOSURE**

The Nominating Committee should disclose in its annual report, a statement about the activities of the Nominating Committee in the discharge of its duties for the financial year. Such statement must include how the Listing Requirements are met and contain the following information:

- (a) the policy on Board composition having regard to the mix of skills, independence and diversity required to meet the needs of the Company;
- (b) the Board nomination and election process of Directors and criteria used by the Nominating Committee in the selection process; and
- (c) the assessment undertaken by the Nominating Committee in respect of its Board, Committees and individual Directors of the Company (and Group, as applicable), together with the criteria used for such assessment in accordance with the Group's Fit and Proper Policy for the Appointment and Re-election of Directors.

## **7.0 WRITTEN TERMS OF REFERENCE**

The Nominating Committee must have written Terms of Reference which deals with the scope of its authority and duties which must include the selection and assessment of directors, and such Terms of Reference must be made available on the Company's website.

## **8.0 REVISION OF THE TERMS OF REFERENCE**

- (a) Any revision or amendment to this Terms of Reference, as proposed by the Nominating Committee or any third party, shall first be presented to the Board for its approval.
- (b) Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.