

## TERMS OF REFERENCE OF REMUNERATION COMMITTEE

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### 1. OBJECTIVE

The primary objective of the Remuneration Committee (“Committee”) is to establish a documented, formal and transparent procedure for assessing and reviewing the remuneration packages of Executive Directors, Non-Executive Directors and Senior Management in order to ensure the remuneration packages reflect their responsibilities and commitment undertaken and also to attract and retain the right talents in the Board and Senior Management to drive the Company’s long term objectives.

### 2. COMPOSITION OF THE REMUNERATION COMMITTEE

The members of the Committee shall consist wholly or mainly of Non-Executive Directors.

The Committee shall elect a Chairman from among its members.

The terms of office and performance of the Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their Terms of Reference.

Members of the Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as a Director of the Company.

If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below 3, the Board shall, within 3 months from the date of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.

### 3. AUTHORITY

- a) The Committee is authorised to seek any information it requires from management of the Company in order to perform its duties.
- b) The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- c) The Committee is authorised by the Board to obtain, at the Company’s expense, external legal or other professional advice on any matters within its Terms of Reference.

### 4. DUTIES AND RESPONSIBILITIES

- a) The Committee shall review and determine the annual salary increment, performance bonus, and short term/long term incentives (including share grant and bonus) for Executive Directors and Senior Management depending on various performance measurements of the Group.
- b) The evaluation of the remuneration of Executive Directors shall be based on the following:
  - i) experience and qualification;
  - ii) performance of the individual; and
  - iii) comparison with market competitiveness in relation to remuneration and benefits.
- c) The Committee shall also review and determine the other benefits-in-kind for the Executive Directors and Senior Management.

- d) The Committee shall review the Group's remuneration policy and ensure that it is aligned to corporate performance and is in line with market practice.
- e) The Committee may recommend the engagement of external professional advisors to assist and/or advise the Board on remuneration matters, where necessary.
- f) In the case of Non-Executive Directors, the level of remuneration should reflect their experiences and level of responsibilities undertaken by the particular Non-Executive Directors.

## **5. MEETINGS OF THE COMMITTEE**

- a) The Committee shall meet at least once a year and as frequently as may be required.
- b) In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting.
- c) Subject to the notice and quorum requirements as provided in the Terms of Reference, the meeting of the Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.
- d) Executive Directors shall abstain from deliberations and voting on decisions in respect of their own remuneration packages. The remuneration of the Non-Executive Directors, including the Non-Executive Chairman should be a matter to be decided by the Board of Directors as a whole with the Non-Executive Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration.

## **6. QUORUM**

The quorum for a meeting of the Committee shall be formed if there is a majority of members present at the meeting.

## **7. NOTICE OF MEETINGS**

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than 7 days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **8. SECRETARY AND MINUTES**

The Company Secretary or his/her representative or such other persons authorised by the Board shall act as the Secretary of the Committee. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Committee and ensure that the minutes are properly kept and produced for inspection if required.

## **9. CIRCULAR RESOLUTION**

A resolution in writing, signed by a majority of the Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Committee, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the Committee.

## **10. REVISION AND UPDATES**

This Terms of Reference will be reviewed and updated at least once a year to ensure it remains consistent with the Committee's objectives and responsibilities.