



TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE ("RC")

(Adopted w.e.f.)

1. OBJECTIVES

The principal objectives of the RC are to assist the Board of Directors ("**Board**") in their responsibilities:-

- (a) to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration, fee and other benefits of the Board and senior management.
- (b) to ensure that all Directors and senior management are fairly rewarded for their individual contribution to the Company's overall performance and that the remuneration commensurate with the level of executive responsibility and is appropriate in light of the Company's performance.

2. COMPOSITION

- (a) The Board shall appoint the RC members from amongst themselves, comprising exclusively of Non-Executive Directors, of which a majority of whom shall be Independent Directors.
- (b) The term of office of the RC shall be for such time as determined by the Board and members of the RC may be re-nominated and appointed by the Board from time to time.
- (c) No alternate Director shall be appointed as a member of the RC.

3. CHAIRPERSON

The Chairman of the RC shall be an Independent Director identified by the Board from amongst the RC members. The Chairman of the RC shall chair all the RC meetings but in the absence of the Chairman, the members of the RC can elect from amongst themselves as the Chairman of the RC meeting.

4. SECRETARY(IES)

The Secretary(ies) of the RC shall be the Company Secretary(ies) of the Company. The Secretary(ies) shall be responsible for drawing up the agenda and circulating it prior to each meeting and keeping the minutes of meetings of the RC.

5. MEETINGS

- (a) The RC may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman or any member of the RC may call for additional meetings at any time at their discretion.

- (b) Reasonable notice of RC meetings shall be given in writing sent through the post, facsimile, electronic mail and by any means of telecommunication in permanent written form to all the RC members, except in the case of emergency, where the NC may waive such requirement.
- (c) The RC may hold a committee meeting at two (2) or more venues within or outside Malaysia using any technology that gives the RC members as a whole a reasonable opportunity to participate. Any member of the RC participates at a RC meeting by way of telephone and video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other and be heard for the entire duration of the meeting in which event such member shall be deemed to be present at the meeting. A member participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the members attending the meeting provided that at least one (1) of the RC members present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to or at/during the meeting.
- (d) Other Board members, employees, and/or consultants may attend the RC meeting upon invitation of the RC.
- (e) Questions arising at any meeting of the RC shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the RC shall have a second or casting vote.

6. QUORUM

The quorum shall consist of two (2) members, who are Independent Non-Executive Directors.

7. CIRCULAR RESOLUTION

A resolution in writing signed by a majority of the RC members for the time being shall be as valid and effectual as if it had been passed at a meeting of the RC duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more RC members. Any such document may be accepted as sufficiently signed by a RC member if transmitted to the Company by electronic mail, telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a NC member. All such resolutions shall be described as "RC Members' Resolution in Writing" and shall be forwarded or otherwise delivered to the Company Secretary(ies) without delay and shall be recorded by the Company Secretary(ies) in the minutes book.

8. MINUTES

- (a) Minutes of each RC Meeting shall be kept at the registered office and distributed to each member of the RC and also to the other members of the Board. The RC Chairman shall report on the proceedings of each meeting to the Board.

- (b) The Minutes of the RC Meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.
- (c) The RC members may inspect the minutes of the RC at the registered office or such other place as may be determined by the RC.

9. REPORTING

The Chairman of the RC shall report to the Board on the proceedings of each meeting and on matters as it considers appropriate within its terms of reference at least once a year, but more frequently if it so wishes, either formally in writing or verbally.

The RC shall report to the Board on any specific matters referred to it by the Board.

10. AUTHORITY

The RC shall, in accordance with the procedures to be determined by the Board and at the cost and expense of the Company, where necessary and reasonable for the performance of its duties:-

- (a) have full and unrestricted access to the details/information on the remuneration packages of the Executive Directors and senior management.
- (b) be able to draw advice from professional or experts, for the purpose of assessing the remuneration, fee and other benefits of the Board and senior management, and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.
- (c) be entitled to the services of the Company Secretary(ies) who must ensure that all decisions made on the remuneration packages of the Directors be properly recorded and minuted in the minutes book.

11. RESTRICTIONS

None Of the RC members shall participate in the deliberation, recommendation, decision and voting of his/her own Directors' fee or other benefits.

12. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the RC are as follows:-

- (a) To formulate and recommend a framework of remuneration for the Managing Director, Executive Directors and senior management for the Board's approval. There should be a balance in determining the remuneration package, which takes into account the demands, complexities and performance of the Company and its subsidiaries as well as skills and experience required; and which should be sufficient to attract and retain the Directors of calibre, and yet not excessive. The framework

should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefit-in-kind.

- (b) To review and assess the remuneration package of the Executive Directors and senior management in all forms, with or without other independent professional advice or other outside advice. The remuneration packages shall be determined on the basis of the Directors' and key senior management's merit, qualification and competences, while having regard to the Group's operating results, individual performance and comparable market statistics, which are aligned with the business strategy and long-term objectives of the Group. In addition, the performance of the Group in managing material sustainability risks and opportunities should also be considered;
- (c) To ensure the level of remuneration is sufficiently attractive and be able to retain and reward the Directors and senior management in order to run the businesses of the Group successfully.
- (d) To ensure the level of remuneration or fee should reflect the experience and level of responsibilities undertaken by the particular Director.
- (e) To recommend to the Board the remuneration package of the Executive Directors and Directors' fee and other benefits for Non-Executive Directors.
- (f) To ensure that the remuneration and incentives for Independent Directors do not conflict with their obligations to bring objective and independent judgement to the Board.
- (g) To recommend matters relating to the remuneration of the Directors and key senior management of the Group for the Board's consideration and decision.
- (h) To act in line with the directions of the Board.
- (i) To consider and examine such other matters as the RC considers appropriate.
- (j) To consider any other relevant matters as delegated by the Board.

13. REVIEW

This Terms of Reference shall be assessed, reviewed and updated where necessary. All amendments to the Terms of Reference, as recommended by the RC, must be approved by the Board.

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