



INCORPORATED BERHAD

Registration No.: 196201000416 (4887-M)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Constitution

The Board of Directors resolved to establish a Committee of the Board to be known as the Remuneration Committee (“the Committee”) on 22 August 2002. The terms of reference of the Committee shall be as follows:

Objective

To review and recommend to the Board a formal and transparent policy on executive remuneration and for fixing the remuneration packages of individual Directors, including management development and succession plans and to approve employee compensation and benefits programme.

Composition of the Committee

The Committee shall be appointed by the Board from amongst its Directors and shall fulfil the following requirements:

- (a) The Committee shall be composed of no fewer than three (3) members;
- (b) The Committee shall comprise wholly Non-Executive Directors and a majority of them shall be Independent Directors;
- (c) The Board shall, within three (3) months of any vacancy occurring in the Committee which results in the non-compliance of the composition of the Committee, appoint such numbers of new members as may be required to comply with the required composition; and
- (d) The Board shall review the term of office of each of its members at least once every three years.

Meetings of the Committee

- (a) The Committee shall meet at least once a year and as and when deemed necessary for the discharge of its responsibilities.
- (b) The quorum for a meeting of the Committee shall be two (2).
- (c) The members of the Committee shall elect a Chairman from amongst their members who shall be an Independent Director.



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Meetings of the Committee (Cont'd)

- (d) The Secretary of the Committee shall be the Company Secretary or their nominee or any other person so appointed by the Committee from time to time.
- (e) The Committee may invite any person to be in attendance at a meeting to assist in its deliberations.

Voting

Questions arising at any meeting of the Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Committee shall have a second or casting vote.

Resolutions in Writing

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.

Rights

The Committee shall, in accordance with the procedure determined by the Board and at the cost agreeable by the Company, wherever applicable:

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to any information pertaining to the Company;
- (c) have direct communication channels with the management staff; and
- (d) be able to obtain independent professional or other advice.

Responsibilities

The Committee has the responsibility for proposing new nominees for the Committee to the Board. The actual decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Committee.



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Functions

The functions of the Committee shall include the following:

- (a) to recommend to the Board the policy framework and remuneration structure of the Executive Directors, Non-Executive Directors and Key Senior Management in all its forms drawing from outside advice as necessary. The remuneration package should take into account the complexity of the Group's business considering the Group's performance in managing material sustainability risks and opportunities and the individual's responsibilities and in alignment with the business strategy and long term objectives of the Group.
- (b) to review and present recommendations to the Board the grant of entitlements under any share schemes for the Executive Directors and Key Senior Management.
- (c) to disclose in the Annual Report the details of the remuneration of each Director.
- (d) to review the retirement and compensation policies and benefits programme.
- (e) in conjunction with the Nominating Committee, to discuss the succession planning and appointment of Directors, and oversee the development of a diverse pipeline for board and management succession, including the future Chairman, Executive Directors and Chief Executive Officer.
- (f) to ensure that the Directors play no part in the decisions on their own remuneration.
- (g) to carry out relevant functions or assignment as may be defined/agreed to by the Committee and the Board from time to time.

Reporting Schedules

The Company Secretary shall maintain minutes of the proceedings of the meeting of the Committee and circulate such minutes to all members of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting. All decisions of the Committee shall be reported to the Board.

Review of the Policy

The Committee shall review and assess the effectiveness and continued relevance of this Terms of Reference as and when necessary. Any revisions to the Terms of Reference as recommended by the Committee shall be submitted to the Board for consideration and approval.