

TERMS OF REFERENCE OF REMUNERATION COMMITTEE (RC)

1. Type of Committee
Board Committee
2. Frequency of Meetings
As and when required (at least once a year)
3. Composition
 - I. The members of the RC shall be appointed by the Board of Directors and the Composition as follows:-
 - (a) Consist of only Non-Executive Directors;
 - (b) Have a majority of Independent Directors;
 - (c) Comprise Directors who have skills, knowledge and experience relevant to the responsibilities of the Board Committee.
 - II. The appointment of a RC member automatically terminates when the member ceases to be a Director.
 - III. The Committee members collectively shall:-
 - (a) Have a good knowledge of the Group, its Directors, as well as full understanding of Shareholders' concerns; and
 - (b) Have a good understanding, enhanced as necessary by appropriate training or access to professional advice, on areas of remuneration.
4. Objective
 - I. Develop remuneration policy for directors, chief executive officer and key senior management officers and ensuring that compensation is competitive and consistent with the company's culture, objective and strategy.
5. Authority
 - I. The RC has the authority to examine issues as stated in its Terms of Reference and report back to the Board with recommendations.
 - II. The RC, wherever necessary and reasonable for the performance of its duties, shall in accordance with the same procedures adopted by the Board and at the cost of the Company:-
 - (a) Have the resources which are required to perform its duties;
 - (b) Have full and unrestricted access to any employee and information pertaining to the Company; and
 - (c) Be able to engage independent professional advisers or other advisers and to secure attendance of outsiders with relevant experience and expertise if it considers this necessary

- III. The RC should not be delegated with decision-making powers but should report its recommendation to the full board for decision.

6. Meetings

- I. The number of meetings which the RC shall hold will depend on the circumstances but as a minimum, there must be at least one (1) meeting in a financial year. Additional meetings shall be scheduled as considered necessary by the Committee or Chairman. The Committee may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.
- II. Upon the request of any member of the RC, the Chairman of the RC shall convene a special meeting of the RC to consider any matters brought up by them.
- III. The quorum for a meeting of the RC shall be two (2) members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.
- IV. The Committee may request other Directors, members of Management, counsels and consultants as applicable to participate in Committee meetings, as necessary, to carry out the Committee's responsibilities.
- V. A Committee member shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for the member. Where this causes a lack of quorum, the Committee shall appoint another Director(s) who meets the membership criteria.
- VI. The Secretary of the RC shall be appointed by the RC.
- VII. The Committee, through its Chairman, shall report to the Board after each meeting. When presenting any recommendation to the Board, the RC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

7. Roles & Responsibilities

- I. Support the Board in actively overseeing the design and operation of the Company's remuneration system after having regard to the company's operating results, individual performance and comparable market statistics.
- II. Periodically review the remuneration of directors and senior management, particularly on whether remuneration remains appropriate to each director's contribution, taking into account the level of expertise, commitment and responsibilities undertaken.

- III. The Remuneration shall also consider incorporation of termination benefits into the employment contracts of employees, if any.
- IV. Determination of remuneration packages of the Independent Non-Executive Directors shall be determined by the Board as a whole and the individuals concerned should abstain from discussing their own remuneration.
- V. Provide clarification to shareholders during general meetings on matters pertaining to remuneration of directors and senior management as well as the overall remuneration framework of the company.