

## **TERMS OF REFERENCE**

### **REMUNERATION COMMITTEE (“RC”)**

#### **Objectives**

In accordance with the Malaysian Code on Corporate Governance, the RC is set up to provide recommendations to the Board of Directors (“the Board”) on the remuneration of the executive directors in all its forms, the fees of non-executive directors and the remuneration of senior management.

Executive directors should play no part in decisions on their own remuneration while the remuneration of the non-executive directors should be a matter solely for the Board as a whole to determine. The individuals concerned should abstain from discussion and voting on their own remuneration.

#### **Composition**

The RC shall consist wholly or mainly of non-executive directors. The members of the RC shall elect a Chairman from amongst its members who shall be a non-executive director.

#### **Meetings**

The RC shall meet at least once a year and as and when is necessary. The quorum of the meeting shall be two non-executive directors.

The meeting of RC may be conducted by means of telephone conferencing or other methods of simultaneous communications by electronic or telegraphic means and the minutes of such meeting signed by the Chairman shall be conclusive of any meeting conducted as foresaid.

A resolution in writing signed by all the RC members shall be as effective for all purposes as a resolution passed at a meeting of the RC duly convened, held and constituted. Any such resolution may consist of several documents in like form, each signed by one or more RC members.

#### **Secretary**

The Company Secretary shall act as Secretary to the RC and shall be responsible for keeping minutes of meetings of the RC and circulating them to the RC members.

The Secretary, in conjunction with the Chairman, shall draw up an agenda which shall normally be circulated together with the relevant support papers, at least one week prior to each meeting to members of the RC unless there are exceptional circumstances which may require a meeting at short notice.

## **Duties and Responsibilities**

The Remuneration Committee shall have the following duties and powers:

- (i) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) to review the Group's policy on expense reimbursements for the Directors and senior management;
- (iii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iv) either: (i) to determine, with delegated responsibility, the remuneration packages of individual executive Director and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (v) to make recommendations to the Board on the remuneration of non-executive Directors;
- (vi) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (vii) to review and approve the compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (viii) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (ix) to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- (x) to carry out other responsibilities, functions or assignments as may be defined by the Board and/or required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") from time to time.

## **Review of Terms of Reference**

The Terms of Reference of the RC shall be reviewed and amended as necessary to determine its adequacy in line with the current circumstances, the Company's policies and applicable rules and regulations in the Listing Requirements of Bursa Securities. Board approval is required for any changes in the Terms of Reference.

This Terms of Reference of RC has been updated and adopted by the Board on 19 April 2018.