

1. Objectives

- 1.1 In accordance with the MCCG, the Remuneration Committee (“RC” or “Committee”) is set up to provide recommendations to the Board on the remuneration of the Directors and Senior Management of the Company and the Group in all its forms such that the component parts of remuneration are structured to link rewards to corporate and individual performance and are determined adequately and fairly
- 1.2 Executive Directors (“EDs”) should play no part in decisions on their own remuneration while the fees of the Non-Executive Directors should be a matter for the Board as a whole to determine. The individuals concerned should abstain from discussion of and voting on their own remuneration. Directors who are substantial shareholders should abstain from voting at general meetings to approve their fees.

2. Composition

- 2.1 The Committee shall consist of Non-Executive Directors, a majority of them must be Independent Directors and shall be appointed by the Board. The Committee shall comprise no fewer than 3 members. The appointment of a Committee member shall automatically be terminated if the member ceases for any cause to be a director, or as determined by the Board.
- 2.2 The members of the Committee shall elect a Chairman from amongst its members who shall be an Independent Non-Executive Director. In the absence of the Chairman of the Committee, the members present shall elect one of their numbers who shall be a non-executive to chair the meeting.

3. Secretary to RC

- 3.1 The Company Secretary shall be the Secretary of the Committee or in her absence, another person authorised by the Chairman of the Committee.

4. Meetings

- 4.1 The Committee shall meet at least once a year and at such times, whenever they deemed necessary.
- 4.2 A resolution in writing signed or approved by a majority of members of the Committee and who are sufficient to form a quorum shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called.

5. Reporting Procedures

- 5.1 The Secretary shall be responsible for keeping the minutes of the meeting of the Committee and make it available to all members of the Board upon request. The Committee, through its Chairman, shall report to the Board at the next Board meeting after each Committee meeting.

6. Meeting Procedures

- 6.1 The Committee shall regulate its own procedures, in particular:
- (a) the calling of meetings;
 - (b) the notice to be given to such meetings;
 - (c) the voting and proceedings of such meetings;
 - (d) the keeping of minutes; and
 - (e) the custody, production and inspection of such minutes.

7. Quorum

- 7.1 The quorum for any meetings shall be two members.

8. Attendance by Invitation

- 8.1 Other Directors, key executives and employees may attend any particular meeting only at the Committee's invitation.

9. Authority of RC

- 9.1 The Committee in performing its duties shall in accordance with a procedure to be determined by the Board of Directors:
- (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) Be able to obtain independent professional advice;
 - (d) Be able to secure the attendance of external advisers and shall have the discretion to decide who else other than its own members to attend meetings, if it thinks fit; and
 - (e) Support the Board in actively overseeing the design and operation of the Company's remuneration system.

10. Duties and responsibilities

- 10.1 To determine and recommend to the Board the framework or board policy for the remuneration structure, in all forms, of the Executive Directors and/or any other persons as the Committee is designated to consider by the Board, where appropriate, bonuses, incentive payments within the terms of the agreed remuneration policy and based on individual performance, drawing from outside advice as necessary;
- 10.2 To review changes to the policy, as necessary;
- 10.3 To determine and recommend to the Board any performance related pay schemes for the EDs, Senior Management and/or any other persons as the Committee is designated to consider by the Board;
- 10.4 To implement/ maintain a reward system for EDs and Senior Management based on their performance against the Group's results and these policies and procedures are made available on the company's website. The following factors shall be taking into consideration in determining the quantum of remuneration:
 - (a) Position and Scope of Work
 - (b) Business strategy and long term objectives of the Company
 - (c) Complexity of the Company's activities
 - (d) Performance
 - (e) Number of Years of Service
 - (f) Experience
 - (g) Salary based on Industries Standard
- 10.5 To review and recommend the entire individual remuneration packages for each of the Directors and Senior Management;
- 10.6 To determine the policy for and scope of service agreements for the EDs, termination payment and compensation commitments;
- 10.7 To review and recommend to the Board on the remuneration of INEDs, particularly on whether the remuneration remains appropriate to each INEDs contribution, by taking into account the level of expense, commitment and responsibility undertaken.
- 10.8 To recommend to the Board the appointment of the services of such advisers or consultants as it deems necessary to fulfil its responsibilities;
- 10.9 To carry out such other functions as may be agreed to by the Committee and the Board of Directors;

- 10.10 To oversee the qualitative and quantitative disclosures and to ensure that the following disclosure requirements pertaining to Directors remuneration are being complied with:
- (a) Membership of the Committee appears in the Annual Report;
 - (b) Details of the remuneration of each Director includes fees, salary, bonus, benefits in-kind and other emoluments are disclosed in the Annual Report on a named basis.
 - (c) Details of remuneration of top five senior managements' remuneration component including salary, bonus, benefits in-kind and other emoluments are disclosed in bands of RM50,000 in the Annual Report.
- 10.11 To 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.
- 10.12 To carry out other responsibilities, functions or assignments as may be defined by the Board from time to time.

11. Review

The terms of reference will be subjected to review from time to time by the Committee and any amendments are to be approved by the Board before becoming effective.

12. Effective Date

- 12.1 The terms of reference will be effective 13 September 2018.