

**1. Objectives**

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 Executive Directors 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.

Executive Directors should play no part in decisions on their own remuneration while the remuneration 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.

**2. Composition**

The Remuneration Committee shall consist wholly or mainly of Non-Executive Directors and shall be appointed by the Board. The Committee shall comprise no fewer than three (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.

The members of the Remuneration Committee shall elect a Chairman from amongst its members who shall be a Non-Executive Director. In the absence of the Chairman of the Committee, the members present shall elect one of their number who shall be a non-executive to chair the meeting.

In the event that a member of the Committee retires, resigns or ceases to be a member, for any other reason, resulting in non-compliance of the terms prescribed; the Board shall, within three (3) months of that event, appoint such number of members as may be necessary to fulfil the requirements.

**3. Secretary to RC**

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**

The Remuneration Committee shall meet at least once a year.

**5. Reporting Procedures**

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**

The Committee shall regulate its own procedures, in particular:

- (a) the calling of meetings;
- (b) the notice of at least seven (7) days 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**

The quorum for any meetings shall be two (2) members.

## **8. Attendance by Invitation**

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

## **9. Authority of RC**

The Committee in performing its duties shall in accordance with a procedure to be determined by the Board of Directors:

- Have the resources which are required to perform its duties;
- Have full and unrestricted access to any information pertaining to the Company;
- Be able to obtain independent professional advice as and when it is necessary to discharge the Committee duties and the cost incurred in obtaining services of the professional advisors will be borne by the Company; and
- 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.

## **10. Duties and responsibilities**

- 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, drawing from outside advice as necessary;
- To review changes to the policy, as necessary;

- To determine and recommend to the Board any performance related pay schemes for the Executive Directors and/or any other persons as the Committee is designated to consider by the Board;
- To implement/ maintain a reward system for executive directors based on their performance against the Company's results. The following factors shall be taking into consideration in determining the quantum of remuneration:
  - Position and Scope of Work
  - Business strategy and long term objectives of the Company
  - Complexity of the Company's activities
  - Performance
  - Number of Years of Service
  - Experience
  - Salary based on Industries Standard
- To review and recommend the entire individual remuneration packages for each of the executive directors;
- To review proposed share option scheme;
- To appraise performance of each individual Executive Director in proposing salary increment as well as annual bonus;
- To consider and review fringe benefits issues;
- To determine the policy for and scope of service agreements for the Executive Directors, termination payment and compensation commitments;
- Determination of remuneration packages of non-executive directors, including non-executive chairman should be a matter for the board as a whole. The individuals concerned should abstain from discussion of their own remuneration;
- To evaluate the different remuneration methods and philosophies as well conducting studies of current industry practice;
- To recommend to the Board the appointment of the services of such advisers or consultants as it deems necessary to fulfil its responsibilities;
- The Committee should ensure that the following disclosure requirements pertaining to Directors remuneration are being complied with:
  - Membership of the Remuneration Committee appears in the Annual Report;
  - Details of the remuneration of each Director are disclosed in the Annual Report in the name of the full Board; and
- To carry out other responsibilities, functions or assignments as may be agreed by the Committee and 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.