

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Constitution

The Board has established a Committee of the Board to be known as the Remuneration Committee ("**the Committee**").

Membership

- a) The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three (3) members comprising exclusively non-executive directors, a majority of whom shall be independent.
- b) The members of the Committee shall elect a Chairman from among their members and the Chairman shall be an Independent Non-Executive Director.
- c) The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the Committee.
- d) If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board of Directors shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

Meetings and Minutes

- a) The Committee shall meet at least once in a financial year.
- b) The Chairman of the Committee may request for a meeting as and when deemed necessary. The quorum for the meeting of the Committee shall consist of not less than two (2) members.
- c) Any member of the Committee may participate in any meeting of the Committee via telephone conferencing, video conferencing or by means of any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- d) The Committee shall report to the Board and its minutes shall be tabled and noted by the Board of Directors.
- e) The Chairman of the Committee shall be entitled, where deemed appropriate, to invite any other person to a meeting of the Committee at which that person's expertise may be required having regard to the subject matter to be discussed.

- f) A circular resolution in writing signed by the members of the Committee who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting of the Committee duly convened. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of the Committee and shall include signed copies via legible facsimile transmission or other written electronic means.

Functions

The Committee shall:

- a) Review and recommend to the board the framework of remuneration and its cost, and the remuneration package for executive directors and senior management personnel, taking into account the performance of the individual, the inflation price index and information from independent sources on the rates of salary for similar jobs in a selected group of comparable companies.
- b) Review and recommend to the Board the remuneration structure and policy for executive directors and senior management personnel, the terms of employment or service contract, where relevant, any benefit, pension or incentive scheme entitlement, performance related bonuses, fees and expenses, compensation arrangement, and to review for changes to the policy, where necessary.
- c) To reimburse reasonable expenses incurred by the directors in the course of their duties as directors.
- d) To review annually the executive directors' service contracts.
- e) To ensure the levels of remuneration be sufficiently attractive and be able to retain the Directors and senior management personnel needed to run the Group successfully.

Reporting Procedures

- a) The remuneration of Directors shall be the ultimate responsibility of the Board after considering the recommendations of the Committee.
- b) Directors do not participate in deliberations and decisions on their respective remuneration packages.
- c) Directors who are also shareholders shall abstain from voting at general meetings to approve their fees.