

## **TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

### **1. COMPOSITION**

The Committee shall be appointed by the Board from amongst the Non-Executive Directors of the Company consisting of majority Independent Non-Executive Directors. It shall consist of not less than three (3) members.

### **2. QUORUM**

Two (2) members shall form a quorum for meetings.

### **3. CHAIRMAN**

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-Executive Director. In the absence of the Chairman of the Remuneration Committee, the remaining members present shall elect one of their members as Chairman of the meeting.

### **4. SECRETARY**

The Secretary to the Remuneration Committee shall be the Company Secretary.

### **5. MEETINGS AND MINUTES**

- a) The Remuneration Committee shall meet at least once a year or at such other times as the Chairman of the Committee deemed necessary.
- b) The Chairman shall also report on each meeting to the Board
- c) Questions arising shall be decided by a majority of votes and a determination by a majority of members shall for all purposes be deemed a determination of the Remuneration Committee.
- d) Where necessary and appropriate, any decision of the Remuneration Committee can also be made or passed by way of a written circular resolution.
- e) In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote provided that where two (2) members form a quorum, the Chairman of the meeting which only such a quorum present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote.
- f) A meeting may be convened using telephone and/or the contemporaneous linking together by telephone or such other electronic communication media

of a number of the Committee members being not less than the quorum shall be deemed to constitute a meeting of the Committee wherever in the world they are, as long as-

- i. the quorum is met;
- ii. at the commencement of the meeting each Committee member acknowledges his presence thereof to all the other members taking part and such participation shall be deemed to be his presence in person;
- iii. each of the Committee members taking part is able to be heard and hear each of the other members subject as hereinafter mentioned throughout the meeting; and
- iv. the Committee members present at the commencement of the meeting do not leave the meeting by disconnecting the telephone, but the meeting shall be deemed to have been conducted validity notwithstanding that the telephone or electronic communication media is accidentally disconnected during the meeting and provided that no discussions or decisions should be made in respect of matters by the members during disconnection and that if the telephone or electronic communication media cannot be re-connected at all, the meeting shall then be adjourned.

## **6. FUNCTION**

- a) To recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary.
- b) To recommend to the Board, guidelines for determining remuneration of Non-Executive Directors.
- c) To recommend to the board and performance related pay schemes for Executive Directors.
- d) To review Executive Directors' scope of service contracts.
- e) To oversee the qualitative and quantitative disclosures of remuneration made in the annual report and/or other means as required by authorities from time to time.
- f) To meet with Nominating Committee on a separate sessions on the performance of Directors and senior management with a view of integrating the information in recommending to the Board the proposed remuneration of Directors and senior management.
- g) To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions.

## **7. REPORTING PROCEDURES**

- a) The remuneration of Directors shall be the ultimate responsibility of the full Board after considering the recommendation of the Committee.
- b) Executive Directors do not participate in discussion on their own remuneration.
- c) The determination of remuneration packages of Directors, including the Chairman should be a matter for the Board as whole.
- d) Level of remuneration should be sufficient to attract and retain the Directors needed to run the Company successfully. The component part of remuneration should be structured so as to link rewards to corporate and individual performance, in the case of executive Directors. The level of remuneration should reflect the experience and responsibilities undertaken by the particular non-executive concerned.
- e) Membership of the Remuneration Committee should appear in the Annual Report.