

REMUNERATION COMMITTEE

1. OBJECTIVES

- a) The Board takes cognizant that an appropriate and competitive remuneration package is important to attract, develop, motivate and retain and attract Directors and senior management to lead and drive the Group to achieve the Group's business strategy, long-term growth and sustainability objectives.
- b) The principal objectives of the Remuneration Committee ("**RC**") are to ensure the establishment of formal and transparent procedures for developing remuneration and human resources policies, strategies and framework for the Directors, Managing Director, Executive Directors and senior management.

2. ROLES AND RESPONSIBILITIES

In discharging its roles and responsibilities, the RC shall:

- a) Develop and formulate a transparent remuneration policy and procedures framework for the Directors and senior management.
- b) Recommend and assist the Board on all aspects of remuneration (including fees, salaries, allowance, bonuses, option and benefit-in-kind) of the Directors, Managing Director, Executive Directors and senior management, taking into consideration the following factors (where relevant):
 - (i) market competitiveness and in support of the Group's business strategy and long-term growth objectives;
 - (ii) reflective of the responsibilities and commitment required for the roles of Directors and responsibilities and KPIs for the Managing Director, Executive Directors and senior management;
 - (iii) adequate but not excessive to attract, develop, motivate and retain appropriate talents needed to drive and manage the Group successfully; and
 - (iv) performance driven with a sufficient emphasis on long-term development of the Group to avoid any excessive short-term risk-taking.
- c) Review and assess the effectiveness of the Group's Human Resources Department in supporting the Group including oversight of the scope and quality of the Group's human resources initiatives/programmes.
- d) Recommend for the Board's approval, new human resources policies and framework and changes to said framework, in line with human resources strategy and direction set by the Board.

- e) Ensure that all remuneration packages and benefits given to the Directors, Managing Director, Executive Directors and senior management are in compliance with all laws, rules, requirements, regulations and guidelines set by the relevant authorities and the Board from time to time.
- f) Assist in the formulation of KPIs of the Managing Director, Executive Directors and senior management, and to assess on a periodic basis, their performance against approved KPIs.
- g) Recommend the engagement of consultants to assist and advise the RC on all remuneration matters, where necessary; and
- h) Assist the Board to review the Remuneration Policy for Directors and Senior Management as well as any other remuneration matters as may be prescribed to the RC by the Board.

3. SHAREHOLDERS' APPROVAL AND DISCLOSURE

- a) The RC shall recommend to the Board for consideration and approval before tabling for shareholders' approval of all fees, benefits and compensation for loss of employment of executive directors at Annual General Meeting ("**AGM**") or other general meeting.
- b) The Board should table separate resolutions on the approval of the fees of each non-executive director at the AGM.
- c) The RC shall ensure that information on remuneration of Directors, Managing Director, Executive Directors and key senior management is disclosed in the Annual Report and audited financial statements, where appropriate.

4. COMPOSITION OF THE RC

- a) The Board shall elect the RC members from amongst their members based on recommendations of the NC.
- b) The RC shall comprise of at least 3 Directors, exclusively comprising non-executive Directors, with a majority of whom must be Independent Director.
- c) Alternate Director shall not be a member of the RC and is eligible to attend meeting of the RC on an invitation basis.
- d) The Chairman of the Board shall not be a member of the RC.

5. CHAIRMAN OF THE RC

- a) The members of the RC shall elect a Chairman who must be an Independent Director Non-Executive Director from amongst its members; and
- b) The Board shall approve the appointment of the member elected as Chairman of the RC.

- c) In the event of vacancy in an RC member, the Board shall fill the vacancy within three (3) months. A member who wishes to retire or resign from the RC shall endeavor to provide notice of three (3) months to the Chairman of the Board so that a replacement can be identified and appointed before he vacates office as a member.

6. MEETINGS OF THE RC

6.1 Meetings

- a) The RC shall meet at least once a year or more frequently as deemed necessary and expedient by the Chairman.
- b) In the event issues requiring the RC's decision arise in between meetings, such issues shall be resolved through written resolutions. Such written resolutions in writing shall be valid and effectual if they are signed or approved by letter, facsimile or any electronic means by a majority member of the RC.
- c) For the RC's meetings (except in the case of an emergency), reasonable notice shall be given in writing to all the members of the RC.
- d) Other Board members, Managing Director, Executive Directors and other key responsible persons of the Management may be invited to attend the RC's meetings.
- e) Notice and agenda of the meeting shall be approved by the Chairman and thereafter circulated by the Secretary to all RC's members at least five (5) business days prior to the time appointed for the meeting.
- f) The decision of the RC shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. However, at meetings where two (2) members form a quorum, the Chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, the Chairman shall not have a casting vote.

6.2 Quorum

- a) The quorum of RC meetings shall be two (2) members whom are Independent Directors.
- b) In the event the Chairman of the RC is not able to attend any meeting, a member of the RC shall be nominated to chair the meeting.

6.3 Secretary of the RC

- a) The Company Secretary or another person approved by the Board shall be the Secretary of the RC.

- b) The Secretary shall be responsible, with the concurrence of the Chairman of the RC, for drawing up and circulating the agenda and the notice of meetings and draft minutes together with the supporting explanatory documentation to all members of the RC prior to the each meeting and shall be entrusted to records all proceedings and minutes of all meetings of the RC.
- c) The Secretary shall maintain the minutes (after being signed by the Chairman as a correct of the proceedings).

6.4 Minutes of Meetings

- a) Every meeting of the RC must be recorded either by the Company Secretary or any other person approved by the RC and such minutes must be confirmed by the RC at the next succeeding RC meeting.
- b) Minutes of each meeting signed by the Chairman of that meeting or by the Chairman of the next succeeding meeting shall be evidence of the proceedings that the meeting was duly convened and held.

7. REPORTING RESPONSIBILITIES

- a) The RC's Chairman shall report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities and table its minutes for notation by the Board.
- b) The RC shall make whatever recommendations to the Board it deems appropriate, on any area within its Terms of Reference and/or where action or improvement is needed.
- c) The RC shall report to the Board on its activities, based on its Terms of Reference.

8. REVIEW OF THE RC

The term of office and performance of the RC and each of its members shall be reviewed annually by the Board to assess whether the RC and its members have carried out their duties in accordance with their Terms of Reference. A formal evaluation of the performance of all RC members should be undertaken by the NC.

The Terms of Reference may from time to time be amended as required, subject to the approval of the Board.