

SECUREMETRIC BERHAD
(Company No.1234029-D)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Definition:

- “Committee” : The remuneration committee of the Company.
- “Company” : Securemetric Berhad and by whatever name from time to time called.
- “CEO” : The principal executive officer of the Company for the time being, by whatever name called, and whether or not he is a director.
- “Listing Requirements” : Bursa Malaysia Securities Berhad ACE Market Listing Requirements including any relevant practice and/or guidance notes, directives, guidelines issued pursuant thereto and any amendment, modification, supplemental to the listing requirements that may be made from time to time.
- “Board” or “Directors” : The directors for the time being of the Company or such number of them as have authority to act for the Company.
- “Designated Stock Exchange” : Bursa Malaysia Securities Berhad (Company No. 635998-W) for so long as the shares of the Company are listed and quoted on the Bursa Malaysia Securities Berhad and/or such other stock exchange in respect of which the shares of the Company may be listed or quoted.
- “Secretary” : Any person or persons jointly appointed to perform the duties of a secretary of the Company including any person(s) appointed temporarily and any representative of the secretary.

1. Date Established

The Remuneration Committee was established on 7 November 2018.

2. Objectives

The Committee is established to:

- (i) Develop and formulate a transparent policy on the remuneration of Directors, and to set the remuneration package of the individual Director;
- (ii) Adopt a formal and transparent procedure for determining the remuneration package of the Director, which is to be based on objective considerations of the merits and values of the Director’s contribution to the Company;
- (iii) Ensure that the Executive Director’s remuneration, benefits and rewards are linked to corporate and individual performance;
- (iv) Ensure that the remuneration package is sufficient to attract and retain the Directors needed to manage the Company successfully; and

- (v) Review the remuneration packages from time to time to gauge its competitiveness and attractiveness, and to make recommendations if and when necessary.

The Committee shall also perform such other functions assigned by the Board.

3. Compositions

The Board shall elect the Committee members from amongst themselves and it must be composed of no fewer than two (2) members consisting wholly of non-executive Directors, a majority of whom are independent.

The term of office and performance of the Committee and each of its members shall be reviewed by the Board at least once every three (3) years to determine whether its members have carried out their duties in accordance with their terms of reference.

No alternate Director shall be appointed as a member of the Committee.

4. Chairman

The Chairman of the Committee shall be elected amongst the members of the Committee and shall be an Independent Non-Executive Director. The Chairman shall chair all meetings of the Committee other than matters concerning him/herself.

5. Meetings

The Committee shall meet at least one (1) time a year and such meetings as the Chairman shall decide in order to fulfill its duties. A quorum shall consist of a majority of Committee members, and the majority present must be Independent Directors.

Member of committee may participate in a meeting by means of conference telephone, conference videotape or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

6. Attendance of Other Directors and Employees

The Board must ensure that other Directors and employees attend any particular Committee meeting only at the Committee's invitation, specific to the relevant meeting.

7. Rights of The Committee

- (i) The Company must ensure that wherever necessary and reasonable for the performance of its duties, the Committee must, in accordance with a procedure to be determined by the Board and at the cost of the Company:
 - a) Have authority to investigate any matter within its terms of reference;
 - b) Have the resources which are required to perform its duties;
 - c) Have full and unrestricted access to any information pertaining to the Company;
 - d) Be able to obtain independent professional or other advice; and
 - e) Be able to convene meetings excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

8. Review of the Committee

- (i) The Board of the Company must review the following:
 - a) Terms of office of each of its members at least once every three (3) years; and
 - b) Performance of the Committee and each of its members annually

to determine whether the Committee and such members have carried out their duties in accordance with their terms of reference.

9. Authority

- (i) The Committee is authorised:
 - a) To seek any information it requires from any employee of the Company in order to perform its duties;
 - b) To obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference; and
 - c) To call any employee to be questioned at a meeting of the Committee as and when required.

10. Elected Members

For information on the current members of the Remuneration Committee, please refer to the *Corporate Information* section, under “**Investor Relations**” on the Company's corporate website at: <http://www.securemetric.com/>