

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE
(Adopted w.e.f. 23 December 2019)

1. Objectives

The principal objective of the Remuneration Committee is to assist the Board of Directors ("**Board**") to structure and clearly link Directors' and senior management's remuneration to the strategic objectives of the Company, and which rewards contribution to the long term success of the Company in promoting business stability and growth.

2. Composition of members

The Board shall appoint the Remuneration Committee members from amongst themselves, comprising exclusively of the Non-Executive Directors, of which a majority of whom are independent.

The term of office of the Remuneration Committee shall be for such time as determined by the Board and members of the Remuneration Committee may be re-nominated and appointed by the Board from time to time.

3. Chairman

The Chairman of the Remuneration Committee shall be an Independent Director appointed by the Board from amongst the Remuneration Committee members. The Remuneration Committee Chairman shall chair all the Remuneration Committee meetings but in the absence of the Chairman, the members of the Remuneration Committee can elect from amongst themselves as the Chairman of the meeting.

4. Secretary(ies)

The Secretary(ies) of the Remuneration Committee shall be the Company Secretary(ies) of the Company.

The Secretary(ies) shall be responsible for keeping the minutes of meetings of the Remuneration Committee.

5. Meetings

The Remuneration Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman or any member of the Remuneration Committee may call for additional meetings at any time at their discretion.

Reasonable notice of Remuneration Committee meetings shall be given in writing to all the Remuneration Committee members unless the Remuneration Committee waives such requirement.

The Remuneration Committee may hold a committee meeting at two (2) or more venues within or outside Malaysia using any technology that gives the Remuneration Committee members as a whole a reasonable opportunity to participate. Any member of the Remuneration Committee participates at a Remuneration Committee meeting by way of telephone and video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other and be heard for the entire duration of the meeting in which event such member shall be deemed to be present at the meeting. A member participating in a meeting in the

(Terms of Reference of the Remuneration Committee – cont'd)

manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the members attending the meeting provided that at least one (1) of the members present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to or at/during the meeting.

Questions arising at any meeting of the Remuneration Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Remuneration Committee shall have a second or casting vote.

6. Quorum

A quorum shall consist of two (2) members.

7. Circular Resolution

A resolution in writing signed or approved by letter, telex, telegram, cable, facsimile or other electronic or digital written message by a majority of the Remuneration Committee members for the time being, shall be valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly called and constituted. All such resolutions shall be described as "Remuneration Committee Members' Resolution in Writing" and shall be forwarded or otherwise delivered to the Company Secretary(ies) without delay, and shall be recorded by the Company Secretary(ies) in the Company's Minutes Book. Any such resolution may consist of several documents in like form, each signed by one (1) or more Remuneration Committee members.

8. Minutes

Minutes of each Meeting shall be kept at the registered office and distributed to each member of the Remuneration Committee and also to the other members of the Board.

The Minutes of the Remuneration Committee Meeting shall be signed by the Chairman of the Meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.

9. Reporting

The Chairman of the Remuneration Committee shall report to the Board on the proceedings of each meeting and on matters as it considers appropriate within its terms of reference at least once a year, but more frequently if it so wishes, either formally in writing or verbally.

The Remuneration Committee shall report to the Board on any specific matters referred to it by the Board.

10. Authority

The Remuneration Committee shall, in accordance with the policies and procedures to determine the remuneration of Directors and at the expense of the Company:-

(Terms of Reference of the Remuneration Committee – cont'd)

- (a) review, assess and recommend to the Board the remuneration packages of the Directors in all forms, with other independent professional advice or outside advice as necessary.
- (b) be entitled to the services of the Company Secretary(ies) who must ensure that all decisions made on the remuneration packages of the Directors be properly recorded and minuted in the minutes book.

11. Duties and Responsibilities

The duties and responsibilities of the Remuneration Committee are as follows:-

- (a) To formulate and periodically review policies and procedures to determine the remuneration of Directors and senior management, which takes into account the demands, complexities and performance of the Company as well as skills and experience required of Directors and senior management, having regard also to comparable market statistics.
- (b) To review and recommend the remuneration packages of all the Directors and senior management in all forms, with or without independent professional advice or other outside advice to reflect the Board's responsibilities, the Directors' expertise and the complexities of the Company's activities.
- (c) To ensure the levels of remuneration be sufficiently attractive and be able to retain Directors needed to run the Company successfully.
- (d) To structure the component parts of remuneration so as to align with the business strategy and long-term objectives of the Company and to link rewards to the Company's strategy and performance.
- (e) To ensure that the remuneration and incentives for Independent Non-Executive Directors do not conflict with their obligations to bring objective and independent judgement to the Board.
- (f) To develop and administer a fair and transparent procedure for setting policy on remuneration.
- (g) To ensure that remuneration packages are proposed on the basis of the Directors' merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics.
- (h) To act in line with the directions of the Board.
- (i) To consider and examine such other matters as the Remuneration Committee considers appropriate.
- (j) To consider any other relevant matters as delegated by the Board.