

TERMS OF REFERENCE – REMUNERATION COMMITTEE

I. Objectives

The objectives of the Remuneration Committee are as follows:

- (1) To ensure remuneration package is aligned with the business strategy and long-term objectives of the Group; and
- (2) To ensure fair remuneration package is able to attract, retain and motivate directors and senior management without jeopardize the Group's long-term business objectives and strategy.

II. Composition

The Remuneration Committee shall be appointed by the Board from amongst their members and shall consist of not less than three (3) members. All the Remuneration Committee members must be non-executive directors with a majority of them being Independent Directors.

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

The members of the Committee shall among them elect a Chairman who shall be an Independent Director.

The term of office and the performance of each member shall be reviewed at least once every three years.

III. Meetings

The Committee shall meet at least once in a year and as many times as the Committee deems necessary.

The quorum for a meeting shall be two (2) members, and if only two members are present both of them must be Independent Directors. If the number of members present for the meeting is more than two (2), the majority of members present must be Independent Directors.

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

Other Board members and employees of the Group may attend meetings upon the invitation of the Committee. Directors who are also shareholders of the Company are abstaining from voting at general meetings to approve their fees. The Executive Directors and senior management play no part in deliberations and decisions on his/her own remuneration. The remuneration and entitlements of Non-Executive Directors are decided by the Remuneration Committee with the Director concerned abstaining from deliberations and voting on decisions in respect of his/her remuneration.

Minutes of each meeting shall be kept by the Secretary as evidence that the Committee had discharged its functions. The Chairman of the Committee will report to the Board after each Remuneration Committee meeting. The approved minutes of Remuneration Committee meetings are forwarded to Board members via phone, email or mail for information. In the absence of the Chairman of the Committee, members present shall elect a Chairman for the meeting from amongst the Independent Directors.

A resolution in writing signed or approved by a majority of the Committee and who are sufficient to form a quorum shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted.

IV. Authority

The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company:

- (1) To have resources which are required to perform its duties;
- (2) To have full and unrestricted access to any information and personnel pertaining to the Company which it requires in the course of performing its duties;
- (3) To be able to obtain and seek external legal or other independent professional advice and to secure the attendance of external expert with relevant experience and expertise if it considers necessary; and
- (4) To be able to engage, retain and terminate any compensation consultant to be used to assist in the evaluation of director's compensation.

V. Functions and Duties

Duties and Responsibilities of Remuneration Committee are as follows:-

- (1) To review and make recommendations to the Board on remuneration and other entitlements for all Directors and senior management.
- (2) To ensure Executive Directors and senior management are awarded appropriately for their contribution to the Group's growth and profitability and their individual performance.
- (3) To ensure remuneration of Non-Executive Directors is based on their level of experiences and responsibilities.
- (4) To determine the policy and scope of gratuity arrangements for all Directors.
- (5) To review the progress against material bonus and incentive schemes for Executive Directors and senior management.

The terms of reference are updated and adopted by the Board on 27 August 2020.