

## **Nomination and Remuneration Committee - Terms of Reference**

### **1. Objectives**

The Nomination and Remuneration Committee (the “**Committee**”) shall:

- 1.1 Propose new nominees for the Board and to assess existing Directors on an on-going basis. The ultimate decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Committee.
- 1.2 Ensure that the Company’s Executive Directors and Senior Executives are fairly rewarded for their individual contributions to the Company’s overall performance and the levels of remuneration should be sufficient to attract and retain Directors and Senior Executives to run the Company successfully.

### **2. Membership**

- 2.1 The Committee shall be appointed by the Board of Directors from among their number and shall comprise not fewer than three (3) in number.
- 2.2 The members of the Committee shall be non-executive Directors, a majority of whom must be independent.
- 2.3 The members of the Committee shall elect a Chairman from among their number who is an Independent Director of the Company.
- 2.4 In the event of any vacancy in the Committee resulting in the number of members being reduced to below three (3), the Board shall, within three (3) months fill the vacancy.

### **3. Functions**

- 3.1 a) Develop, maintain and review the criteria to be used in the recruitment process of new Directors;
- b) Assess and recommend to the board the candidature of directors and appointment of directors to board committees taking into consideration the following criterias:-
  - the candidate’s resume, curriculum vitae and qualification and time to effectively discharge his/her role as a Director of the Company;
  - character, integrity, competence, wisdom, ability to work as a team to support the Board, understanding of the business environment and in the case of candidates for the position of Independent Non-Executive Directors, the independence and ability to discharge such responsibilities as expected from the Independent Non-Executive Director;
  - whether the candidate has any conflict of interest with the Company;

- any other relevant criteria as may be determined by the Nominating Committee from time to time.
- 3.2 To determine the core competencies and skills required of Directors to best serve the business and operations of the Group as a whole and the optimum size of the Board to reflect the desired skills and competencies.
- 3.3 To review the Board size, Board balance and determine if additional Directors are required and also to ensure that at least one-third (1/3) of the Board is independent.
- 3.4 To undertake a review of the required mix of skills, experience and other qualities of Directors, including core competencies which Non-Executive Directors should bring to the Board as well as independence and diversity (including gender diversity) of the board composition which is required to meet the needs of the Company.
- 3.5 To assist the Board to implement procedures to be carried out by the Committee for assessing the effectiveness of the Board as a whole and the Board Committees, as well as for assessing the contributions and performance of individual Directors and Board Committee members. The assessment of the Board and Board Committees as well as the individual Directors and Board Committee members would be carried out annually.
- 3.6 To review the Board's succession plans and training programmes for Directors.
- 3.7 Develop the criteria to assess independence and apply these criteria upon admission, annually and when any new interest or relationship develops.
- 3.8 To introduce such regulations, guidelines and/or procedures to function effectively and fulfil the Committee's objectives.
- 3.9 To recommend to the Board the remuneration of the Executive Directors and Senior Executives.
- 3.10 Assume responsibility for all elements of Executive Directors' remuneration which include the following:
  - (i) Remuneration
  - (ii) Share Options
  - (iii) Any other benefits
  - (iv) Compensation for early termination
- 3.11 Ensure that a fair differential between the remuneration of Executive Directors and other levels of management is maintained.
- 3.12 Obtain the advice and information from external source, if necessary, to compare the remuneration currently earned by the Executive Directors and those paid to Executive Directors of other companies of a similar size in a comparable industry sector.

- 3.13 To provide an objective and independent assessment of the benefits granted to Executive Directors and Senior Executives.
- 3.14 To introduce any policy or guidelines which would enable the smooth administration and effective discharge of the Committee's duties and responsibilities.
- 3.15 To furnish a report to the Board of any findings of the Committee.

#### **4. Meetings**

- 4.1 The Committee shall meet at least once a year. However, additional meetings may be called at any time at the Committee Chairman's discretion.
- 4.2 The quorum for the meeting shall be two (2) members.

#### **5. Reporting**

The Chairman of the Committee shall report on each Nomination and Remuneration meeting to the Board.

#### **6. Secretary**

The Secretary to the Committee shall be the Company Secretary.