

## **TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE**

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### **1. Composition**

The Nomination and Remuneration Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise exclusively of Non-Executive Directors, a majority of whom must be independent. The Chairman of the Nomination and Remuneration Committee should be the Senior Independent Director identified by the Board. The Company Secretary shall be the Secretary of the Nomination and Remuneration Committee meeting.

### **2. Purpose**

The purpose of the Nomination and Remuneration Committee is to assess the suitability of candidates to be appointed to the Board. In making such assessment, consideration should be given to the candidate's competency, commitment, contribution and performance. The Nomination and Remuneration Committee should facilitate the new Board Member's induction and training programmes. The nomination and election process of Board Members should be disclosed in the Company's Annual Report. In carrying out its functions, the Nomination and Remuneration Committee adheres to the policies and procedures set by the Company's ultimate holding / holding company.

### **3. Meetings and Quorum**

The Nomination and Remuneration Committee shall convene at least one meeting every year, with the attendance of majority of the Independent Non-Executive Directors in order to form the quorum.

### **4. Roles and Functions**

- (i) To assess and recommend new appointments to the Board and Board Committee;
- (ii) To develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors including the criteria to assess their independence;
- (iii) To review the succession plans for Directors and senior management and to ensure and maintain an appropriate balance of skills, experience etc. necessary or the Company's business;
- (iv) To evaluate the re-appointment of any Non-Executive Director at the conclusion of their specific term of office;
- (v) To assist the Board in reinforcing its independence:
  - where the tenure of an Independent Director has exceeded a cumulative term of nine (9) years, then to provide relevant justifications when seeking shareholders' approval in the event the Committee's recommendation is to retain the individual as an Independent Director serving more than nine (9) years;

- (vi) To regularly review the structure, size and composition (including mix of skills, knowledge, experiences, gender diversity and etc.) of the Board and make recommendations to the Board for any changes required;
- (vii) To review and recommend suitable training programmes for the Board members including board induction and training for new directors;
- (viii) To review the term of office and performance of Audit Committee and each of its members annually to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference;
- (ix) To establish a formal and transparent remuneration policy to be adopted by the Board and the policy shall also include procedures to attract and retain Executive Directors; (x) To recommend remuneration packages for Executive Directors and senior management that should reflect their responsibilities and commitments;
- (x) In establishing the remuneration package, to be fair and aligned with the business strategy and long-term objectives of the Company, and should reflect the Board's responsibilities, expertise and the complexity of the Company's activities;
- (xi) To ensure that no Director other than the Chief Executive Officer and Executive Directors shall have a service contract with the Company;
- (xii) To undertake a formal independent review of the Directors' remuneration once in every three (3) years.