

**TERMS OF REFERENCE
OF THE NOMINATION & REMUNERATION COMMITTEE (“NRC”)**

1. Composition of Members

- 1.1 The NRC shall comprise of three (3) non-executive directors, a majority of whom are independent.
- 1.2 One of the independent directors or the Senior Independent Directors shall be the Chairman of the NRC.
- 1.3 The Secretary of the Company and/or Secretaries and/or any person may be appointed by the NRC as its Secretary.

2. Meetings

- 2.1 Meetings are to be held at least once a year or as and when necessary.
- 2.2 At least seven days notice calling for the meeting of NRC shall be given to the members of NRC present in Malaysia.
- 2.3 Any two (2) members present shall constitute a quorum.
- 2.4 The Chairman of the meeting shall have a casting vote in case of equality of votes.
- 2.5 The Secretary is responsible for co-ordination of administrative details including calling meetings, voting and keeping of minutes.
- 2.6 A resolution signed by all members of NRC shall be effective as a resolution passed at a NRC meeting duly convened and held, and may consist of several documents in the like form, each signed by one or more members of NRC.

3. Main Functions

- 3.1 The responsibility of the Committee in relation to its nomination function shall be:
 - 3.1.1 To identify, assess and recommend to the Board for its approval, suitably qualified candidates for the Board, the committees of the Board, subsidiaries and associate companies of the Group taking into consideration the character, experience, integrity, competence, and time commitment, independence; special knowledge or technical skills in line with the Company’s policy; diversity in gender, nationality, age, culture and socio-economic background; and number of directorships in companies outside the Group.
 - 3.1.2 To recommend to the Board the composition of the Board which must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director.
 - 3.1.3 To appoint independent advisers to identify suitably qualified candidates.
 - 3.1.4 To identify suitable candidates to meet the target of having at least 30% women directors on the Board of the Company.

- 3.1.5 To identify and recommend to the Board for its approval, candidates for appointment as the Group Managing Director/Chief Executive Officer, Executive Director(s), Chief Financial Officer, Chief Operating Officer and Chief Corporate Officer.
 - 3.1.6 To review and recommend to the Board for its approval, the extension of contracts of the Group Managing Director/Chief Executive Officer, Executive Director(s), Chief Financial Officer, Chief Operating Officer and Chief Corporate Officer.
 - 3.1.7 To recommend to the Board, candidates for re-election and/or re-appointment of directors by shareholders at annual general meeting under the annual re-election provisions or retirement pursuant to the relevant laws having regard to their performance and ability to continue to contribute to the Board in light of their knowledge, skills and experience based on the annual Board assessment.
 - 3.1.8 To assess the independence of Independent Directors and recommend to the Board the retention of Independent Directors who have served for a cumulative period of nine (9) years, if deemed appropriate. Consideration should be made as to whether an Independent Director can continue to bring independent and objective judgement to Board deliberations.
 - 3.1.9 To assist the Board in implementing annual evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual including Group Managing Director/Chief Executive Officer and Executive Director(s) and to maintain proper documentation of such assessment.
 - 3.1.10 To appoint independent advisers to implement the annual evaluation of the effectiveness of the Board.
 - 3.1.11 To consider and recommend to the Board an annual assessment of the Independent Directors of the Company.
 - 3.1.12 To develop, maintain and review the criteria for evaluating Board and Board Committee's performance.
 - 3.1.13 To ensure that appropriate actions are taken based on the results of the annual assessment, to continuously enhance the Board's overall performance.
 - 3.1.14 To ensure that there is sufficient succession planning and human capital development focus in the Group.
 - 3.1.15 To recommend suitable orientation programmes to continuously train and equip new and existing Directors.
 - 3.1.16 To ensure a statement is made by the Board in the Annual Report of the Company contains a brief description on the type of training attended by the Directors during the year.
- 3.2 The responsibility of the Committee in relation to its remunerations function shall be:
- 3.2.1 To develop a remuneration framework for the Group covering the Board, the committee of the Board and the Group's senior management taking into consideration the best practices, views of industry experts, obtaining and analysing the available data, stakeholders and the market at large. The remuneration framework comprises basic, fringe benefit and benefits in kind.

- 3.2.2 To design, formulate and recommend to the Board for its approval, the remuneration packages for Non-Executive Directors, the committees of the Board and the Board of subsidiary(s) and to ensure the remuneration packages are aligned with business strategy and long term objectives of the Group and also reflect the Board's responsibilities, expertise and complexity of the Group's activities.

A detailed, on a named basis for the remuneration of individual directors will be disclosed in the Annual Report of the Company. The remuneration breakdown of individual directors includes fees, salary, bonus, benefit in kind and other emoluments.

- 3.2.3 To design, formulate, review and recommend to the Board for its approval, the remuneration packages including bonuses, incentives and share options for the Group Managing Director/Chief Executive Officer, the Executive Director(s), the Chief Financial Officer, Chief Operating Officer and Chief Corporate Officer with the aim of attracting and retaining high-caliber senior management who will deliver success for shareholders and high standards of service for customers, while having due regard to the business environment in which the Group operates.

A detailed, on a named basis the senior management's remuneration component including salary, bonus, benefit in kind and other emoluments in bands of RM50,000 shall be disclosed in the Annual Report of the Company.

- 3.2.4 The Company may also fully disclose the detailed remuneration of each member of senior management on a named basis.

- 3.2.5 To review any major changes in employee benefit structures throughout the Company or Group, and if fit recommend to the Board for adoption.

- 3.2.6 To review and recommend to the Board for adoption the framework for the Company's annual incentive scheme. The framework for the annual incentive scheme may include:
- Merit increment
 - Merit bonus
 - Project completion incentives

- 3.2.7 To seek any information it requires from any employee of the Company in order to perform its duties.

- 3.2.8 To obtain, at the Company's expense, any outside legal or other professional advice including the advice of independent remuneration consultants, to secure the attendance of the external advisers at its meeting if it considers necessary, and to obtain reliable, up-to-date information about the remuneration in other companies.

- 3.2.9 The NRC shall have full authority to commission any report or survey which it deems necessary to help it fulfil its obligations.