

## **TERMS OF REFERENCE FOR REMUNERATION COMMITTEE**

### **1. COMPOSITION**

The Remuneration Committee shall consist of not less than three (3) members, Non-Executive Directors with a majority of which shall comprise Independent Directors.

Members of the Remuneration Committee shall be appointed by the Directors among their members at a Board Meeting or via a Directors' Circular Resolution in writing.

Members of the Remuneration Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as Director of the Company.

The Remuneration Committee was set up on the 24 May 2004.

Membership of the Remuneration Committee should appear in the Directors' Report.

### **2. QUORUM**

The quorum for each meeting shall be a majority of members present.

### **3. CHAIRMAN**

The members of the Remuneration Committee shall elect a chairman from among their number who shall be an Independent Director.

### **4. MEETINGS**

The meetings shall be held not less than once a year. A member may at any time and the Secretary shall on the requisition of a member, summon a meeting of the Remuneration Committee.

Questions arising at any meeting of Remuneration Committee shall be decided by a majority of votes and a determination by a majority of members shall for all purposes be deemed a determination of the Remuneration Committee. Where necessary and appropriate, any decision of the Remuneration Committee can also be made or passed by way of a written circular resolution.

In the case of an equality of votes the chairman of the meeting shall have a second or casting vote PROVIDED THAT where two (2) members form a quorum, the chairman of the meeting at which only such a quorum is present, or at which only two members are competent to vote on the question at issue, shall have a casting vote. A meeting may be convened using telephone and/or the contemporaneous linking together by telephone or such other electronic communication media of a number of the Committee members being not less than the quorum shall be deemed to constitute a meeting of the Committee wherever in the world they are, as long as

- a. the quorum is met;
- b. at the commencement of the meeting each Committee member acknowledges his presence thereof to all the other members taking part and such participation shall be deemed to be his presence in person;
- c. each of the Committee members taking part is able to be heard and hear each of the other members subject as hereinafter mentioned throughout the meeting; and
- d. the Committee members present at the commencement of the meeting do not leave the meeting by disconnecting the telephone, but the meeting shall be deemed to have been conducted validity notwithstanding that the telephone or electronic communication media is accidentally disconnected during the meeting and provided that no discussions or decisions should be made in respect of matters by the members during disconnection and that if the telephone or electronic communication media cannot be re-connected at all, the meeting shall then be adjourned.

Executive Director shall abstain from deliberations and voting on decisions in respect of their remuneration package. The remuneration and entitlements of the Non-Executive Directors, including the Non-Executive Chairman should be a matter to be decided by the Board of Directors as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration.

The Company Secretary shall be the Secretary of the Remuneration Committee. The Secretary is responsible for sending out notices of the meetings and preparing and keeping minutes of meetings. The Minutes of the Committee meeting shall be extended to all the members of the Board of Directors. The Committee shall record its conclusions in discharging its duties and responsibilities.

## **5. OBJECTIVES**

The primary objective of the Remuneration Committee is to act as a committee of the full Board to assist in assessing the remuneration of the directors reflecting the responsibility and commitment undertaken by the Board membership.

## **6. RESPONSIBILITIES**

- a. Recommend to the Board the remuneration of the Executive and Non-Executive Directors.
- b. Assist the Board in assessing the responsibility and commitment undertaken by the Board membership.
- c. Assist the Board in ensuring the remuneration of the directors reflects the responsibility and commitment of the director concerned.
- d. Recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary.
- e. Recommend to the Board, guidelines for determining remuneration of Non-Executive Directors.
- f. Recommend to the board and performance related pay schemes for Executive Directors.
- g. Review Executive Directors' scope of service contracts.
- h. Oversee the qualitative and quantitative disclosures of remuneration made in the annual report and/or other means as required by authorities from time to time.
- i. Meet with Nominating Committee on a separate sessions on the performance of Directors and senior management with a view of integrating the information in recommending to the Board the proposed remuneration of Directors and senior management.
- j. Consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions.

## **7. POWER**

In carrying out its duties and responsibilities, the Remuneration Committee will in principle have full, free and unrestricted access to the Company's records, properties and personnel. The Remuneration Committee may obtain the advice of external consultants on the appropriateness of remuneration package.