

**BERTAM ALLIANCE BERHAD (305530 A)**  
(Incorporated in Malaysia)

**TERMS OF REFERENCE OF REMUNERATION COMMITTEE (“RC”)**

**1. Members**

The RC shall be appointed by the Board of Directors and shall consist of not less than 2 members of which comprising wholly or mainly of Non-Executive Directors.

In the event of any vacancy in the RC resulting in the non-compliance of the above, the Company must fill the vacancy within 3 months.

The Board of Directors must review the term of office and performance of the RC and each of its members at least once every 3 years to determine whether the RC and its members have carried out their duties in accordance with the Terms of Reference.

**2. Chairman**

The Chairman shall be elected by the Committee from among their members who shall be an Independent Non-Executive Director.

**3. Functions of the RC**

The RC shall discharge the following duties and responsibilities and report the same to the Board:-

- (i) establish a formal and transparent procedure for developing policy on the remuneration of the Directors;
- (ii) recommend to the Board the remuneration packages including performance related pay schemes for the Executive Directors;
- (iii) recommend to the Board the remuneration packages of Non-Executive Directors, including Non-Executive Chairman;
- (iv) recommend to the Board the remuneration packages/allowances of members of the Board's Committees;
- (v) review Executive Directors' service and employment contracts;
- (vi) ensure appropriate disclosure of Directors' remuneration in the annual report; and
- (vii) review and report such other matters as may be delegated by the Board from time to time.

When carrying out these functions, the RC shall ensure that the remuneration of the Executive Directors are aligned with their experience and the level of responsibilities assumed as well as the business strategy and long-term objectives of the Group while the remuneration of Non-Executive Board members shall reflect their responsibilities and roles in the Board Committee.

All Directors should play no part in decisions on their own remuneration and shall abstain from discussion their own remuneration.

#### **4. Access to Advice**

In furtherance to their duties as the RC members, there should be an agreed procedure for the members, whether as a full Committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.

#### **5. Meetings**

##### **(i) Quorum**

The quorum shall consist of a two (2) members, one of whom must be an Independent Non-Executive Director. If at any meeting, the Chairman of the RC is not present within fifteen (15) minutes of the time appointed for holding the same, the members of the RC present shall choose one of their number to be the Chairman of such meeting.

##### **(ii) Frequency of Meeting**

The RC shall meet at least once in each financial year. Additional meetings may be called as and when required.

##### **(iii) Notice and Venue**

The notice of the RC meetings shall be circulated before each meeting to members of the RC. Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the member either personally or by fax or e-mail or by post or by courier to his registered address as appearing in the Register of Directors or to the address provided by the RC member, as the case may be.

The RC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enables the RC members as a whole to participate for the entire duration of the meeting, and that all information and documents for the meeting must be made available to all members prior to or at the meeting.

(iv) Reporting and Voting

Minutes of each meeting shall be circulated to the RC members and presented to the Board.

The Chairman shall report on each meeting to the Board. The Company Secretary or such substitute as appointed by the Board or RC from time to time shall be the Secretary of the RC.

Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote except where only 2 RC members form a quorum or at which only 2 RC members are competent to vote on the question at issue, the Chairman shall not have a casting vote.

(v) Attendance at Meeting

The RC may extend an invitation to other board members and officers to attend meetings as it deems necessary.

**6. Keeping and Inspection of Minutes**

The Company shall cause minutes of all proceedings of the RC Meetings to be entered in books kept for that purpose.

Minutes of each meeting signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting shall be evidence of the proceedings to which it relates.

The books containing the minutes of proceedings of the RC Meetings shall be kept by the Company at the Registered Office or any other place as may be determined by the Board and shall be open to the inspection of any members of the Board of Directors or RC members without charge.

**7. Circular Resolutions**

The RC is also allowed to carry out their resolutions by way of Circular Resolutions. A resolution in writing signed or approved via letter, telex, facsimile, email by all RC members shall be effective for all purposes as a resolution passed at a meeting of the RC duly convened, held and constituted. Any such resolution may be contained in a single document or may consist of several documents all in the like form signed by one or more members.