



PROGRESSIVE IMPACT CORPORATION BERHAD

(Company No: 203352-V)

(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

A. Composition of the Remuneration Committee (“RC”)

- (1) The RC shall be appointed by the Board of Directors from amongst their members and shall consist of at least two (2) members.
- (2) The RC shall only comprise of non-executive directors and a majority of them must be independent directors.
- (3) In the event of any vacancy in the RC resulting in the non-compliance of the above, the Company must fill the vacancy within three (3) months.
- (4) The Chairman shall be elected by the RC from among their members who shall be an independent director.

B. Duties and Responsibilities of RC

The RC shall be responsible for:

- (a) developing and administering a fair and transparent procedure for setting policy on remuneration; and
- (b) ensuring the remuneration packages are determined on the basis of directors and senior management’s merit, qualification and competence, having regard to the Company’s operating results, individual performance and comparable market statistics.

The remuneration package of non-executive directors should be determined by the Board of Directors as a whole.

In the event that the remuneration package of a RC member is to be discussed, the RC member concerned should abstain from the discussion of his/her own remuneration package.

The RC, whether as a full committee or in their individual capacity, be able to obtain independent professional advice at the Company's expense in accordance with the procedures set out in the Board Charter, when deemed necessary.

C. Procedure of RC Meetings

(1) Frequency of Meetings

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

(2) Venue and Participation

The RC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable 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.

(3) Notice

The notice of the RC meetings and meeting materials shall be circulated at least five (5) business days before each meeting to members of the RC. Notice of meetings shall be given in writing and served to the RC member either personally or by email, fax, post or by courier to his/her registered address as appearing in the Register of Directors or to the address provided by the RC member, as the case may be.

(4) Quorum

The quorum shall consist of a two (2) members, one of whom must be an independent director. In the absence of the Chairman of the RC, the members present shall elect one of their numbers to chair the meeting.

(5) Attendance

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

(6) Voting

A resolution put to the vote of the meeting shall be decided on a show of hands. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote (except where 2 members form the quorum).

(7) Keeping of Minutes

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.

(8) Custody, production and inspection of such minutes

Minutes shall be kept by the Company at the Registered Office and shall be open to the inspection of any RC member or Board member.

D. Written Resolutions

A resolution in writing signed or approved via letter, telex, facsimile, email by all Committee 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.

E. Secretary

The Company Secretary of the Company or such substitute as appointed by the Directors or the RC from time to time shall act as the Secretary of the RC.

Last reviewed by the Board on 20 November 2017.