

CAB CAKARAN CORPORATION BERHAD

(200201015998) (583661-W)
(Incorporated in Malaysia)

HALAL COMMITTEE**TERMS OF REFERENCE**

The Halal Committee was established on 28 May 2013.

These Terms of Reference shall supersede all previous established terms of reference.

The Halal Committee (“HC”) is governed by the following Terms of Reference:-

1.0 Authority and General Scope

- 1.1 The Board has constituted the HC with the authorities necessary to perform the duties as outlined in these Terms of Reference.
- 1.2 The objectives of the Halal Committee (“HC”) are to ensure that the relevant products produced by CAB Cakaran Corporation Berhad (“CAB” or “the Company”) comply with the requirements of the Malaysian Halal Standards in accordance with the Syariah Law in ensuring that products produced are halal, clean and safe for consumption. The integrity of the process starts from sourcing of raw materials to manufacturing, preparing, processing, packing, storing and distributing of the products.
- 1.3 The HC is authorised to form the Halal Sub-Committee where majority of the sub-committee members are made up of muslim employees from relevant departments in the Company who plays a very important role in assisting the HC members in ensuring the halal standards are applied on a continuous basis.
- 1.4 The HC in carrying out its tasks under these Terms of Reference may obtain such external or other independent professional advice as it considers necessary to carry out its duties after consultation with the Chairman and/ or CEO/ Group Managing Director at the expense of the Company through an agreed procedures laid down formally.
- 1.5 These Terms of Reference may from time to time be amended as required, subject to the approval of the Board of Directors.

2.0 Membership

- 2.1 The HC shall consist of not less than five (5) members; comprising of a Patron who is experienced in Syariah Law issues and a member of the Board of Directors who is competent in related to Syariah Law requirements and three (3) other members, all of whom are appointed by the Board of Directors.



- 2.2 The Chairman of HC shall be a member from the Board. In the absence of the Committee Chairman, the remaining members present shall elect one of their members to chair the meeting.
- 2.3 A representative from the HC shall be the Chairman of the Halal Sub-Committee.
- 2.4 A member who wishes to retire or resign from the HC shall notify the Committee/Board in writing, giving at least two (2) months' notice.
- 2.5 The office of the Chairman shall become vacant upon the resignation/retirement/removal or disqualification as a Director of the Company, or as determined by the Board.
- 2.6 The HC shall have responsibilities in regards to Halal Compliance.

3.0 Duties and Responsibilities

- 3.1 To advise the Board of Directors and management on halal issues in order to ensure adherence to halal requirements of the Malaysian Halal Standards in accordance with the Syariah Law and standards by the Company.
- 3.2 To monitor through inspection and auditing the factory business activities of the Company in ensuring that products are halal and conform to Syariah Standards and Company standard.
- 3.3 To endorse brands and products produced by the Company are halal to be consumed by all.
- 3.4 To ensure compliance of the entire supply chain process with the requirements set by the competent halal authority.
- 3.5 To monitor, control, improve and preventing any non-compliance in producing halal products in each respective companies of CAB.
- 3.6 To monitor and control the halal assurance system and to ensure effectiveness.

4.0 Meetings

The secretary of the HC shall be any member of the Halal Committee or Sub-Committee.

4.1 Frequency of meetings and attendance

- 4.1.1 Meetings of the HC will be held as the HC deems to be appropriate; however, the HC should meet at least every three (3) months.
- 4.1.2 Meetings should be organised so that attendance is maximised.
- 4.1.3 A meeting may be called, at any other time, by the Chairman of the HC or any member of the HC. Any Director or management member maybe invited to the meetings.

4.2 Quorum and Voting

- 4.2.1 The quorum for meeting of HC shall be three (3).
- 4.2.2 Each member present shall have one vote except the Patron (non-voting). All resolutions passed in the meeting shall be by majority of votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.

4.3 Notice of Meetings

- 4.3.1 Meetings of the HC shall be arranged by the Secretary at the request of the HC Chairman or any other member of the HC.
- 4.3.2 The notice of each meeting confirming the date, time, venue and agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the HC in advance of each scheduled meeting date. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

4.4 Minutes of Meetings

- 4.4.1 The Secretary shall minute the proceedings and resolutions of all meetings of the HC, including the names of those present and in attendance.
- 4.4.2 Minutes of all meetings shall be confirmed by the Chairman of the meeting and circulated to all the members of the HC. Such minutes signed by the Chairman of the HC shall be conclusive evidence without any further proof of the facts thereon stated.
- 4.4.3 If the Chairman of the HC so decides the minutes shall be circulated to other members of the Board, any Director may, provided that there is no conflict of interest and with the agreement of the Chairman, obtain copies of the HC's minutes.

5.0 Reporting Procedures

- 5.1 The HC is authorised to regulate its own procedures and in particulars the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.
- 5.2 The minutes of meetings shall be circulated by the Secretary of the Committee to the Committee members. The Chairman of the Committee shall report to the Board after each HC meeting.
- 5.3 The HC shall liaise with the Board to produce a HC's report to be included in the Company's annual report about its duties and activities and any other information as the HC deems necessary to assist the Board in making disclosure in the annual report in accordance with the Best Practices of the Malaysian Code on Corporate Governance.

The terms of reference were approved by the Board on 28 November 2013.