

**CAB CAKARAN CORPORATION BERHAD**

(Company No. 583661-W)  
(Incorporated in Malaysia)

**REMUNERATION COMMITTEE****TERMS OF REFERENCE**

The Remuneration Committee was established on 6 February 2004.

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

The Remuneration Committee ("RC") is governed by the following terms of reference:-

**1.0 Authority and General Scope**

- 1.1 The Board has constituted the RC with the authorities necessary to perform the duties as outlined in these Terms of Reference.
- 1.2 The RC in carrying out its tasks under these terms of reference may obtain outside legal or other independent professional advice, as it considers necessary and reasonable to carry out its duties, at the expense of the Company.
- 1.3 The Board will ensure that the RC has sufficient resources to undertake its duties, including access to the services of the Company Secretary on all RC matters, seek any information it requires from employees, company officers and external parties.
- 1.4 The Board as a whole determines the remuneration of the Executive and Non-Executive Directors (including Non-Executive Chairman). Individual directors abstain from discussion of their own remuneration packages.
- 1.5 These terms of reference may from time to time be amended as required, subject to the approval of the Board.

**2.0 Membership**

- 2.1 The RC shall be appointed by the Board of Directors from amongst their members. The RC shall consist of not less than three (3) members who must all be independent.
- 2.2 The Committee shall elect a Chairman from amongst their number.
- 2.3 If the number of members, for whatever reasons, falls below three (3), the Board of Directors shall, within three (3) months of the event, appoints such number of new members as may be required to make up the minimum number of three (3) members.
- 2.4 A member who wishes to retire or resign from the RC shall notify the Board in writing, giving at least one (1) months' notice.



2.5 The office of a member shall become vacant upon the member's resignation/retirement/removal or disqualification as a Director of the Company.

### 3.0 **Duties and Responsibilities**

3.1 Develop and agree with the Board the framework remuneration policy for the executive Directors, CEO and senior management with the aim to attract, retain and motivate high calibre individuals required by the Board on long term basis and so structured as to align their interests with those of the Company and its shareholders.

3.2 Review and make recommendations to the Board the remuneration packages and other terms of employment for each of the Executive Directors, CEO and senior management, taking into account the market rates so as to link rewards to the Group and individual performance, drawing from outside advice as necessary. The Executive Directors should play no part in the decisions of their own remuneration.

3.3 To review and recommend to the Board the remuneration packages for Non-Executive Directors, taking due account of their experience and degree of responsibilities undertaken.

3.4 To review indemnity and liability insurance policies for the Directors and Officers of the Company.

3.5 To carry out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board of Directors from time to time as to in line with the directions of the Board.

3.6 Review the on-going appropriateness and relevance of the remuneration policy.

3.7 To consider and examine such other matters as the RC considers appropriate.

### 4.0 **Meetings**

The Company Secretary shall be the secretary of the Committee.

#### 4.1 **Frequency of meetings and attendance**

4.1.1 The meetings shall be held at least once a year. Additional meetings may also be held by the RC to discuss other issues, which the RC considers necessary.

4.1.2 Meetings should be organised so that attendance is maximised.

4.1.3 The RC shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.

#### 4.2 **Quorum and voting**

4.2.1 The quorum necessary for the transaction of business shall be two (2). A duly convened meeting of the RC at which a quorum is present shall be competent to

exercise all or any of the authorities, power and discretion vested or exercisable by the Committee.

4.2.2 Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.

4.2.3 In the absence of the Chairman of the Committee, the members present shall elect one of their members to chair the meeting.

#### 4.3 Notice of Meetings

4.3.1 Meetings of the RC shall be arranged by the Secretary at the request of the RC Chairman or any other member of the RC.

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 RC 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 RC, 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 promptly to all members of the RC, once agreed, to all members of the Board, unless a conflict of interest exists.

### 5. Reporting Procedures

5.1 The RC 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 RC meeting.

### 6. Advisors

6.1 The Committee is authorized by the Board to appoint professional advisors as and when it considers necessary.

The terms of reference were reviewed and approved by the Board on 20 December 2019.