

IPMUDA BERHAD – TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. OBJECTIVE

The Remuneration Committee is primarily responsible for recommending to the Board the remuneration of Executive Directors and senior management. The determination of remuneration packages of non-Executive Directors is the responsibility of the Board as a whole. Individual directors concerned shall abstain from deliberations and voting on decisions in respect of his individual remuneration package.

2. COMPOSITION

The Remuneration Committee shall be appointed by the Board and shall comprise of at least three (3) members with a majority being non-Executive directors.

The members of the Remuneration Committee shall appoint a Chairman from among their number who shall be an independent director.

3. FUNCTIONS

The functions of the Remuneration Committee shall include the following:

- i) To recommend to the Board the remuneration of the Executive Directors in all its forms, drawing from external advice where necessary.
- ii) To establish a formal procedure for developing policy on Executive Directors' remuneration.
- iii) To review and recommend the directors' fees payable to non-executive directors and independent non-executive directors to reflect the contribution of each individual director;
- iv) To review and approve remuneration packages of senior management (who are not Directors) to ensure that they are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.
- v) To act in line with the directions of the Board.
- vi) To carry out such other functions as referred to the Remuneration Committee by the Board of Directors.

4. NOTICES

A member may at any time, and the Secretary, upon the request of a member, shall convene a meeting of the Remuneration Committee. Unless otherwise determined by the members, three (3) days' notice specifying the place, date and hour of the meeting of the Remuneration Committee and the business to be discussed thereat shall be given to all the members.

5. MEETINGS, QUORUM AND VOTING

Meetings of the Remuneration Committee shall be held at least once a year. Additional meetings shall be scheduled as considered necessary by the Remuneration Committee or Chairman of the Remuneration Committee.

The quorum for each meeting of the Remuneration Committee shall be at least two (2) members present of which one (1) shall be an independent director.

Questions arising at any meeting of the Remuneration Committee shall be determined by a majority of votes of the members present. The Chairman of a meeting of the Remuneration Committee shall have a casting vote in the case of an equality of votes Provided that there are more than two (2) members present competent to vote on the question at issue.

However, where two (2) members form a quorum, the Chairman of a meeting of the Remuneration Committee at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote.

6. RESOLUTIONS IN WRITING

A resolution in writing signed by a majority of the Remuneration Committee members for the time being shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Remuneration Committee members. Any such document may be accepted as sufficiently signed by a Remuneration Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Remuneration Committee member.

7. SECRETARY, MINUTES AND RESOLUTIONS

The Company Secretary shall act as Secretary of the Remuneration Committee.

The Secretary shall also be responsible for keeping the minutes and resolutions of the Remuneration Committee and circulate the same to all members of the Board.

8. REVIEW OF THE TERMS OF REFERENCE

The members of the Remuneration Committee will review the above terms of reference from time to time whenever deem necessary for approval by the Board.