

# NOMINATING & REMUNERATION

## COMMITTEE

---

### 1. OBJECTIVE

The primary objective of the NRC is to provide a formal and transparent procedure on the following:-

- (a) Recommendation/endorsement/adoption on the appointment/re-appointment/removal of Board of Directors ('Board'), Board Committee Members, Directors of Subsidiaries, Nominee Directors of joint venture companies and Key Senior Management Officers as well as;
- (b) To assess the effectiveness of individual Directors, the Board as a whole and the various Committees of the Board; and
- (c) Developing/evaluating/assessing a remuneration policy for Board, Board Committee Members, Nominee Directors and Key Senior Management Officers as well as ensuring that compensation is competitive and consistent with the Company's culture, objectives and strategies.

### 2. RESPONSIBILITIES AND DUTIES

The roles and responsibilities of NRC are as follows:

- (a) Establish minimum requirements for the Board to perform their responsibilities effectively;
- (b) Oversee the overall composition of the Board and Board Committee Members in terms of the appropriate size and skills, the balance between Non-Executive and Independent Directors, and mix of skills and other core competencies required through annual reviews;
- (c) Establish a mechanism for formal assessment and assessing the effectiveness of the Board as a whole, the contribution by each Director to the effectiveness of the Board, the contribution of the Board's various Committees;
- (d) Recommend to the Board on the removal of Director if he/she is ineffective, errant or negligent in discharging his/her responsibilities for Board approval;
- (e) Ensure that all Directors undergo appropriate induction programme and received continuous training in order to keep abreast with the latest developments in the industry;
- (f) Evaluate the performance of the Chief Executive Officer ('CEO') before submission to the Board for its approval;
- (g) Overseeing the management succession planning and performance evaluation of Key Senior Management Officers for Board's approval;
- (h) Recommend to the Board the removal of Key Senior Management Officers if they are ineffective, errant and negligent in discharging their responsibilities;
- (i) To consider any other matters as referred to the Committee by the Board;

- (j) Recommend a framework of remuneration for Directors and Key Senior Management Officers. The remuneration policy should :-
- (i) Be documented and approved by the full Board and any changes thereto should be subject to the endorsement of the full Board;
  - (ii) Reflect the experience, responsibility and commitment in their work as Directors of all Boards and committees under the Group and Key Senior Management Officers;
  - (iii) Sufficient to attract and retain directors and Key Senior Management Officers of the appropriate calibre, experience and quality needed to manage the Group successfully;
  - (iv) Be balanced against the need to ensure that the funds of the Company are not used to subsidise excessive remuneration packages; and
  - (v) The framework should cover all aspects of remuneration including directors' fees, salaries, allowances and benefit-in-kind.
- (k) Recommend specific remuneration packages for Directors and Key Senior Management Officers for Board's approval;
- (l) Assess and approve specific remuneration packages of Key Senior Management Officers;  
For clause (j) and (k) above, the remuneration packages should (where relevant):-
- (i) Be competitive and is consistent with the Group's culture, objective and strategy.
  - (ii) Take due consideration of the assessments of NRC of the effectiveness and contribution of the Key Senior Management Officers.
- (m) Assess and endorse the schemes, Terms of Services and new Terms for Executives and staff of the Group for Board approval;
- (n) Recommend the quantum of bonus payment of the CEO based on the assessment of the NRC on the performance of CEO; and
- (o) To consider any other matters as referred to the Committee by the Board.

### 3. NRC MEETINGS AND ATTENDANCE

During the financial year ended 31 December 2015, NRC held 4 meetings. A record of the attendance of NRC Members is as follows:

MEMBERS	NO. OF MEETINGS ATTENDED
Dato' Ir Abdul Rahim bin Abu Bakar (Chairman) <i>(Resigned w.e.f 3 June 2016)</i>	4/4
Taufiq Ahmad @ Ahmad Mustapha bin Ghazali	4/4
Datin Rashidah binti Mohd Sies	3/4
YBhg Dato' Capt. Haji Ahmad bin Othman <i>(Appointed on 29 September 2015)</i>	1/1*

\* Reflects the number of meetings attended during the time the Director held office.