



**TH PLANTATIONS BERHAD
(12696-M)**

**TERMS OF REFERENCE OF
THE REMUNERATION COMMITTEE**



1. COMPOSITION

The Committee shall be appointed by the Board from among the Directors of the Company and shall comprise wholly or mainly of Non-Executive Directors. The Committee shall consist of at least three (3) members.

2. QUORUM

Two (2) members shall form a quorum for each meeting.

3. CHAIRMAN

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-Executive Director. In the absence of the Chairman of the Committee, the remaining members shall elect one of their members as Chairman of the meeting.

4. SECRETARY

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

5. MEETINGS AND MINUTES

- a. The Committee shall meet at least once a year or at such other times as the Chairman of the Committee deem necessary.
- b. The Secretary shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda not less than five (5) days prior to the meeting.
- c. Minutes of each meeting shall be distributed to each member of the Board.
- d. Questions arising shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. Provided that where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question in issue, shall not have a casting vote.



- e. A resolution in writing by a majority of the Committee Members which shall consist of the signatures of at least two (2) Independent Directors shall be valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

6. FUNCTIONS AND RESPONSIBILITIES

The functions and responsibilities of the Committee shall include the following:

- a. To recommend to the Board the remuneration framework for Executive Directors as well as the remuneration package for each Executive Director (if applicable), based on the Company's Scheme of Service;
- b. To recommend to the Board the allowance and benefits of Non- Executive Directors;
- c. To recommend to the Board the seating allowance of the Directors and Committee members;
- d. To recommend to the Board any review on the Company's Scheme of Service, whenever deemed necessary and appropriate; and
- e. To recommend to the Board the remuneration framework and the remuneration package, allowances, bonus etc. for senior management personnel based on the Company's Scheme of Service.

7. STRUCTURES AND PROCEDURES

- a. The remuneration of Directors shall be the ultimate responsibility of the Board after considering the recommendations made by the Committee.
- b. The CEO/ED does not participate in discussions pertaining to his own remuneration.
- c. The determination of remuneration packages of NEDs, including the Non-Executive Chairman shall be a matter to be considered by the Board as a whole and thereafter to be put forth to the shareholders for approval.



- e. The level of remuneration should be sufficient to attract and retain the Directors needed to steer the Company successfully. In the case of Executive Directors, the components of the remuneration should be structured so as to link rewards to corporate and individual performance. The level of remuneration should reflect the experience and responsibilities undertaken by the NEDs concerned.

8. REPORTING PROCEDURES

- a. The actual decision as to the remuneration framework and the remuneration package, allowances, bonus etc. shall be the responsibility of the Board after considering the recommendations made by the Committee.
- b. The Committee should report to the Board for its consideration and implementation.

9. ACCESS TO ADVICE

In the furtherance of their duties as Committee members of the Company, there shall be an agreed procedure for the members, whether as a full committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.