

**MTAG GROUP BERHAD (1262041-V)**  
**(“MTAG” or “Company”)**

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

**I. PURPOSE**

The Board of Directors of the Company (“Board”) has established a committee of the Board known as Remuneration Committee (“RC” or “Committee”) to assist the Board in discharging the following duties and responsibilities as set out in its Terms of Reference:-

- (i) To provide assistance to the Board in establishing the policy and framework for the Directors’ remuneration and the remuneration of certain senior management personnel, including the setting of their key performance indicators;
- (ii) To ensure that the Group’s remuneration and incentive policies, practices and key performance indicators are appropriately established and are aligned with the Group’s vision, values and business objectives and market trends;
- (iii) To provide assistance to the Board on matters relating to, amongst others, management grievances, compensation strategy, management development and other compensation arrangements;
- (iv) To ensure corporate accountability and governance in respect of the Board remuneration and compensation; and
- (v) To perform such other functions as may be requested by the Board.

**II. COMPOSITION**

- 1. The Committee shall consist of at least three (3) members all of whom shall be appointed by the Board amongst its Directors. The Committee shall comprise exclusively of Non-Executive Directors, with a majority being Independent Non-Executive Directors.
- 2. The Chairman of the Committee shall be appointed by the Board amongst the Committee members and shall be an Independent Director.
- 3. All members of the Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company. Should any member of the Committee cease to be a Director of the Company, his membership in the Committee will cease forthwith.
- 4. In the event the number of the Committee’s members is reduced to below three (3) due to whatsoever reason, the Board must fill the vacancy within three (3) months from the date of occurrence of event.

### **III. MEETINGS**

1. The RC shall meet at least once a year or as and when circumstances dictate.
2. The Company Secretary or other persons appointed by the Board (if any) shall be the Secretary of the Committee.
3. Two (2) members present at a meeting shall form a quorum.
4. The Chairman of the RC shall chair the Committee's meetings. If he is not present at any meeting within fifteen (15) minutes of the time appointed for holding the same, the members of the RC present shall choose one of their number to be the chairman of the meeting.
5. The minutes of the RC meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.
6. A resolution in writing, signed by all members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Committee members.

### **IV. REPORTING**

The Committee, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each Committee meeting. When presenting any recommendation to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

### **V. SECRETARY**

The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman of the Committee, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting and shall be entrusted to record all proceedings and minutes of all meetings of the Committee.

The minutes of the Committee, when approved by the Committee and signed by the Chairman of the Committee, should be circulated to the Board.

Approved and adopted on 24 October 2018