

MPHB CAPITAL BERHAD (1010253-W)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

(I) COMPOSITION OF REMUNERATION COMMITTEE

Members

The Committee shall be appointed by the Board of Directors (“the Board”) from amongst their members (pursuant to a resolution of the Board) consisting wholly or mainly of non-executive directors.

Secretary

The Company Secretary of MPHB Capital Berhad shall act as the Secretary of the Remuneration Committee.

(II) FUNCTIONS OF REMUNERATION COMMITTEE

The functions of the Remuneration Committee are as follows:-

- (a) To determine and recommend to the Board the broad policy or framework for remuneration packages of the Company’s or Group’s chief executive officers, executive directors and such other members of the senior management as it is designated to consider.
- (b) To establish a formal and transparent procedure for developing policies on the total individual remuneration package of executive directors including, where appropriate, bonuses, incentives and share options.
- (c) To formulate and recommend to the Board the remuneration package for all executive directors with the aim of attracting and retaining high caliber directors.
- (d) To review and recommend to the Board of any change in the executive directors’ remuneration policy and package and any other issues relating to benefits of executive directors on an annual basis.
- (e) To review any major changes in employee benefit structures throughout the Company or Group and if thought fit, to recommend to the Board for adoption.
- (f) To review and recommend to the Board for adoption the policy or framework for the Company’s annual employees incentive scheme which may include merit increment, merit bonus and other incentives.

(III) MEETINGS AND REPORTING PROCEDURES

- (a) The Remuneration Committee shall meet at least once a year and a quorum of three(3) is required to convene the meeting.
- (b) Other directors and employees shall attend any particular Remuneration Committee meeting only at the invitation of the Remuneration Committee.

MPHB CAPITAL BERHAD (1010253-W)

REMUNERATION COMMITTEE

- (c) The Secretary of the Remuneration Committee is responsible for:-
 - (i) drawing up the agenda in consultation with the Chairman, and circulating it, supported by explanatory documentation, to the committee members prior to each meeting;
 - (ii) recording attendance of all members and invitees;
 - (iii) preparing and keeping minutes of meetings.
- (d) The Remuneration Committee meeting minutes are to be extended to the Board.