

**TERMS OF REFERENCE
OF THE REMUNERATION COMMITTEE
OF IMASPRO CORPORATION BERHAD**

1. MEMBERS

- 1.1 The members of the Remuneration Committee (“RC”) shall be appointed by the Board of Directors of ICB and shall consist of not less than three (3) members.
- 1.2 The RC shall comprise exclusively non-executive directors with a majority of whom must be Independent Directors.
- 1.3 Where the members for any reason are reduced to less than three (3), that Board shall within three (3) months of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.
- 1.4 All members shall hold office only for as long as they serve as directors of ICB.
- 1.5 No alternate directors shall be appointed to the RC.
- 1.6 The Board of Directors must review the term of office and performance of the Committee and each of its members annually to determine whether such Committee and members have carried out their duties in accordance with their terms of reference.

2. CHAIRMAN

The Chairman shall be elected by the Committee from among their members. The Chairman of the Remuneration Committee shall be an independent director.

3. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the RC are as follows:

- 3.1 Review and recommend to the Board on the total individual remuneration package for executive directors and senior management personnel including, where appropriate, bonuses, incentive payments within the terms of the agreed remuneration policy and based on individual performance.
- 3.2 Review and recommend to the board on the remuneration of non-executive directors, particularly on whether the remuneration remains appropriate to each Director’s contribution, by taking into account the level of expertise, commitment and responsibilities undertaken.
- 3.3 Support the board in actively overseeing the design and operation of the company’s remuneration system.
- 3.4 Oversee the qualitative and quantitative disclosures of remuneration made in the annual report and notice to general meetings.
- 3.5 Provide clarification to shareholders during general meetings on matters pertaining to remuneration of Directors and senior management as well as the overall remuneration framework of the company.

- 3.6 To recommend a bonus scheme for all employees including the executive directors.
- 3.7 To propose an aggregate annual fee for non-executive directors to be divided amongst the non-executive directors as the Board may decide and such fee is tabled to the shareholders of the Company for their approval.

The Company's Constitution provides that any increase in directors' fees should be approved at a general meeting.

- 3.8 To ensure the remuneration payable to directors is in accordance with the Constitution of the Company.

The respective directors and senior management shall play no part in decisions on their own remuneration. The directors who are shareholders should abstain from voting at general meetings to approve their fees.

The determination of remuneration packages of non-executive directors, including non-executive chairman, should be determined by the Board as a whole and the individuals concerned should abstain from deliberations and voting on decision in respect of their own remuneration.

The remuneration of the directors (except salaries payable to the executive directors for their services) shall from time to time be determined by the Company in a general meeting.

The fees and benefits for independent non-executive directors should not conflict with their obligation to bring objectivity and independent judgement on matters discussed at board meetings.

The details of the remuneration of each the Director during the financial year should be disclosed in the annual report.

4. AUTHORITY OF THE COMMITTEE

The Committee is authorised by the Board in accordance with the procedures to be determined by the Board (if any) and at the cost of the company to:

- 4.1 investigate any activities within its Terms of Reference, or as directed by the Board of Directors.
- 4.2 determine and obtain the resources required to perform its duties.
- 4.3 have full and unrestricted access to any information pertaining to the Company or the Group.
- 4.4 to review the adequacy of the structure and Terms of Reference of the RC.

5. PROCEDURE OF COMMITTEE MEETINGS

5.1 Quorum

No business shall be transacted at any meeting of the Committee unless a quorum is present. The quorum for each meeting shall be two (2) members present in person, with majority of independent non-executive directors.

5.2 Frequency of meetings

- (a) The Committee shall convene meetings as and when required, and at least once a year, or as and when necessary.
- (b) The number of RC meetings held during the financial year and the details of attendance of each individual member in respect of meetings held should be disclosed in the annual report.

5.3 Calling of meetings

- (a) The Chairman of the Committee, or the Secretary on the requisition of any members, shall at any time summon a meeting of the Committee.
- (b) The RC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the Nomination Committee members as a whole to participate for the entire duration of the meeting, and that all information and documents for the meeting must be made available to all members prior to or at the meeting. A minute of the proceedings of such meeting is sufficient evidence of the proceedings to which it relates.

5.4 Notice

Unless otherwise agreed or in the case of an emergency, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be given in writing together with the relevant papers to each member and any other attendees, if any, at least five (5) business days in advance of the meeting. The notice of each meeting shall be served to the member either personally or by fax or e-mail or by post or by courier or by email or other electronic means provided by the NC member.

5.5 Keeping of Minutes

The minutes of each 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 and kept as part of the statutory record of the Company upon confirmation by the Board and a copy shall be circulated to each member.

5.6 Custody, production and inspection of such minutes

The minutes shall kept by the Company at the Registered Office in Malaysia of the Company, and shall be open to the inspection of any member of the committee without charge.

5.7 Written Resolutions

A written resolution signed or approved via letter, telefax, e-mail or other electronic means by the RC members who may at the time be present in Malaysia and who are sufficient to form a quorum, shall be as valid and effectual as if it has been passed at a meeting of the RC duly convened, held and constituted. Any such resolution may be executed in any number of counterparts, each signed by one or more members of the committee all of which taken together and when delivered to the secretary of the committee shall constitute one and the same resolution.

5.8 Attendance

- (a) The Chairman of the Committee shall chair the Committee meetings and in his absence, the members present shall elect one amongst themselves to be the Chairman of the meeting.
- (b) The company secretary shall normally attend the meetings but may be asked to leave a meeting as and when deemed necessary by the Committee.

Non-member directors shall not attend meetings unless specifically invited by the Committee.

5.9 Voting

A Committee member shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for the member. Where this causes insufficient directors to make up a quorum, the Committee has the right to make up a quorum. The Committee has the right to appoint another director(s), who meets the membership criteria.

5.10 Reporting Responsibilities

The Chairman of the RC shall report to the Board of Directors on its proceedings after each RC meeting. The RC shall make recommendations to the Board of Directors as appropriate on any area within its responsibility or as delegated by the Board of Directors, where action or improvement is needed.

6. DISCLOSURE

The Board requires all directors to submit a Disclosure of Interest to avoid any conflict between their personal interests and the interests of the Company. In the event of a conflict, either perceived or actual, this Disclosure of Interest shall be submitted to the Chairman of the Committee with a copy to the Company Secretary.

7. REVISION OF TERMS OF REFERENCE

- 7.1 Any revision or amendment to the Terms of Reference, as proposed by the Committee or any third party, shall be presented to the Board for its approval.
- 7.2 Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

(Revised on 27 August 2018)