

ONLY WORLD GROUP HOLDINGS BERHAD (1033338-K)
TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Definition:

- “Committee”** : The remuneration committee of the Company.
- “Company”** : Only World Group Holdings Berhad and by whatever name from time to time called.
- “CEO”** : The principle executive officer of the Company for the time being, by whatever name called, and whether or not he is a director.
- “Listing Requirements”** : Bursa Malaysia Securities Berhad Main Market Listing Requirements including any relevant practice and/or guidance notes, directives, guidelines issued pursuant thereto and any amendment, modification, supplemental to the listing requirements that may be made from time to time.
- “Board” or “Directors”** : The directors for the time being of the Company or such number of them as have authority to act for the Company.
- “Designated Stock Exchange”** : Bursa Malaysia Securities Berhad (Company No. 635998-W) for so long as the shares of the Company are listed and quoted on the Bursa Malaysia Securities Berhad and/or such other stock exchange in respect of which the shares of the Company may be listed or quoted.
- “Secretary”** : Any person or persons jointly appointed to perform the duties of a secretary of the Company including any person(s) appointed temporarily and any representative of the secretary.

1. Composition and Membership

- 1.1 The Board must appoint the members of the Committee from amongst its Directors comprise exclusively or a majority of non-executive directors.
- 1.2 The size of the Committee shall consist of not less than three (3) members.

2. Chairman of the Committee

- 2.1 The members of the Committee must elect a chairman among themselves who is a non-executive director.
- 2.2 If the Chairman is not present at a meeting within five minutes after the time appointed for holding the meeting, the members of the Committee may elect one of their members to be the chairman of the meeting.

3. Duties and Responsibilities of the Committee

- 3.1 The Committee, amongst others, shall discharge the following duties and responsibilities:
- (a) recommending to the Board the policy framework and remuneration structure for the executive and non-executive directors;
 - (b) establishing a formal and transparent remuneration policies and procedures which should be sufficient to attract, retain and motivate Directors and key management team of calibre needed to run the Group successfully. Executive directors are to abstain from deliberations and voting on the decision in respect of their own remuneration package;
 - (c) the level of remuneration of executive directors is linked to the corporate and individual performance. In the case of non-executive directors, the level of remuneration should reflect the experience and level of responsibilities undertaken by particular non-executive director concerned;
 - (d) the determination of remuneration packages of non-executive directors, including non-executive chairman should be decided by the Board as a whole. The individuals concerned should abstain from discussion of their own remuneration;
 - (e) establishing a formal and transparent procedure for developing policy on the total individual remuneration package of executive directors, CEO and/or other designated executive management including, where appropriate, bonuses, incentives and share options;
 - (f) assisting the Board in assessing the responsibility and commitment undertaken by the Board membership;
 - (g) fees are to be paid to Directors only with the approval of shareholders at annual general meetings;
 - (h) reviewing and presenting recommendations to the Board regarding the remuneration and conditions of service of the executive directors and key management team, in all its form including the grant of entitlement under any share schemes; and
 - (i) ensuring corporate accountability and governance in respect of the remuneration of the Directors and key management personnel and other relevant functions.

4. Attendance of Other Directors and Employees

- 4.1 The Board must ensure that other Directors and employees attend any particular Committee meeting only at the Committee's invitation, specific to the relevant meeting.

5. Procedure of the Committee Meetings

5.1 Frequency of Meetings

The Committee shall meet at least once a year and otherwise as required.

5.2 Quorum

- (a) In order to form a quorum in respect of a Committee meeting, the majority of members present must be non-executive directors.

- (b) A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested by the Committee.

5.3 Notice of Meetings

Meetings of the Committee shall be summoned by the Secretary at the request of any of its members.

5.4 Minutes of Meetings

- (a) The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- (b) The Secretary should ascertain, at the beginning of each meeting, the existence of any conflict of interest and minute them accordingly.
- (c) Minutes of the Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.
- (d) The Secretary shall keep record of all conclusions and resolutions passed at all Committee meetings, including the names and signatures of the attendants.
- (e) Full minutes of the Committee meetings shall be kept by the Secretary.

- 5.5 A resolution in writing signed, confirmed or approved by letter, telegram, telex or facsimile, email or other means of written communications by majority of the members (and for so long as the shares of the Company are listed on the Designated Stock Exchange shall include at least two (2) non-executive directors) shall be valid and effectual as if it has been passed at a meeting of the members duly called and constituted provided that such number of members approving the resolution is sufficient to constitute a quorum and any such signed resolution, confirmation or approval by letter, telegram, telex or facsimile, email or other means of communications may consist of several or disparate forms of communication, each signed, confirmed or approved by any one or more members. All such resolutions shall be described as "Remuneration Committee's Circular Resolutions" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him/her in the Company's minute book. Any such resolution may consist of several documents in like form, each signed by one or more members. A resolution which has been confirmed or approved by letter, telegram, telex, facsimile, email or other means of communications by a member shall be subsequently signed by that member as soon as possible and delivered to the Secretary, but may be acted upon by the Company meanwhile. The expressions "in writing" and "signed" include approval by any such member by telefax or any form of electronic communication approved by the members for such purpose from time to time incorporating, if the members deem necessary, the use of security and/or identification procedures and devices approved by the members.

5.6 Annual General Meeting ("AGM")

The Chairman of the Committee shall attend the AGM and prepared to respond to any shareholder's question on the Committee's activities.

6. Rights of the Committee

- 6.1 The Company must ensure that wherever necessary and reasonable for the performance of its duties, the Committee must, in accordance with a procedure to be determined by the Board and at the cost of the Company:

- (a) have authority to investigate any matter within its terms of reference;
- (b) have the resources which are required to perform its duties;

- (c) have full and unrestricted access to any information pertaining to the Company;
- (d) be able to obtain independent professional or other advice; and
- (e) be able to convene meetings excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

7. Review of the Committee

7.1 The Board of the Company must review the term of office and performance of the Committee and each of its members at least once every three (3) years to determine whether the Committee and such members have carried out their duties in accordance with their terms of reference.

8. Authority

8.1 The Committee is authorised:

- (a) to seek any information it requires from any employee of the Company in order to perform its duties;
- (b) to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference; and
- (c) to call any employee to be questioned at a meeting of the Committee as and when required.

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