

KIP REIT MANAGEMENT SDN BHD
(Company No. 1169638-M)
(Incorporated in Malaysia)

TERMS OF REFERENCE

OF

REMUNERATION COMMITTEE (“RC”)
(2017)

1.0 MEMBERSHIP

Remuneration Committee (“RC”) shall consist of not less than three (3) members which comprises exclusively or a majority of Non-Executive Directors.

2.0 CHAIRMAN

Members of the RC must elect a non-executive Chairman from amongst themselves to carry out the required functions.

3.0 SECRETARY

The Company Secretary shall be the Secretary of the RC. The Secretary shall assist in drawing up the notice and agenda of meetings, maintaining the minutes and ensuring that the proceedings of meetings are properly recorded, minuted and circulated. The minutes of meeting must be kept in the minute book for record purpose.

4.0 MEETING AND QUORUM

The RC shall meet at least once a year. The quorum for the meeting shall be two (2) members, a majority of whom must be non-executive directors. The Secretary shall on the requisition of the members of the RC summon a meeting of the RC. Reasonable notice of every RC meeting shall be given in writing except in the case of emergency.

The RC may also invite any other directors, Human Resource Manager or officers or employees of the Company, to attend any RC meeting as and when necessary.

If the Chairman is not present at a meeting within fifteen (15) minutes after the time appointed for holding the meeting, the members of the RC shall elect one of their numbers to be the Chairman of the meeting.

5.0 DUTIES AND FUNCTIONS

- To establish a formal and transparent remuneration policy or framework for directors, senior and key management personnel.
- To recommend the remuneration framework for Directors as well as the remuneration packages of CEO, Executive Directors, senior and key management positions such as Chief Financial Officer, Chief Operating Officer and Senior General Manager.
- To review the performance of and recommend to the Board for approving the annual total remuneration packages of individual executive directors and senior management.
- To review and recommend the remuneration of non-executive directors to the Board.
- To communicate with shareholders or unitholders on executive remuneration when necessary.
- To formulate and review the said remuneration packages with the aim of attracting, retaining and motivating individuals of the highest caliber which are required to manage the business of the Company and uphold shareholders’ and unitholders’ interest.
- To review and make recommendations on any other matters related to remuneration referred by the Board from time to time.
- To ensure that during the course of the Board’s deliberation in determining the remuneration packages for the Executive Directors, none of the Executive Directors shall participate in the aforesaid deliberation. Further, the concerned Directors shall abstain from participating in the decision-making process of their respective remuneration packages.

6.0 ANNUAL GENERAL MEETING

The Chairman of the RC should attend the annual general meeting of the Company to answer any shareholder or unitholder questions on the Committee’s activities, in particular on areas pertaining to the proposed resolution for shareholders or unitholders to consider the proposed Directors’ fees.

7.0 REPORTING RESPONSIBILITIES

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

8.0 AUTHORITY

The RC shall have the authority to access to resources and information as deemed appropriate for the discharge of its responsibilities to the Company and the KIP REIT, including obtaining independent professional advice at the expense of the Company and the KIP REIT and periodic review of its terms of reference against its performance.

9.0 REVIEW OF TERMS OF REFERENCE (“TOR”)

This TOR shall be reviewed from time to time.
