

TERMS OF REFERENCE FOR THE NOMINATION AND REMUNERATION COMMITTEE

PURPOSE

The Nomination and Remuneration Committee (NRC) was established by the Board of Directors with the primary objective to assess the effectiveness of the Board on an on-going basis and to recommend the Board the remuneration of the Executive Directors.

SIZE AND COMPOSITION

- i. The Nomination and Remuneration Committee shall be appointed by the Board of Directors of Mesiniaga from amongst their members.
- ii. The Committee shall consist of not less than three members, exclusively of non-Executive Directors, a majority of whom shall be Independent Directors.
- iii. The Chairperson of the Committee shall be an Independent Director.

MEETINGS AND QUORUM

- i. Meetings shall be held at least once a year.
- ii. The quorum for a meeting shall be at least two committee members.

SECRETARY

The Secretary of the Nomination and Remuneration Committee shall be the Head of Human Resources Department of the Company and as a reporting procedure, the minutes shall be circulated to all members of the Board.

AUTHORITY

The Nomination and Remuneration Committee is empowered to review and make recommendations for membership to the Board. The Committee also reviewed the performance and remuneration of Executive Directors and make recommendations to the Board on an annual basis. In relation to the remuneration of the Non-Executive Directors, the Committee reviews the remuneration package by comparing with peer companies and make recommendations to the Board.

DUTIES AND RESPONSIBILITIES

- i. Administer the selection and assessment of Directors.
- ii. Ensuring that Board composition meets the needs of the Company.
- iii. Develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors.
- iv. Assess and recommend to the Board the candidature of Directors, appointment of Directors to Board Committees, review of Board's succession plans and training programmes for the Board.
- v. Establish formal and transparent remuneration policies and procedures to attract and retain Directors.
- vi. Review the performance of Executive Directors based on KPIs.
- vii. Perform other related duties as directed by the Board of Directors.