

ZHULIAN®

ZHULIAN CORPORATION BERHAD

Company No. 199701000031 (415527-P)

(Incorporated in Malaysia)

TERMS OF REFERENCE
**REMUNERATION
COMMITTEE**

1. Objectives

In accordance with the MCCG, the Remuneration Committee (“the Committee”) is set up to provide recommendations to the Board on the remuneration of the Executive Directors (“EDs”) of the Company and the Group in all its forms such that the component parts of remuneration are structured to link rewards to corporate and individual performance.

EDs should play no part in decisions on their own remuneration while the fees of the Non-Executive Directors, including that of Non-Executive Chairman of the Board should be a matter for the Board as a whole to determine. The individuals concerned should abstain from discussion of and voting on their own remuneration.

2 Composition

The Committee shall consist wholly or mainly of Non-Executive Directors and shall be appointed by the Board. The Committee shall comprise no fewer than two (2) members. The appointment of a Committee member shall automatically be terminated if the member ceases for any cause to be a Director, or as determined by the Board.

The members of the Committee shall elect a Chairman from amongst its members who shall be a Non-Executive Director. In the absence of the Chairman of the Committee, the members present shall elect one (1) of its members who shall be a Non-Executive Director to chair the meeting.

In the event that a member of the Committee retires, resigns or ceases to be a member, for any other reason, resulting in non-compliance of the terms prescribed; the Board shall, within three (3) months of that event, appoint such number of members as may be necessary to fulfil the requirements.

3. Secretary to the Committee

The Company Secretary shall be the Secretary of the Committee or in her absence, another person authorised by the Chairman of the Committee.

4. Meetings

The Committee shall meet at least once a year.

5. Reporting Procedures

The Secretary shall be responsible for keeping the minutes of the meeting of the Committee and make it available to all members of the Board upon request. The Committee, through its Chairman, shall report to the Board at the Board meeting after each Committee meeting.

6. Meeting Procedures

The Committee shall regulate its own procedures, in particular:

- (a) the calling of meetings;
- (b) the notice of at least seven (7) days to be given to such meetings;
- (c) the voting and proceedings of such meetings;
- (d) the keeping of minutes; and
- (e) the custody, production and inspection of such minutes

The meetings of the Committee may be conducted by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as aforesaid.

A resolution in writing signed by a majority of members shall be effective for all purposes as if it were a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may consist of a single document or several documents all in like form each signed by one (1) or more members.

7. Quorum

The quorum for a meeting of the Committee shall be two (2) members.

8. Voting

Each member present shall have one (1) vote. All resolutions passed in the meeting shall be by majority votes. If the event of an equality of votes, the Chairman of the meeting shall have a casting vote.

9. Attendance by invitation

Other Directors, key Executives and employees or any other person deemed necessary to be in attendance to assist in deliberation may attend any particular meeting only at the Committee's invitation.

10. Authority of the Committee

The Committee in performing its duties shall in accordance with a procedure to be determined by the Board of Directors:

- (a) Have the resources which are required to perform its duties;
- (b) Have full and unrestricted access to any information pertaining to the Group;
- (c) Be able to obtain independent professional advice; and
- (d) Be able to secure the attendance of external advisers and shall have the discretion to decide who else other than its own members to attend meetings, if it thinks fit

11. Duties and Responsibilities

The duties and responsibilities of the Committee shall be:

- 11.1. To determine and recommend to the Board the framework or its policy for the remuneration structure, in all forms, of the EDs and / or any other persons as the Committee is designated to consider by the Board, drawing from outside advice as necessary;
- 11.2. To review changes to its policy, as necessary;
- 11.3. To determine and recommend to the Board the remuneration of EDs and / or any other persons as the Committee is designated to consider by the Board;
- 11.4. To implement / maintain a reward system for EDs based on their performance against the Company's results. The following factors shall be taken into consideration in determining the quantum of remuneration:
 - (a) Position and Scope of Work
 - (b) Business strategy and long term objectives of the Company
 - (c) Complexity of the Company's activities
 - (d) Performance

- (e) Number of Years of Service
 - (f) Experience
 - (g) Salary based on Industries Standard
- 11.5. To review and recommend the entire individual remuneration packages as well as annual bonus for each of the EDs and it should be a matter for the Board as a whole where the individuals concerned shall abstain from discussion on their own remuneration;
- 11.6. To review proposed share option scheme (if any);
- 11.7. To recommend to the Board the appointment of the services of such advisers or consultants as it deems necessary to fulfil its responsibilities;
- 11.8. To carry out such other responsibilities, functions or assignments as may be agreed to by the Committee and the Board of Directors from time to time;
- 11.9. The Committee should ensure that the following disclosure requirements pertaining to Directors remuneration are being complied with:
- (a) Membership of the Committee appears in the Annual Report;
 - (b) Details of the remuneration of the Directors are categorised into appropriate components distinguishing between EDs and Non-EDs are disclosed in the Annual Report.

12 Review

The Terms of Reference will be subjected to review from time to time by the Committee and any amendments are to be approved by the Board before becoming effective.