



(Company No. 809759-X)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

1. OBJECTIVES

The principal objectives of the Nomination and Remuneration Committee are to assist the Board of Directors ("Board") of the Company in its responsibilities in nominating new nominees to the Board, Chief Executive, Chief Financial, Chief Operating and other key management personnel as determine by the Company and in assessing the remuneration packages of the Directors and key management personnel of the Group to ensure that compensation is competitive and consistent with the Company's performance and practices. The Nomination and Remuneration Committee shall also assess the Directors of the Company on an ongoing basis, the effectiveness of each individual Director and the Board as a whole and various Board Committees.

2. COMPOSITION

The Board shall elect the Nomination and Remuneration Committee members from amongst themselves, comprising three (3) members exclusively of non-executive directors, a majority of whom are independent.

The Chairman of the Nomination and Remuneration Committee shall be elected from amongst the Committee members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

3. SECRETARY

The Company Secretary of the Company shall be the secretary of the Nomination and Remuneration Committee.

4. QUORUM AND VOTING

The quorum for all meetings of the Nomination and Remuneration Committee shall not be less than two (2) members, and is considered to be competent for the exercise of its authorities, powers and discretions vested upon it.

All resolutions of the Nomination and Remuneration Committee shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the meeting shall have a second or casting vote.

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5. MEETINGS

The Nomination and Remuneration Committee may meet together for the despatch of business, adjourn and otherwise regulate the meetings at least once a year or more frequent as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman's discretion.

A resolution in writing, signed by ALL the members of the Nomination and Remuneration Committee, shall be as effectual as if it has been passed at a meeting of the Nomination and Remuneration Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Committee members.

The Company Secretary shall on the requisition of the members of the Nomination and Remuneration Committee summon a meeting of the Nomination and Remuneration Committee and, except in the case of an emergency, reasonable notice of every Nomination and Remuneration Committee meeting shall be given in writing.

6. AUTHORITY

The Nomination and Remuneration Committee in accordance with the procedures or processes to be determined by the Board of Directors shall have access to resources and information as deemed appropriate for the discharge of its responsibilities to the Company, including obtaining independent professional advice at the expense of the Company and periodic review of its terms of reference against its performance.

7. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Nomination and Remuneration Committee are as follows:-

7.1 To assess and recommend to the Board, candidates for directorships of the Company to be filled by the shareholders or the Board of Directors. In assessing suitability of candidates and making its recommendations, the Committee shall consider the candidates':-

- competencies, commitment, contribution and performance;
- skills, knowledge, expertise and experience;
- professionalism;
- backgrounds;
- leadership qualities;
- integrity; and
- in the case of candidates for the position of independent non-executive directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/function as expected from independent non-executive directors.

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- 7.2 To recommend to the Board, Directors to fill the seats on Board Committees, in consultation with the chairmen of those committees.
- 7.3 To consider, in making its recommendations, candidates for directorships proposed by the Managing Director and, within the bounds of practicality, by any other senior executive or any Director or Shareholder;
- 7.4 To develop, maintain and review the criteria to be used in the recruitment process and annual assessment of directors.
- 7.5 To review of the terms of office and performance of an Audit Committee and its members annually to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference.
- 7.6 To take steps to ensure that women candidates are sought as part of the Board's recruitment exercise.
- 7.7 To review and assess the independence of the Board's Independent Directors.
- 7.8 To review the required mix of skills and experience and other qualities of the Board, including the core competencies which non-executive directors should bring to the Board.
- 7.9 To assess the effectiveness of the Board as a whole, Board Committees (including its size and composition) and the contribution of each individual director including independent non-executive directors as well as the chief executive officer. All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented.
- 7.10 To review the induction and training needs of Directors, and disclose details in the annual report as appropriate, in accordance with Bursa Malaysia Securities Berhad's guidelines on continuous training for directors.
- 7.11 To recommend the Directors for re-election/re-appointment by shareholders at each Annual General Meeting.
- 7.12 To review the structure and framework of the Company's succession planning.
- 7.13 To establish and recommend to the Board the remuneration structure and policy for Executive Directors and key management personnel; the terms of employment or contract of employment/service, any benefit, pension or incentive scheme entitlement; other bonuses, fees and expenses; any compensation payable on the termination of the service contract by the Company and/or the Group and to review for changes to the policy, as necessary. The Executive Directors and key management personnel should play no part in decisions involving their own remuneration.

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- 7.14 To ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance-related elements of remuneration forming a significant proportion of the total remuneration package of Executive Directors and key management personnel.
- 7.15 To review and recommend the annual total remuneration packages of individual Executive Directors and key management personnel to ensure the levels of remuneration be sufficiently attractive and be able to retain the Executive Directors and key management personnel needed to run the Company successfully.
- 7.16 To review with the Managing Director and the Executive Directors, their performance against these objectives as well as contribution to the corporate strategy.
- 7.17 To consider and review any renewal of service contracts of the Executive Directors as and when due, as well as any service contracts and remuneration package for newly appointed Executive Director(s) prior to their appointment.
- 7.18 To review and recommend the fees for Non-Executive Directors to the Board.
- 7.19 To review and recommend to the Board any proposed new employees' share option scheme to be given to the Directors and/or amendments to the existing scheme.
- 7.20 To assist the Board in discharging their responsibilities relating to, amongst others, compensation strategy, succession planning, management development and other compensation arrangement.
- 7.21 To ensure corporate accountability and governance in respect of the Board remuneration and compensation function.
- 7.22 To consider and examine such other matters as the Nomination and Remuneration Committee considers appropriate.
- 7.23 To consider other matters as referred to the Nomination and Remuneration Committee by the Board.