

**FOUND PAC GROUP BERHAD**

(Company No. 1165946-H)

(Incorporated in Malaysia)

**REMUNERATION COMMITTEE**

**TERMS OF REFERENCE**

**1.0 MEMBERSHIP**

- 1.1 The Remuneration Committee (“RC” or “the Committee”) of FoundPac Group Berhad (“FPG” or “the Company”) shall be appointed by FPG Board of Directors (“FPG Board”) from amongst its members, and shall comprise of not fewer than 3 members, consisting wholly or mainly of non-executive directors, at least one member who shall be independent and knowledgeable in executive compensation, failing which expert advice may be obtained internally or externally.
- 1.2 No Alternate Director shall be appointed as the Member of the Committee.
- 1.3 The Chairman shall be elected by members of the RC. In the absence of the committee Chairman, the remaining members present shall elect one of their members to chair the meeting.
- 1.4 A Secretary shall be nominated by the RC.
- 1.5 A member who wishes to retire or resign from the RC shall notify FPG Board in writing.
- 1.6 If a member, for any reason, ceases to be a member, FPG Board shall appoint a new member so that the number of members does not fall below three.
- 1.7 The office of a member shall become vacant upon the member’s resignation/retirement/removal or disqualification as a Director of the Company.

**2.0 DUTIES, POWERS AND FUNCTIONS**

- 2.1 The duties of the RC shall be (on an annual basis):
- 2.1.1 to review and recommend to FPG Board in consultation with Management, a framework of remuneration and to determine the specific remuneration packages and terms of employment for each of the executive Directors of the Company.
- 2.1.2 to review and recommend to FPG Board in consultation with Management, a framework of remuneration and to determine the remuneration packages for non-executive Directors of the Company.
- 2.1.3 to carry out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by FPG Board from time to time.
- 2.1.4 to produce an annual reporting of the Committee’s remuneration policy which will form part of the Company’s Annual Report and/or Financial Statements.

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**REMUNERATION COMMITTEE (Continued...)**

**TERMS OF REFERENCE (Continued...)**

2.2 As part of its review, the RC shall ensure that:

2.2.1 all aspects of remuneration including Director's fees, salaries, allowances, bonuses, options and benefits-in-kind should be covered.

2.2.2 the remuneration packages should be comparable within the industry and comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures of assessing the performance of individual executive Directors' of FPG.

2.2.3 to determine the policy for and scope of service agreements for the FPG Directors, termination payments and compensation commitments, including fixing appointment period for the FPG Directors.

2.2.4 to ensure the level of remuneration for Non-executive Directors and Independent Directors are linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.

3.0 **MEETINGS AND PROCEEDINGS**

3.1 Meetings of the RC will be held as the RC deems to be appropriate; however, the RC should meet at least once each year. Meetings should be organized so that attendance is maximized. A meeting may be called, at any other time, by the Chairman of the RC or any member of the RC. Any Director or management may be invited to the meetings.

3.2 The RC shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.

3.3 The notice of each meeting of the RC, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the RC not fewer than three (3) working days prior to the date of the meeting.

3.4 The meetings of the RC 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.

3.5 The quorum necessary for the transaction of business shall be two of whom must be majority of Non-executive Directors and at least one must be an Independent Director. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion vested or exercisable by the Committee.

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**REMUNERATION COMMITTEE (Continued...)**

**TERMS OF REFERENCE (Continued...)**

**3.0 MEETINGS AND PROCEEDINGS**

3.6 A resolution in writing signed or approved by letter, telex or facsimile by a majority of members (of whom must be Non-executive Directors and at least one must be an Independent Director) 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 or more members.

3.7 The RC shall appoint a secretary who shall attend all meetings and minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance. The minutes shall be confirmed by the Chairman of the meeting and circulated to all members of the RC.

3.8 Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote

**4.0 GENERAL**

4.1 The RC in carrying out its tasks under these terms of reference may obtain such external or other independent professional advice as it considers necessary to carry out its duties.

4.2 FPG Board will ensure that the RC has access to professional advice both internally and externally at the Company's expense in order for it to perform its duties.

4.3 These terms of reference may from time to time be amended as required, subject to the approval of the Board.