

**PLASTRADE TECHNOLOGY BERHAD**

(Company No. 591077-X)

(Incorporated in Malaysia)

**TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

**1. COMPOSITION**

- 1.1. The Remuneration Committee shall be appointed by the Board from amongst their members and shall consist of no fewer than three (3) members, a majority of non-executive directors.
- 1.2. The members of the Committee shall elect from among their number a Chairman.
- 1.3. The Company Secretary or such other person as the Remuneration Committee may determine shall be the Secretary of the Remuneration Committee.
- 1.4. Other directors and employees may attend any particular Remuneration Committee meeting only at the Remuneration Committee's invitation.

**2. POWER AND AUTHORITY**

To establish, recommend and constantly review a formal and transparent remuneration policy framework and terms of employment for the Board and senior management to attract and retain Directors and senior management which should be aligned with the business strategy and long-term objectives of the Company taking into consideration that the remuneration of the Board and senior management should reflect the Board's and senior management's responsibilities, expertise and complexity of the Company's activities.

**3. DUTIES AND RESPONSIBILITIES**

- 3.1. To recommend to the Board the remuneration policy and framework for the Board and Senior Management, to ensure that the procedure for the establishment of the policy and framework is fair and transparent.
- 3.2. To recommend to the Board remuneration package of the Board and Senior Management personnel, guided by the Board Remuneration Policy.

**4. MEETINGS AND PROCEDURES**

- 4.1. The Committee shall meet at least once a year. Additional meetings shall be scheduled as considered necessary by the Committee of Chairman. The

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Committee may establish any procedures from time to time to govern the meetings, keeping of minutes and the administration.

- 4.2. The Secretary of the Committee shall be appointed by the Committee from time to time.
- 4.3. Committee meeting agendas shall be the responsibility of the Committee Chairman with input from Committee members. The Chairman may also ask management to participate in this process.
- 4.4. The agenda for each meeting shall be circulated at least seven days before each meeting to the Committee members and all those who are required to attend the meeting. Written materials including information requested by the Committee from management or external consultants shall be received together with the agenda for the meetings.
- 4.5. The Committee may request other directors and key executive to participate in Committee meetings, as necessary, to carry out the Committee's responsibilities.
- 4.6. The Committee shall have access to such information and advice, both from within the Group and externally, as it desire necessary or appropriate in accordance with the procedures determined by the Board and at the cost of the Group. The Committee is authorized by the Board to obtain external legal or other professional advice, as well as information about remuneration practices elsewhere. The Committee may, if it thinks fit, secure the attendance of external advisers with relevant experience and expertise, and shall have the discretion to decide who else other than its own members, shall attend its meetings. No director or executive shall take part in decisions on him/her own remuneration.
- 4.7. Chairman of the Committee must be a non-executive director. In the absence of Chairman of the Committee, the members present shall elect one of their numbers to chair the meeting.
- 4.8. The quorum for each meeting shall be two who must be non-executive directors.
- 4.9. In the event of equality of votes, the Chairman of the Committee shall have a casting vote.

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- 4.10. The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated. The minutes of the Committee meeting shall be available to all Board meeting.
- 4.11. The Committee, through its Chairman, shall report to the Board at the next Board of Directors' meeting after each Committee meeting.