

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

COMPOSITION

The Remuneration Committee (“Committee”) shall consist of not less than three members, comprising of Non-Executive Directors and a majority of them must be Independent Directors.

QUORUM

The quorum for each meeting shall be two members.

CHAIRMAN

The meetings of the Committee shall elect a chairman from among their number who shall be a non-executive Director. In the absence of the Chairman, the members present shall elect a Chairman for the meeting amongst the members present.

The Chairman of the Committee or in his absence, another Committee member should attend the annual general meeting to answer any shareholder questions on the Committee’s activities.

MEETINGS

The meetings shall be held at least once a year. Additional meetings may be conducted if the need arises. A member may at any time and the secretary shall on the requisition of a Director summon a meeting of the Committee.

The Managing Director should normally be invited to attend its meetings to discuss the performance of the other executive directors and to make proposals relating to their remuneration as necessary. Executive Directors should play no part in decisions on their own remuneration. The Head of Human Resources, external advisors and others, as appropriate, may attend meetings at the invitation of the Committee.

Questions arising at any meeting of Committee shall be decided by a majority of votes and a determination by a majority of members shall for all purposes be deemed a determination of the Committee.

The Company Secretary or his/her representative or other appropriate senior officer shall act as secretary of the Committee and shall be responsible, in consultation with the Chairman, for drawing up the agenda and circulating it, prior to each meeting. The Secretary is responsible to prepare the minutes of the Committee meetings and circulate the minutes of the Committee meetings promptly to all members of the Committee and table the same to the Board for notation.

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Remuneration Committee - Terms of Reference

A member of Committee may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

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

OBJECTIVES

The primary function of the Committee is to assist the Board to recommend to the Board the remuneration package of Executive Directors and Key Senior Management in all its forms and the fees of Non-Executive Directors.

RESPONSIBILITIES

- (a) To recommend to the Board the remuneration packages of Non-Executive Director, Executive Directors and Key Senior Management.
- (b) To review the Executive Directors' goals and objectives and to assess his/her performance against these objectives as well as contribution to the corporate strategy.
- (c) To review the fees of the Directors and recommend to the Board and thereafter to be approved at a general meeting.
- (d) To formulate policies, procedures, guidelines and set criteria for remuneration packages for the Executive Directors, Non-Executive Directors and Key Senior Management and to review for changes to the policy, as may be necessary for alignment with the business strategy and long-term objectives of the Company.
- (e) To consider all other matters as may be requested by the Board from time to time.

ANNUAL GENERAL MEETING

The Chairman of the Committee or in his absence, another Committee member should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

AUTHORITY

The Committee is authorised by the Board to:-

- (a) investigate any matter under its terms of reference, to obtain the resources which it needs and to have full and unrestricted access to information; and
- (b) seek appropriate professional advice as and when necessary or engage consultants at the Company's expenses to aid the Committee in the discharge of its duties.

Date : 28 February 2018