

REMUNERATION COMMITTEE CHARTER

The Remuneration Committee ("RC") is established under the Board Charter of PJBUMI Berhad ("Company").

OBJECTIVE

The objective of the RC is to establish formal and transparent policies and procedures for the setting up of an appropriate remuneration package to attract and retain directors; and to motivate the Chief Executive Officer ("CEO") and Senior Management Staff to perform at their maximum on a continuous basis.

1. MEMBERSHIP OF THE COMMITTEE

1.1 Composition

The RC shall comprise a minimum of three (3) members of the Board, exclusively Non-Executive Directors, a majority of whom must be Independent Directors. The Chairman shall be Independent Non-Executive Director.

1.2 Membership

The Board may appoint such additional Directors to the RC or remove and replace members of the RC by Directors' resolution. Members may withdraw from membership by written notification to the Board.

2. ADMINISTRATIVE MATTERS

2.1 Meetings

The RC shall meet at minimum twice a year and hold additional meetings as and when necessary. Any director not formally a Member of the RC may attend RC meetings, however, only nominated directors may vote on matters before the RC.

Members of management may attend all or part of a meeting of the RC at the invitation of the RC chair.

The Company Secretary must attend all RC meetings as minute secretary.

2.2 Quorum

The quorum is at least two (2) members, both must be Independent Directors.

2.3 Convening and notice of meeting

Any member and/or the Company Secretary must upon request from any member, convene a meeting of the RC. Notice will be given to every member of the RC of every meeting of the RC at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

2.4 Chairman

The members of the RC shall elect a Chairman from among themselves who is an Independent Non-Executive Director. The chairman has a casting vote. In the absence of the Committee Chairman, the RC must elect one of its members as chairman for the meeting.

2.5 Access to Resources and Independent Advisers

The RC shall have access to adequate internal and external resources. For example, the RC may seek the advice of the Company's solicitors, auditors or other independent adviser (including external consultants and specialists) as to any matter pertaining to the powers or duties of the RC or the responsibilities of the RC, as the RC may require.

2.6 Minutes

Minutes of meetings of the RC must be kept by the Company Secretary and, after approval by the RC Chairman, be presented at the next Board meeting. On instances where minutes of meetings of the RC could not be produced and presented at the next Board meeting, the RC Chairman shall report to the Board on decision of the RC. The confirmed minutes of the RC will be presented thereafter at the subsequent Board meeting.

All minutes of the RC must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

2.7 Reporting Responsibilities

The RC Chairman will provide a report of the actions of the RC to be included in the Board papers for the Board Meeting next following a meeting of the RC. The report will include provision of meeting agendas, papers and minutes of the RC.

The RC shall produce a report to be included in the Company's annual report about its activities and the process used to identify and make appointments.

3. ROLES AND RESPONSIBILITIES

The following are the main duties and responsibilities of the Remuneration Committee and that they are not exhaustive and may include any other additional duties as delegated by the Board of Directors:-

- (i) Recommend to the Board on review of remuneration package (i.e. fees and entitlements) for Non-Executive Directors including the Non-Executive Chairman, at least once in five (5) years and any proposal for revision of directors' fees will be tabled to the shareholders for approval.
- (ii) Review, recommend and advise the policy framework on all elements of the remuneration, terms of employment, reward structure and fringe benefits for Managing Director, Executive Director and Chief Executive Officer and other selected top management positions with the aim to attract, retain and motivate individuals of the highest quality.
- (iii) Review major changes and development in the Company's remuneration, recruitment retention and termination policies and procedures for senior management, remuneration policies, pension fund contribution arrangements, human resource practices and employees relations strategies for the Group.
- (iv) Advise the Board on the performance of the Chief Executive Officer, Executive Director or Managing Director and the assessment of his/her entitlement to performance related pay.
- (v) Review the senior management performance assessment processes and the annual results of those assessments.
- (vi) Review and approve short-term incentive strategy, performance targets and bonus payments for senior management.

- (vii) Review the Human Resource Policies and Procedures governing the employees of PJBUMI Berhad and its subsidiaries including their employment compensation package and benefits as and when required and recommend appropriate revisions or amendments to the Board for approval.
- (viii) Review the proposed compensation payable to Managing Director, Executive Director, Chief Executive Officer and senior management staff due to loss or termination of office.

4. REMUNERATION POLICY

- (i) In discharging its responsibilities, the RC must have regard to the objectives of the remuneration policy as follows:
 - To ensure the Company's remuneration structures are equitable and aligned with the long-term interest of the Company and its shareholders;
 - To attract and retain skilled executives and key personnel of requisite quality that would increase productivity and profitability in the long run;
 - To structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
 - To ensure any termination benefits are justified and appropriate.
- (ii) In the discharge of the RC's responsibilities, no director or executive should be directly involved in determining his/her own remuneration or fees, as the case may be.
- (iii) The RC must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholders approval which are necessary to obtain.
- (iv) The RC Chairman or if not available, a RC member should attend the Annual General Meeting and make himself available to answer any questions from shareholders about the RC's activities or if appropriate the Company's remuneration arrangement.

5. REVIEW

The Board will, at least once in each year, assess the adequacy of this Charter and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.