

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No. 17777-V)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. **Objectives**

The principal objective of the Remuneration Committee ("**RC**") is to assist the Board of Directors ("**Board**") in developing and establishing competitive remuneration policy and packages for the Board.

The Board decides on the remuneration package after considering the recommendations of the RC. The individual directors will abstain from discussing their own remuneration.

2. **Composition of members**

The Board of Directors shall elect the RC members from amongst themselves, and shall consist of not less than three (3) members, comprising exclusively of Non-Executive Directors and a majority of Independent Directors.

3. **Chairman**

The Chairman of the RC ("**Chairman**") shall be elected from amongst the RC members. The Chairman shall be approved by the Board of Directors. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

4. **Secretary**

The Secretary of the RC shall be the Company Secretary of the Company.

5. **Meetings**

5.1 The RC may meet together for the despatch of business, adjourn and otherwise regulate their meetings at least once a year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at his discretion.

5.2 The Secretary shall, on the requisition of the members of the RC, summon a meeting of the RC. Except in the case of an emergency, reasonable notice of every RC meeting shall be given in writing.

5.3 The Chief Executive Officer may be invited to attend meetings to discuss the performance of Executive Directors and make proposals as necessary. Executive Directors should play no part in decisions on their own remuneration.

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5.4 The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

5.5 A resolution in writing, signed or approved by majority of the members of the RC, 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. Such resolution may be approved by letter, electronic mail or other electronic communication.

6. Quorum

The quorum for a meeting of the Committee shall be two (2) members, present in person.

7. Duties and Responsibilities

The duties and responsibilities of the RC are as follows:-

7.1 To determine and recommend to the board of directors the general remuneration policy for Executive Directors, Non-Executive Directors, including Non-Executive Chairman and Senior Management with the objective of attracting, retaining and motivating executive management of the quality required

7.2 To review and recommend to the board of directors in relation to the remuneration structures of the Executive Directors, Non-Executive Directors and Senior Management in all forms.

7.3 In respect of Executive Directors, to ensure that the remuneration package commensurate with skills and responsibility expected of the director concerned and is sufficient to attract and retain Directors needed to run the Company successfully.

7.4 In respect of Non-Executive Directors, to ensure via the Board as a whole that the remuneration payable reflects the experience, time demanded of the directors to discharge their duties and responsibilities undertaken.

7.5 In respect of Senior Management, to ensure that the remuneration package commensurate with individual's performance, skills and experience, level of responsibility as well as the market benchmarks.

7.6 To act in line with the directions of the Board.

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- 7.7 To consider and examine such other matters as the RC considers appropriate.
- 7.8 To engage external professional advisors to assist and/or advise the Committee, on remuneration matters, where necessary.
- 7.9 To review the fees of the Directors and any benefits payable to the Directors including any compensation for loss of employment of director or former director before presenting to the shareholders for approval.
- 7.10 To provide clarification to shareholders during general meetings on matters pertaining to remuneration of directors and senior management as well as the overall remuneration framework of the Company.

8. Reporting responsibilities

- 8.1 The Chairman of the RC shall report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities.
- 8.2 The RC shall make whatever recommendations to the Board it deems appropriate, on any area within its terms of reference and/or where action or improvement is needed.
- 8.3 The RC shall report to the Board on its activities, based on these Terms of Reference.