



EXSIM HOSPITALITY BERHAD
(Formerly known as Pan Malaysia Holdings Berhad)
Registration No.: 198301000236 (95469-W)
(Incorporated in Malaysia)

**TERMS OF REFERENCE OF
REMUNERATION COMMITTEE**

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1. PRIMARY PURPOSES

The primary objective of the Remuneration Committee ("**Committee**") is to establish a documented, formal and transparent procedure to support and advise the Board of Directors ("**Board**") of Exsim Hospitality Berhad (*Formerly known as Pan Malaysia Berhad*) ("**the Company**") and its subsidiaries ("**Group**") with reviewing the remuneration framework, policy and procedures for Board and senior management. The Committee is to assist the Board in their responsibilities:-

- (a) to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration, fee and other benefits of Board and senior management;
- (b) to ensure that all directors of the Company ("**Directors**") and senior management are fairly rewarded for their individual contribution to the Company's overall performance and that the remuneration commensurate with the level of executive responsibility and is appropriate in light of the Company's performance; and
- (c) to establish a competitive remuneration structure in order to attract, reward, motivate and retain the right talent in the Board and senior management to drive the Company's long-term objective.

2. COMPOSITION

- (a) The members of the Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise of at least three (3) members, all of whom must be non-executive Directors, with a majority of them being independent.
- (b) The Committee shall elect a chairman from among its members and the elected chairman shall be an Independent Non-Executive Director ("**Chairman**"). In the absence of the Chairman, the members can elect from amongst themselves.
- (c) The term of office and performance of the Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the members have carried out their duties in accordance with their terms of reference.
- (d) If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

3. AUTHORITY

- (a) The Committee shall, in accordance with a procedure to be determined by the Board.
- (b) The Committee has full and unrestricted access to any information it requires from management of the Company in order to perform its duties.
- (c) The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- (d) The Committee is authorised by the Board to obtain, at the Company's expense, external legal or other professional advice on any matters within its terms of reference.
- (e) None of the Committee members shall participate in the deliberation, recommendation, decision and voting of his/her own Directors' fee or other benefits.

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4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the Committee shall undertake, amongst others, the following duties and responsibilities:

- (a) to assist the Board in discharging its responsibilities for, among others, its compensation strategy, management development and other compensation arrangement;
- (b) to develop and administer a fair and transparent remuneration policy and procedure, including the fee structure and level of remuneration for Directors and senior management, taking into account the demands, complexities and performance of the Company in managing material sustainability risks and opportunities as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of each Director and senior management and the basis of the Directors' and senior management's merit, qualification and competence, while having regard to the Company's operating results, individual performance and comparable market statistics.

The Board determine who constitutes senior management and if any other group of employees should be covered by the remuneration policy and procedures. The policy and procedure shall be reviewed annually to ensure relevance to the Group and made available on the Company's website;

- (c) to implement the remuneration policies and procedures including reviewing and recommending to the Board on the remuneration packages of the Directors and senior management personnel in all forms, particularly on whether the remuneration remains appropriate to the contribution of each of the Directors and senior management personnel, by taking into account the level of expertise, commitment and responsibilities undertaken, with or without other independent professional advice or other outside advice, with reference to the Company's remuneration policy and procedure;
- (d) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of our executive Directors and senior management that is aligned with the business strategy and long-term objectives of the Company;
- (e) to ensure that the remuneration package should be structured such that it is competitive and balance which should be sufficient to attract and retain all calibre of executive Directors and senior management;
- (f) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the executive Directors and the senior management. The framework should encourage executive Directors to act in ways that enhance the Company's long-term objectives and value implement the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of the Board and the senior management;
- (g) when recommending the fee and other benefits for the Independent Directors, the Committee shall ensure it does not conflict with the independent Directors' obligations to bring objectivity and independent judgment on matters discussed at Board meetings;
- (h) to act in line with the directions of the Board;
- (i) to consider and examine such other matters as the Committee considers appropriate;
- (j) the Committee may draw advice and enlist the professional services of experts;
- (k) to establish frequent communication with other board committees, namely Nomination Committee, to align remuneration policies and procedures to succession plans and talent

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- (l) management of executives and Risk Management Committee to ensure risk outcomes are adequately considered in the design of remuneration policies and procedures; to oversee the qualitative and quantitative disclosures of remuneration made in the annual report and notice to general meetings, and ensure that resolutions on the approval of the fees for each Non-Executive Directors is tabled separately at general meetings;
- (m) to table separate resolutions on the approval of the fees of each Non-Executive Directors of the Company and 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; and
- (n) to carry out such other functions or assignments as may be delegated by the Board from time to time in the area of remuneration of Directors and/or senior management.

5. MEETINGS OF THE COMMITTEE

- (a) The Committee shall meet together at least once a year or more frequently as deemed necessary.
- (b) In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be an independent non-executive Director.
- (c) Any question arising at any meeting of the Committee shall be decided by a majority of votes, each member of the Committee having one (1) vote and a determination by a majority of the members of the Committee shall for all purposes be deemed a determination of the members of the Committee.
- (e) The Committee may invite any Board member or any member of management or any employee of the Company who the Committee thinks fit to attend its meetings to assist and to provide insights, particularly on considerations relating to the performance of the Company and/or any pertinent information as necessary.
- (f) The Company must ensure that other directors and employees attend any particular Committee meeting only at the Committee's invitation, specific to the relevant meeting.
- (g) The Committee may participate in a meeting of the Committee by means of conference telephone, conference videophone or any similar or other communication 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.
- (h) A resolution in writing signed or approved by facsimile, letter, telegram, telex or telefax or other written electronic communications by a majority of the members of the Committee and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted. All such resolutions shall be described as "Committee Members' Resolutions in Writing" and shall be forwarded or otherwise delivered to the company secretary of the Company without delay, and shall be recorded by the company secretary of the Company in the Company's minute book. Any such resolution may consist of several documents in like form, each signed by one (1) or more Committee members.

6. QUORUM

The quorum for a meeting of the Committee shall consist of not less than two (2) members, majority of members present must be Independent Non-Executive Directors.

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7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than seven (7) days before the date of the meeting, except in the case of an emergency, where reasonable notice of every Committee meeting shall be given in writing. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time or such other period as the members may agree.

8. SECRETARY AND MINUTES

- (a) The company secretary or any member of the Committee shall be the secretary to the Committee ("**Secretary**").
- (b) The Secretary to the Committee shall be responsible, in conjunction with the Chairman of the Committee, for drawing up the agenda and other supporting explanatory documentation for circulation to the members of the Committee prior to each meeting.
- (c) The Secretary to the Committee will also be responsible for keeping the minutes of the meetings of the Committee and circulating them to members of the Committee and to other members of the Board.
- (d) The Secretary to the Committee shall ensure that the minutes are properly kept and produced for inspection if required.

9. PUBLISHED AT THE WEBSITE

The written terms of reference of the Committee dealing with its authority and duties, and such information must be made available on the Company's website.

10. REVIEW OF THE TERMS OF REFERENCE

The Board shall review and assess the relevance of the terms of reference of the Committee from time to time or when changes to business environment or regulatory requirements necessitate a revision.

11. REVISION OF THE TERMS OF REFERENCE

The provisions of this terms of reference can be amended and supplemented from time to time by a resolution of the Board.

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