

## **BOILERMECH HOLDINGS BERHAD (COMPANY NO. 897694-T)**

### **REMUNERATION COMMITTEE TERMS OF REFERENCE**

#### **1. OBJECTIVES**

- 1.1 The Remuneration Committee's primary responsibility is to recommend a remuneration framework and terms of employment for the Directors and Senior Management personnel of Boilermech Group, for the Board of Directors ("Board")'s approval.
- 1.2 The framework shall:
  - (1) Support the Group's strategies and long term vision; and
  - (2) Provide the motivational incentives to Executive Directors and Senior Management, taking into consideration factors such as best practices, stakeholders' view and the market at large and the performance of the individual

#### **2. SCOPE**

- 2.1 Formulate or review the remuneration policies, basis and remuneration for the Directors and Senior Management of the Group.
- 2.2 Evaluate each individual Director and Senior Management's remuneration payable taking into consideration factors such as his individual performance and his contribution to the success of the Group/Company.
- 2.3 Consider remuneration in all forms.
- 2.4 Work together the Nomination Committee and the Board of Directors to develop an effective development and succession plan for Executive Directors and Senior Management of the Group.
- 2.5 Recommend, where necessary, the engagement of external professional advisors to advise on remuneration matters.

#### **3. MEMBERSHIP**

- 3.1 The Remuneration Committee shall comprise exclusively of Non-Executive Directors, the majority of whom are Independent Directors. Appointment of a member of the Remuneration Committee is the prerogative of the Board, after having considered his integrity and objectivity.
- 3.2 Removal of a member of the Remuneration Committee is also the prerogative of the Board.

#### **4. FREQUENCY OF MEETINGS**

- 4.1 The Remuneration Committee shall meet at least once a year and as and when necessary.