



CENTURY LOGISTICS HOLDINGS BERHAD
(Company No. 424341-A)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE
(Revised and adopted on 27 February 2018)

1. Objectives

The principal objective of the Remuneration Committee is to assist the Board of Directors to structure and clearly link Directors' remuneration to the strategic objectives of the Company, and which rewards contribution to the long-term success of the Company in promoting business stability and growth.

2. Membership

The members of the Remuneration Committee are:-

	<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
(a)	Mr. Cheong Joon Kyo	Chairman	Non-Independent Non-Executive Director
(b)	Datuk Lee Say Tshin	Member	Independent Non-Executive Director
(c)	Mr. Winston Tan Kheng Huang	Member	Independent Non-Executive Director
(d)	Puan Saryani Binti Che Ab Rahman	Member	Independent Non-Executive Director

3. Composition of members

The Board of Directors shall elect the members of the Remuneration Committee from amongst themselves. The Remuneration Committee shall only comprise Non-Executive Directors and a majority of them shall be independent. The term of office of the Remuneration Committee shall be for a period of two (2) years and members of the Remuneration Committee may be re-nominated and re-appointed by the Board of Directors from time to time.

4. Chairman

The Chairman of the Remuneration Committee shall be elected from amongst the members of the Remuneration Committee. The Chairman of the Committee shall be approved by the Board of Directors.

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(Terms of Reference of the Remuneration Committee – cont'd)

5. Secretary(ies)

The Secretary(ies) of the Remuneration Committee shall be the Company Secretary(ies) of the Company and as a reporting procedure, the Minutes shall be circulated to all members of the Board.

6. Meetings

The Remuneration Committee 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 or any member of the Remuneration Committee may call for additional meetings at any time at the Chairman's discretion.

Notice of Remuneration Committee meetings shall be given to all the Remuneration Committee members unless the Remuneration Committee waives such requirement.

Questions arising at any meeting of the Remuneration Committee shall be decided on a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Meeting shall have a second or casting vote.

In the absence of the Chairman, the members can elect from amongst themselves the Chairman of the Meeting.

7. Minutes

Minutes of each Meeting shall be kept at the registered office and distributed to each member of the Remuneration Committee and also to the other members of the Board. The Remuneration Committee Chairman shall report on the proceedings of each Meeting to the Board.

The Minutes of the Remuneration Committee Meeting shall be signed by the Chairman of the Meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

8. Quorum

A quorum shall consist of two (2) members.

9. Circular Resolutions

A resolution in writing signed by a majority of the Remuneration Committee members for the time being shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Remuneration Committee members.

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(Terms of Reference of the Remuneration Committee – cont'd)

Any such document may be accepted as sufficiently signed by a Remuneration Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Remuneration Committee member.

10. Reporting

The Remuneration Committee shall report to the Board of Directors, either formally in writing, or verbally, as it considers appropriate on the matters within its terms of reference at least once a year, but more frequently if it so wishes.

The Remuneration Committee shall report to the Board of Directors on any specific matters referred to it by the Board.

11. Authority

The Remuneration Committee shall, in accordance with the policies and procedures to determine the remuneration of Directors and senior management and at the expense of the Company,

- (a) review, assess and recommend to the Board of Directors the remuneration packages of the Directors in all forms, with other independent professional advice or outside advice, if necessary; and
- (b) be entitled to the services of a company secretary(ies) who must ensure that all decisions made on the remuneration packages of the Executive Directors be properly recorded and minuted in the minutes book.

12. Duties and Responsibilities

The duties and responsibilities of the Remuneration Committee are as follows:-

- To review and recommend the remuneration packages of all the Directors and key management in all forms, with or without other independent professional advice or other outside advice.
- To ensure the levels of remuneration be sufficiently attractive and can retain directors needed to run the Company successfully.
- To ensure that remuneration packages are determined on the basis of the directors' and senior management's merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics.

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(Terms of Reference of the Remuneration Committee – cont'd)

- To structure the component parts of remuneration so as to link rewards to the Company's strategy and performance.
- To ensure that the remuneration and incentives for Independent Directors do not conflict with their obligations to bring objectivity and independent judgement to the Board.
- To act in line with the directions of the Board of Directors.
- To consider and examine such other matters as the members of the Remuneration Committee consider appropriate.
- To consider any other matters as defined by the Board.

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