

DPI HOLDINGS BERHAD
(Company No: 1249778 – M)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. OBJECTIVES

The principal objectives of the Remuneration Committee (“Committee”) are to attract and retain a high calibre individual as the Managing Director to run and manage the Company successfully and to assist the Board of Directors (“Board”) in its responsibilities in assessing and reviewing the remuneration packages of the Managing Director, Executive Directors and Non-Executive Directors of the Company.

2. COMPOSITION OF MEMBERS

The Board shall elect the Committee members from amongst themselves, a majority of whom must be Independent Directors.

3. CHAIRMAN

The Committee shall elect a Chairman from amongst its members and the elected Chairman of the Committee shall be approved by the Board. The Chairman of the Committee shall be an Independent Director.

In the event the elected Chairman is not able to attend the Committee meeting, a member of the Committee shall be nominated as Chairman for the meeting.

4. MEETINGS OF THE COMMITTEE

I. Frequency

The Committee may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. In the event issues requiring the Committee’s decision arise between meetings, such issues may be resolved through written resolutions of the Committee. Such written resolution in writing shall be valid and effectual if it is signed or approved by letter, facsimile or any electronic means by members of the Committee pursuant to the Constitution of the Company.

For the Committee’s meetings (except in the case of an emergency), reasonable notice shall be given in writing to all the Members of the Committee.

Other Board members and senior management may be invited to attend the Committee meetings.

II. Quorum

A minimum of two (2) members shall form the quorum.

III. Secretary of the Committee

The Company Secretary shall be the secretary of the Committee.

IV. Minutes of the Committee Meeting

Every meeting of the Committee must be minuted either by the Company Secretary or any other person approved by the Committee and such minutes must be confirmed by the Committee at the next succeeding Committee meeting.

The Minutes of each meeting signed by the Chairman of that meeting or by the Chairman of the next succeeding meeting shall be evidence of the proceedings that the meeting was duly convened and held.

5. FUNCTIONS

The functions of the Committee are as follows:

- I. recommend to the Board the framework of remuneration of Executive Directors and the remuneration package for each Executive Director, drawing from outside advice as necessary;
- II. recommend to the Board guidelines for determining remuneration of Non-Executive Directors;
- III. recommend to the Board any performance related pay schemes for Executive Directors;
- IV. review the scope of service contract of Executive Directors (if any);
- V. consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions; and
- VI. review any major changes in remuneration policy and employee benefit structures throughout the Company or Group, and if thought fit, recommend them to the Board for adoption.

6. OTHERS

- I. In deciding the remuneration of the directors and the key management personnel, the Executive Director sitting as a member of the Committee to abstain in voting in the meeting.
- II. In reviewing, determining and recommending any appropriate remuneration package, policy and structure to the Board may consider any the recommendation, proposals and the basis as provided by the management or managing director but such recommendation shall not bind the Committee.