



Registration No. 197501001462 (23568-H)

Wisma Hubline, Lease No. 3815 (Lot 10914), Section 64, KTLD

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Terms of Reference of the Remuneration Committee

1. Purpose

The Remuneration Committee is established as a committee of the Hubline Berhad's Board of Directors ("the Board") with the following principal objectives:

- 1.1 To assist the Board in assessing, reviewing and recommending on an annual basis competitive compensation and remuneration packages for the Directors and Senior Management.
- 1.2 To evaluate the performance and rewards for Executive Directors, Non-Executive Directors and Senior Management.
- 1.3 To attract and retain Directors and Senior Management of good calibre, skills, knowledge, experience, professionalism and integrity required to run the Group's operations effectively and efficiently.

2. Composition and Size

- 2.1 The members of the Remuneration Committee shall be appointed by the Board of Directors.
- 2.2 The Remuneration Committee shall comprise of at least three (3) Board members, the majority of whom shall be Independent, Non-Executive Directors.
- 2.3 The members the Remuneration Committee shall elect a Chairman from amongst themselves who shall be a Non-Executive Director.

- 2.4 No Alternate Director shall be appointed as a member of the Remuneration Committee.

3. Authority

The Remuneration Committee is authorised by the Board and at the expense of the Company to perform the following:

- 3.1 Secure the appropriate resources in order to perform its duties as set out in its terms of reference.
- 3.2 If deemed necessary, obtain independent professional advice or assistance to perform its duties.
- 3.3 Provide its recommendation to the Board for its consideration and approval.

4. Duties and Responsibilities

The duties and responsibilities of the Remuneration Committee shall include the following:

- 4.1 Assess, evaluate and recommend to the Board the remuneration packages of the Board members, Board Committee members and Senior Management in all forms which include salaries, fees, bonuses, allowances and benefits to reflect the experience, qualifications, skills and level of responsibilities being undertaken by them.
- 4.2 Review and recommend the annual fees for Non-Executive Directors, remuneration packages including bonuses of Executive Directors and Senior Management of the Group.

5. Secretary

- 5.1 The Company Secretary or any member of the Remuneration Committee shall act as the Secretary of the Committee.
- 5.2 The Secretary shall minute the proceedings and resolutions of all Remuneration Committee meetings, including the names of those present and in attendance.
- 5.3 Minutes of the Remuneration Committee meetings shall be circulated to each member of the Remuneration Committee and made available on request to other members of the Board.

6. Quorum

- 6.1 The quorum necessary for the transaction of business shall be two (2) of whom the majority shall be Non-Executive Directors.
- 6.2 A duly convened meeting of the Remuneration Committee at which a quorum is present shall be competent to exercise any or all of the authorities being vested by the Remuneration Committee.

7. Frequency of Meetings

- 7.1 The Remuneration Committee shall meet no less than once a year. Furthermore, it shall meet as and when the Chairman of the Committee deems necessary to fulfill the Committee's responsibilities.
- 7.2 In the absence of a meeting, any issue shall be resolved through circular resolution.

8. Voting

- 8.1 A matter put to vote at the meetings shall be decided by a simple majority of the votes cast and in the event of an equality of votes, the Chairman has the casting vote.
- 8.2 A member who has interest in a contract or proposed contract or transaction or arrangement or is involved directly or indirectly in any matter under consideration by the meeting, shall not participate in voting.

9. Circular Resolution

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