



MICROLINK SOLUTIONS BERHAD
[Registration No. 200301018362 (675362-P)]

**TERMS OF REFERENCE OF
REMUNERATION COMMITTEE**

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1. Objectives

The principal objective of the Remuneration Committee is to assist the Board of Directors in their responsibilities in assessing the remuneration packages of the Executive Directors including the Chief Executive Officer and C-Suite.

2. Composition of Members

The Board of Directors shall elect the members of the Remuneration Committee from amongst themselves, composed wholly of Non-Executive Directors and majority are Independent Directors. An appointment to the Remuneration Committee will terminate when the member ceases to be a Director, or as and when determined by the Board of Directors.

3. Chairman

The Chairman of the Remuneration Committee shall be elected from amongst the Remuneration Committee members who shall be a Non-Executive Director. The Chairman of the Committee shall be approved by the Board of Directors.

The Chairman of the Remuneration Committee shall be available to answer questions about the work of the Remuneration Committee at the Annual General Meeting of the Company.

4. Secretary

The Secretary of the Remuneration Committee shall be the Company Secretary of the Company.

5. 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 may call for additional meetings at any time at the Chairman's discretion.

The Remuneration Committee may consult other Non-Executive Directors in its evaluation of the Executive Directors including the Chief Executive Officer and C-Suite. The Remuneration Committee may request other Directors and key executives to participate in Remuneration Committee meetings, as necessary, to carry out the Remuneration Committee's responsibilities.

The Secretary shall on the requisition of the members of the Remuneration Committee summon a meeting of the Remuneration Committee. Except in the case of an

emergency, reasonable notice of every Remuneration Committee meeting shall be given in writing.

The Remuneration Committee may pass resolutions by circulation. A resolution in writing signed by a majority of the members of Remuneration Committee, shall be as valid and effectual as if it had been passed at a meeting of Remuneration Committee duly called and constituted. These resolutions may consists of several documents in original or facsimile or electronic media in the like form each signed by one or more members.

The Remuneration Committee through its Chairman shall report to the Board of Directors at the next Board of Directors meeting after each Remuneration Committee meeting. When presenting any recommendation to the Board of Directors, the Remuneration Committee shall provide such background and supporting information as may be necessary for the Board of Directors to make an informed decision. The Remuneration Committee shall provide such information to the Board of Directors as necessary to assist the Board of Directors in making a disclosure in the Annual Report in accordance with the Principles of the Malaysian Code on Corporate Governance and Appendix 9C of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

6. Quorum

A quorum shall consist of two (2) members.

7. Duties and Responsibilities

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

- To review and recommend the remuneration structure and policy for Executive Directors including the Chief Executive Officer and C-Suite, including the terms of employment or contract of employment/service, any benefit, pension or inventive scheme entitlement, any other bonuses, fees and expenses and any other compensation payable on the termination of service contract by the Company and to review changes to the policy, where applicable;
- To recommend the framework or policy and remuneration packages for each of Executive Director including the Chief Executive Officer and C-Suite. In doing so, the Committee shall ensure that remuneration packages (comprising of base salary, bonuses and where applicable, fixed allowances and benefits-in-kind) are:-
 - a. appropriate in the context of each individual Director's including the Chief Executive Officer's and C-Suite's responsibility and seniority;
 - b. consistent with the overall financial and business position of the Group and its position relative to other companies;
 - c. fair in light of each individual Director's including the Chief Executive Officer's and C-Suite's personal performance;

- d. whether the framework provides adequate motivational incentive for Executive Directors including the Chief Executive Officer and C-Suite to pursue the long term growth and success of the Group;
- e. within the terms of the agreed remuneration framework or policy, determine individual remuneration packages for the Executive Directors including the Chief Executive Officer and C-Suite; and
- f. comparable within the industry and with comparable companies.

No Executive Director shall be involved in any decisions as to their own remuneration.

- To ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance related elements of remuneration setting forms a significant proportion of the total remuneration package of Executive Directors including the Chief Executive Officer and C-Suite;
- To ensure the levels of remuneration is sufficiently attractive by taking into consideration the best practices, views of industry experts, obtaining and analyzing the available data, stakeholders and the market at large to be able to attract and retain Directors including the Chief Executive Officer and C-Suite;
- To recommend of the C-Suite of the Group and determine their salaries and recommend salary revisions and improvements (as necessary) together with any other forms of remuneration including allowances and any other applicable benefits-in-kind;
- To review and recommend the entire individual remuneration packages for each of the Executive Directors including the Chief Executive Officer and C-Suite; and
- To consider other matters as referred to the Remuneration Committee by the Board of Directors.
- Subject to the shareholders' approval in the general meeting, the Board as a whole determines the level of remuneration of the Non-Executive Directors of the Company.