

# REMUNERATION COMMITTEE



## Terms of Reference

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## **PURPOSE**

The Remuneration Committee is responsible for reviewing and making recommendations to the Board regarding the remuneration policy of the Company, and for reviewing compliance with the policy in so far as it relates to Executive Directors and senior managers. Within the context of the policy, the Committee is specifically responsible for making recommendation for the remuneration packages of the Chairman of the Board, the Executive Directors and members of the Company Executive.

## **FUNCTIONS**

1. Review the ongoing appropriateness and relevance of the remuneration policy and periodically evaluate the adequacy, overall consistency and actual application of the policy for the remuneration of directors and key management personnel, also on the basis of information provided by the managing directors; it shall formulate proposal to the Board of Director in that regard;
2. Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
3. Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
4. Obtain reliable, up-to-date information about remuneration in other companies; and
5. Have full authority to commission any reports or surveys which it deems necessary to help fulfil its obligations.
6. Judge or make plans where to position the company relative to the other companies. But such comparisons shall be used with caution in view of the risk to fan upward ratchet of the level of remuneration with no corresponding improvement in the performance.
7. Submit proposal or issue opinions to the Board of Directors for the remuneration of executive directors and other directors who cover particular offices as well as for the identification of performance objectives related to the variable component of the remuneration. It shall monitor the implementation of decision adopted by the Board of the Directors and verify, in particular, the actual achievement of performance objectives.
8. The Remuneration Committee, in carrying out its tasks, shall ensure appropriate links with all relevant functional and operational departments of the Company.

## **CONSTITUTION**

The Remuneration Committee was established in the Board Meeting dated 04 July 2016. The member of which shall be appointed by the Board from time to time.

## **MEMBERSHIP**

1. The Remuneration Committee shall be at least three (3) members, comprised of which is independent board members.



2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the HR Executive and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
3. The Board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not be the Committee Chairman.

## **QUORUM**

The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

## **FREQUENCY OF MEETING**

The Remuneration Committee should meet often enough to undertake its role effectively, and schedule to meet not less than twice a year.

## **NOTICE OF MEETING**

1. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.
2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **MINUTES OF THE MEETING**

1. The Secretary of the Committee shall minute the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance.
2. The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflict of interest and minute them accordingly.
3. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, to all members of the Board.

## **REPORTING RESPONSIBILITY**

1. The chairman of the Committee shall report to the Shareholders on the exercise of its functions. For this purpose, the Chairman or another committee member should be present at the annual shareholder's meeting.
2. The Committee members shall undertake a review of the Committee's performance and these terms of reference annually and, if necessary, make recommendations to the Board for approval.



3. Through the chairman of the Committee, the Committee should ensure that the company maintains contact as required with its principal shareholders regarding remuneration.
4. The Committee shall ensure that there is an open disclosure of the most important characteristics of the Company's remuneration system design and application.

#### **TERMS AVAILABLE**

The Committee shall make available to shareholders these Terms of Reference providing a copy to shareholders on request.