



**UNIQUE FIRE HOLDINGS BERHAD**  
Registration No. 202101013602 (1413901-D)

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# **Terms of Reference of Remuneration Committee**

Effective Date : 5 November 2021  
Rev : 00

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**1. Objectives**

The principal objectives of the Remuneration Committee (“RC”) are to assist the Board of Directors (“Board”) in their responsibilities:-

- (a) to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration, fee and other benefits of Board and senior management.
- (b) to ensure that all Directors and senior management are fairly rewarded for their individual contribution to the Company’s overall performance and that the remuneration commensurate with the level of executive responsibility and is appropriate in light of the Company’s performance.

**2. Composition of members**

The Board shall appoint the RC members from amongst themselves, comprising exclusively of the Non-Executive Directors, of which a majority of whom are independent.

The term of office of the RC shall be for such time as determined by the Board and members of the RC may be re-nominated and appointed by the Board from time to time.

**3. Chairman**

The Chairman of the RC shall be an Independent Director appointed by the Board from amongst the RC members. The RC Chairman shall chair all the RC meetings but in the absence of the Chairman, the members of the RC can elect from amongst themselves as the Chairman of the meeting.

**4. Secretary(ies)**

The Secretary(ies) of the RC shall be the Company Secretary(ies) of the Company.

The Secretary(ies) shall be responsible for drawing up the agenda and circulating it prior to each meeting and keeping the minutes of meetings of the RC.

**5. Meetings**

The RC 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 RC may call for additional meetings at any time at their discretion.

Reasonable notice of RC meetings shall be given in writing sent through the post, facsimile, electronic mail and by any means of telecommunication in permanent written form to all the RC members, except in the case of emergency, where RC may waive such requirement.

**5. Meetings – cont'd**

The RC may hold a committee meeting at one (1) or more venues within or outside Malaysia using any technology that gives the RC members as a whole a reasonable opportunity to participate. Any member of the RC participates at a RC meeting by way of telephone and video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other and be heard for the entire duration of the meeting in which event such member shall be deemed to be present at the meeting. A member participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the members attending the meeting provided that at least one (1) of the members present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to or at/during the meeting.

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

**6. Quorum**

A quorum shall consist of two (2) members.

**7. Circular Resolution**

A resolution in writing may be accepted as sufficiently signed by a member of the committee if transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by a majority of the RC members for the time being, and shall be valid and effective as if it had been passed at a meeting of the RC duly called and constituted. All such resolutions shall be described as “Remuneration Committee Members’ Resolution in Writing” and shall be forwarded or otherwise delivered to the Company Secretary(ies) without delay and shall be recorded by the Company Secretary(ies) in the Company’s minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of the RC.

**8. Minutes**

Minutes of each Meeting shall be kept at the registered office and distributed to each member of the RC and also to the other members of the Board.

The Minutes of the RC 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 and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.

**9. Reporting**

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

The RC shall report to the Board on any specific matters referred to it by the Board.

**10. Authority**

The RC shall, in accordance with the policies and procedures to determine the remuneration of Directors and at the expense of the Company:-

- (a) review, assess and recommend to the Board the remuneration packages of the Directors and senior management in all forms, with other independent professional advice or outside advice as it may deem necessary.
- (b) select, engage and obtain, at the cost of the Company, professional advice, if needed, to enable the RC Committee to carry out its duties.
- (c) be entitled to the services of the Company Secretary(ies) who must ensure that all decisions made on the remuneration packages of the Directors be properly recorded and minuted in the minutes book.

**11. Duties and Responsibilities**

The duties and responsibilities of the RC are as follows:-

- (a) To formulate and recommend a framework of remuneration for the Managing Director, Executive Directors and key senior management for the Board's approval. There should be a balance in determining the remuneration package, which takes into account the demands, complexities and performance of the Company and its subsidiaries ("the Group") as well as skills and experience required; and which should be sufficient to attract and retain the Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefit-in-kind;
- (b) To recommend specific remuneration packages for the Managing Director, Executive Directors and key senior management. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not be dependent on short-term performance to avoid incentives for excessive risk-taking. As for the Non-Executive Directors and Independent Directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board;
- (c) To ensure the remuneration policies and practices appropriately reflect the different roles and responsibilities of Executive Directors, Non-Executive Directors and key senior management;
- (d) To review and assess the remuneration packages for the Directors and key senior management in all forms, drawing advice from experts, if necessary. The remuneration packages shall be determined on the basis of the Directors' and key senior management's merit, qualification and competences, while having regard to the Group's operating results, individual performance and comparable market statistics, which are aligned with the business strategy and long-term objectives of the Group. In addition, the performance of the Group in managing material sustainability risks and opportunities should also be considered;

**11. Duties and Responsibilities – cont'd**

- (e) To ensure the remuneration and incentives for Independent Directors should not conflict with their obligation in bringing objectivity and independent judgment on matters discussed;
- (f) To recommend matters relating to the remuneration of the Directors and key senior management of the Group for the Board's consideration and decision.
- (g) To act in line with the directions of the Board;
- (h) To consider and examine such other matters as the RC considers appropriate; and
- (i) To consider any other relevant matters as delegated by the Board.

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