

TIONG NAM LOGISTICS HOLDINGS BERHAD

(Company No. 182485-V)
(Incorporated in Malaysia)

REMUNERATION COMMITTEE

Terms of Reference of Remuneration Committee

1. Objectives

The principal objective of the Remuneration Committee (“RC”) is to assist the Board of Directors (“Board”) in developing and establishing competitive remuneration policy and packages for the Board. The Board decides on the remuneration package after considering the recommendations of the RC. The individual directors will abstain from discussing their own remuneration.

2. Composition

The RC shall be appointed from amongst the Board and shall:-

- (i) Elect the RC members from amongst themselves
- (ii) Comprise no fewer than three (3) members; and
- (iii) Comprise exclusively of non-executive directors and a majority of independent directors

3. Chairman

- The Chairman of the RC (“Chairman”) shall be elected from amongst the RC members.
- The Chairman shall be approved by the Board.
- In the absence of the Chairman, the meeting shall be chaired by another Committee Member.

4. Secretary

- The Secretary of the RC (“Secretary”) shall be the Company Secretary
- The Secretary shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting.
- The Secretary shall also be responsible for keeping the minutes of meetings of the RC and circulating them to RC members. The RC Members may inspect the minutes of the RC at the Registered Office or such other place as may be determined by the RC.

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5. Meetings

- The RC members shall meet at least once a year or as and when required, to perform the duties set out in these Terms of Reference. The Chairman shall report to the Board on its proceedings after each meeting.
- The quorum for a meeting shall be two (2) members
- All decisions at such meeting shall be decided on a show of hands on a majority of votes. The Chairman shall have the casting vote should a tie arise.

6. Authority

The RC shall:

- (i) Have the resources which are required to perform its duties;
- (ii) Have the right to obtain independent professional or other advice at the expense of the Company, with prior consent of the chief executive officer to approve the budget;
- (iii) Review, assess and recommend to the Board the remuneration packages of the executive directors in all forms, with other independent professional advice or outside advice as necessary; and
- (iv) Be entitled to the services of a company secretary who must ensure that all decisions made on the remuneration packages of the executive directors be properly recorded in the minutes.

7. Duties and Responsibilities

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

- To determine and recommend to the board of directors the general remuneration policy for Executive Directors, Non-Executive Directors, including Non-Executive Chairman and Senior Management with the objective of attracting, retaining and motivating executive management of the quality required;
- To review and recommend to the board of directors in relation to the remuneration structures of the Executive Directors, Non-Executive Directors and Senior Management in all forms;
- To act in line with the directions of the Board;
- To consider and examine such other matters as the RC considers appropriate
- To engage external professional advisors to assist and/or advise the Committee, on remuneration matters, where necessary;
- To review the fees of the Directors and any benefits payable to the Directors including any compensation for loss of employment of director or former director before presenting to the shareholders for approval;

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- To provide clarification to shareholders during general meetings on matters pertaining to remuneration of directors and senior management as well as the overall remuneration framework of the Company.