

DutaLand Berhad

(Company No. 7296-V)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. INTRODUCTION

The Remuneration Committee (“RC”) is a committee of the Board of Directors’ (“Board”) of DutaLand Berhad (“DutaLand” or “Company”), established by the Board on 27 February 2002 to implement the Company’s policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of Board and senior management.

2. COMPOSITION

- (i) The Board shall appoint members for the RC.
- (ii) The RC must have at least 3 members and shall consist entirely of Non-Executive Directors, a majority of whom must be Independent Directors.
- (iii) The RC members shall elect amongst themselves a chairman for the RC.
- (iv) The appointment as a RC member shall terminate when such member ceases to be a Director or as determined by the Board.
- (v) A member of the RC may relinquish his/her own membership and continue to serve as a Director of the Company.

3. OBJECTIVE

The main objective of the RC of DutaLand is as follows:

- (i) To establish a policy and procedures to determine the remuneration of Directors and senior management of DutaLand which takes into account the demands, complexities and performance of the Company as well as skills and experience required.

- (ii) The RC will review where necessary, the remuneration packages for the Directors and senior management and recommend it to the Board, if thought appropriate, for its endorsement or approval.

4. POWERS

- (i) The RC shall be obliged to report any recommendations to the Board for consideration, approval and implementation. The RC is not delegated with powers from the Board to implement any recommendations.
- (ii) In carrying out its duties and responsibilities, the RC shall have the following powers:
 - (a) Unrestricted access to any relevant information required.
 - (b) Seeking independent professional advice and expertise.

5. FUNCTIONS

Without limiting the generality of these written Terms of Reference, the RC shall have the authority to make decisions on matters which fall within the purpose and responsibilities of the RC.

The Board shall ensure the RC discharges, amongst others, the functions pursuant to the applicable Listing Requirements of Bursa Malaysia Securities Berhad and/or the Malaysian Code on Corporate Governance, including any amendments thereto that may be made from time to time.

6. AUTHORITY, DUTIES AND RESPONSIBILITIES

In performing these functions, the RC shall collectively carry out the following main duties and responsibilities, which are not exhaustive and can be augmented if necessary with the Board's approval:

- (i) Make recommendations to the Board on all elements of the remuneration, terms of employment, reward structure and/or fringe benefits for Executive Directors.
- (ii) Review on a timely basis the individual remuneration packages of Executive Directors and make the appropriate recommendations to the Board.

- (iii) Ensure the remuneration and entitlements of Non-Executive Directors as a matter to be decided by the Board with which the level of remuneration should reflect the experience and level of responsibilities undertaken by a particular Non-Executive Director.
- (iv) Ensure the interested Director will abstain from deliberations of and voting on the decision in respect of his/her own remuneration package.
- (v) The RC shall ensure a fair remuneration for Directors and senior management on basis of the following principles or guidelines:
 - (a) Ensure that respective remuneration packages are well-structured, transparent and clearly linked to the strategic objectives of the Company.
 - (b) Ensure that remuneration packages of Directors or senior management are determined based on respective merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics.
 - (c) Ensure the remuneration of Directors or senior management to be determined adequately and fairly.
 - (d) Executive Directors or senior management should receive appropriate compensation according to their scale of responsibilities and performance against the agreed targets, if any.
 - (e) Performance targets, if any, are established to achieve with an appropriate balance between long and short term goals.
 - (f) Attract, motivate and retain Executive Directors or senior management of the necessary caliber.
- (vi) The RC has a policy and guidelines on the remuneration of senior management which is governed by the Company's Staff Policies and Procedures, which will be reviewed against the industry in which the Company operates, with appropriate packages in attracting and retaining qualified senior management.

7. MEETINGS

- (i) The quorum for the RC meeting shall be 2 members, one of which one should be an Independent Director.
- (ii) The RC shall meet at least once each year. Additional meetings shall be scheduled as considered necessary by the RC.

- (iii) All RC members are entitled to receive notices of RC meetings meetings. The notice of RC meeting shall be given to all RC members at least 3 days before the meeting.
- (iv) Appropriate Directors or officers of the Company or professional advisors may be invited to attend the meetings where the RC considers their presence necessary.
- (v) Each member of the RC is entitled to 1 vote in deciding the matters deliberated in a meeting.
- (vi) The RC may from time to time submit to the Board its recommendation on matters within its purview, for the Board's decision.
- (vii) All recommendations and findings of the RC shall be submitted to the Board for approval.
- (viii) The RC may deal with matters by way of circular resolutions in lieu of convening a formal meeting.

8. MINUTES

- (i) Minutes shall be properly kept of the proceedings and resolutions of the RC.
- (ii) Minutes of each RC meeting shall be tabled to the Board for notation.
- (iii) The RC chairman shall report to the Board on any salient matters which requires the Board's notice, direction and/or approval.

9. REVIEW OF THE TERMS OF REFERENCE

The Terms of Reference of the RC shall be reviewed and amended as necessary to determine its adequacy for current circumstances, the Company's policies, as well as applicable rules and regulations.