

WIDETECH (MALAYSIA) BERHAD
(113939 -U)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

COMPOSITION

The Remuneration Committee of Widetech (Malaysia) Berhad (“Widetech” or “the Company”) shall be appointed by the Directors from among themselves via a Director’s resolution and shall compose of wholly Non-Executive Directors, majority Independent Directors.

The members of the Remuneration Committee shall elect a Chairman from among themselves who is an Independent Non-Executive Director of Widetech. All members of the Remuneration Committee, including the Chairman, will hold office only so long as they serve as Directors of Widetech.

TERMS OF REFERENCE

Objective

The objective of the Remuneration Committee is to set the policy framework to implement its policy and procedures, and to make recommendations to the Board on all elements of the remuneration, terms of employment, reward structure and fringe benefits for Managing Directors, Executive Directors, the Chief Executive Officers and other senior management positions with the aim to attract, retain and motivate individuals of the highest quality.

Executive Directors shall abstain from the deliberations and voting on decisions in respect of their respective remuneration package.

The remuneration and entitlements of the Non-Executive Directors shall be a matter to be decided by the Board of Directors as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration.

Authority

In carrying out its duties and responsibilities, the Remuneration Committee will in principle have access to Widetech’s records, properties and personnel. The Remuneration Committee may obtain the advice of external consultants on the appropriateness of remuneration package and other employment conditions if required.

The Remuneration Committee will review the compensation of Executive Directors, the Managing Director and recommend appropriate adjustments to the Board of Directors for their approval.

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Duties and Responsibilities

The following are the main duties and responsibilities of the Remuneration Committee collectively. These are not exhaustive and can be augmented if necessary by Board's approval:-

1. To recommend to and advise the Board of Directors the remuneration and terms of conditions (and where appropriate, severance payments) of the Executive Directors.
2. To establish a formal and transparent procedure for developing policy on remuneration packages of individual directors, taking into consideration the following:-
 - In case of Executive Directors, the component parts of remuneration should be structured so as to link rewards to corporate and individual performance.
 - In the case of Non-Executive Directors, the level of remuneration should reflect the experience and level of responsibility undertaken by the Non-Executive concerned.
3. Where possible, and to allow it to meet its duties, the Remuneration Committee should seek comparative information on remuneration and conditions of service in comparable organisations, within and without sectors of industry.
4. When considering severance payments, the Remuneration Committee should bear in mind that it must represent the public interest and avoid any inappropriate use of public funds. Care should be taken to avoid determining a severance package that public opinion might deem to be excessive.
5. To carry out other responsibilities, functions or assignments as may be defined by the Board from time to time.

Meetings

The Remuneration Committee shall meet at least once a year or as and when required and report to the Board after each meeting.

The Remuneration Committee Meetings shall be chaired by the Chairman of the Remuneration Committee. In the absence of the Chairman of the Remuneration Committee, the members present shall elect from among themselves, a chairman for the Meeting. The Chairman also has the discretion to call for additional meetings at any time. The quorum for each meeting shall be two (2) members. All recommendations and findings of the Remuneration Committee shall be submitted to the Board of Directors for approval. In the absence of a meeting, any issues shall be resolved through circular resolution.

The Executive Director and/or other appropriate officers may be invited to attend where their presence is considered appropriate as determined by the Remuneration Committee Chairman.

Directors who are shareholders should abstain from voting at general meetings to approve their fees. Similarly, Executive Directors should not be involved in deciding their own remuneration.

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Circular Resolution

A resolution in writing, signed by a majority / all of the Committee members being entitled to received notice of a meeting of the Committee, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

The circular resolution may consist of several documents in like form, each signed by one or more Committee member.