

# **ASTRO MALAYSIA HOLDINGS BERHAD**

Incorporated in Malaysia  
(Company No. 201101004392 (932533-V))



## **REMUNERATION COMMITTEE CHARTER**

As at 26 March 2019

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**ASTRO MALAYSIA HOLDINGS BERHAD**  
**(Incorporated in Malaysia – Company No. 201101004392 (932533-V))**  
**(“Company”)**

**REMUNERATION COMMITTEE CHARTER**

**1. Purpose**

The primary purpose and functions of the Remuneration Committee (“Committee”) of Astro Malaysia Holdings Berhad are to assist the Board of Directors of the Company (“Board”) in its oversight responsibilities in relation to the Company and its subsidiaries (“Group”) in the following matters:

- 1.1 Recommend to the Board the remuneration policies, and any revisions thereof, for:-
  - (i) Directors of the Company;
  - (ii) Group Chief Executive Officer of the Company (“GCEO/CEO”); and
  - (iii) Directors of subsidiary companies (other than resident directors and employees);
- 1.2 Review and recommend to the Board the manner in which the Company's Directors, GCEO/CEO and/or Directors of subsidiary companies are to be remunerated in line with such policies. The remuneration however, shall be determined by the Board as a whole, after taking into consideration the Committee's recommendation;
- 1.3 Review and approve the remuneration package of Key Senior Management of the Group who are direct reports of the GCEO/CEO;
- 1.4 Review and recommend to the Board the remuneration of Consultants and Advisers on strategic matters and matters outside Management's Limits of Authority;
- 1.5 Recommend to the Board any proposal for pension and compensation scheme for the Company's GCEO/CEO and Key Senior Management;
- 1.6 Recommend to the Board the establishment of a long-term incentive plan for eligible employees and eligible executives of the Group such as share schemes or other equity-based incentive plans;
- 1.7 Administer the Management Share Scheme (“MSS”) for eligible employees and eligible executives of the Group in accordance with the by-laws governing the MSS (“By-Laws”) and in such manner as it shall deem fit pursuant to such powers and duties as are conferred upon it by the Board; and
- 1.8 Recommend to the Board the overall bonus and salary increment proposals for the Group in respect of each financial year.

## **2. Composition**

- 2.1 The Committee shall be appointed by the Board from among its members who are Non-Executive Directors and shall comprise of at least three (3) members, the majority of whom shall be independent as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"). No alternate director can be appointed as a member of the Committee.
- 2.2 The Chairman of the Committee who shall be an Independent Non-Executive Director.
- 2.3 In the event of any vacancy due to retirement or resignation of a Committee member or for any other reason which results in a change to the composition of the Committee that does not comply with the composition of the Committee as required herein or set out in the Listing Requirements, such vacancy or non-compliance must be filled or rectified within 3 months of the said event.
- 2.4 The Secretary of the Company shall also act as the Secretary of the Committee. In the absence of the Secretary, the Chairman of the meeting may appoint another person to act on behalf of the Secretary for the purpose of the meeting.

## **3. Procedure**

- 3.1 The Committee may regulate its own procedure, including and without limitation to regulate the calling and notice of meetings, quorum and voting.
- 3.2 Except in so far as amended by a unanimous resolution of the Committee, the following rules of procedure shall apply:-
  - (a) The Committee shall meet at least two (2) times during each financial year or more frequently as it may determine necessary.
  - (b) The Chairman or Secretary of the Committee on the requisition of the members, shall at any time summon a meeting of the Committee by giving notice of at least five (5) business days or if the consent of all the members are obtained, by shorter notice or waive the notice altogether.
  - (c) The Chairman of the Committee will be responsible for establishing the agenda therefor and supervising the conduct thereof.
  - (d) No business shall be transacted at any meeting of the Committee unless a quorum of two (2) members is present, of which the majority present must be independent directors. In the absence of the Chairman of the Committee, the remaining members present at a meeting shall elect one of their numbers to chair the meeting.
  - (e) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to such other day, time and place as the members may determine. If at such adjourned meeting, a quorum is not present within 15 minutes from the time appointed for holding the meeting, the meeting shall be dissolved.
  - (f) Attendance at a meeting may be in person or by way of participation via video conference or teleconference or such other means as may be agreed by the members.

- (g) Only the Chairman and the members are to be present at a meeting of the Committee. Other Board members and officers of the Group can attend a meeting of the Committee at the Committee's invitation.
- (h) The Committee, may at its discretion, request any Board members, officers of the Group, or external legal counsel to attend the meeting of the Committee, or to meet with any members of, or consultants to, the Committee.
- (i) The Committee should record its deliberations in terms of the issues discussed and the conclusions in discharging its duties and responsibilities. Minutes of meeting shall be signed by the Chairman and distributed to each member of the Committee and the Board. The minutes shall be kept at the registered office of the Company under the custody of the Secretary of the Company.
- (j) A resolution in writing signed by all members in lieu of convening a formal meeting shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members.
- (k) All recommendations and findings of the Committee shall be submitted to the Board for approval. The Board's decision on recommendations and findings of the Committee shall be recorded by the Secretary.

#### **4. Duties and Responsibilities**

The Committee shall be responsible for the following:

##### ***Remuneration of Directors and Key Senior Management***

- 4.1 The Committee shall in so far as it is in the best interest of the Company, ensure that the Company adheres to the Principles of and Recommendations prescribed under the Malaysian Code on Corporate Governance 2017, as amended or supplemented from time to time. In addition, the Company shall adhere to the relevant provisions of the Companies Act 2016 and the Listing Requirements in respect of directors' remuneration, as amended or supplemented from time to time.
- 4.2 In relation to the GCEO/CEO:-
  - 4.2.1 Recommend to the Board the remuneration package (including but not limited to pay, bonuses, incentives, share awards and other benefits) and the terms of service of the GCEO/CEO.
  - 4.2.2 Design and implement an evaluation procedure for the GCEO/CEO.
  - 4.2.3 Evaluate the performance of GCEO/CEO on a yearly basis based on the approved Corporate Scorecard and make appropriate recommendations to the Board in respect of his/her remuneration package which shall be competitive, performance-based and reflective of contributions to the Group's long term growth and profitability, in line with corporate objectives and strategy.
- 4.3 Review the remuneration structure for the Directors of the Company and Directors of subsidiary companies and make appropriate recommendations to the Board.

- 4.4 Review and approve the remuneration packages of Key Senior Management of the Group who are defined as direct reports of the GCEO/CEO and other personnel to be determined by the Committee.
- 4.5 Make recommendations to the Board in respect of the establishment of any incentive-compensation plans, share schemes, equity-based plans that apply to the eligible employees and eligible executives of the Group and be empowered to carry out all matters incidental thereto.
- 4.6 Review and recommend to the Board the remuneration payable to Consultants and Advisers on strategic matters and matters outside Management's Limits of Authority.

#### **Share Schemes**

- 4.7 Administer the MSS in accordance with the provisions of the By-Laws and any amendments to the By-Laws that may be approved from time to time including to offer, grant and vest any share awards and/or benefits under the MSS, determine the eligibility of persons entitled to benefit thereunder and the terms and conditions to apply to such awards and/or benefits, amend the By-Laws as and when required, formulate guidelines and procedures relating to the administration of the MSS and be empowered to do all such acts and things as necessary or appropriate in relation to the MSS, subject to approval by the Board.

#### **Others**

- 4.8 Review and recommend to the Board for approval the Corporate Scorecard for each financial year.
- 4.9 Review the performance of the Company based on the approved Corporate Scorecard and make recommendations to the Board in respect of the annual bonus and increment allocations for eligible employees of the Group.
- 4.10 Conduct an annual evaluation of its own performance.
- 4.11 Ensure that adequate disclosures on Board and senior management remuneration policies and procedures, activities undertaken by the Committee and other matters which the Committee deems appropriate, are made in the annual report of the Company

### **5. Rights and Powers of the Committee**

- 5.1 In general and unless otherwise expressly authorised by the Board, the Committee shall not have delegated powers from the Board to implement its recommendations but is obliged to report its recommendations to the Board for consideration and implementation.
- 5.2 The Committee may create subcommittees to perform particular functions, either generally or in specific instances.
- 5.3 In carrying out its duties and responsibilities, the Committee shall have :-
  - (a) Full, free and unrestricted access to any information, records, property and personnel of the Group;
  - (b) Access to independent professional advice and expertise necessary for the performance of its duties; and

- (c) Access to the advice and services of the Secretary of the Company.
  
- 5.4 To the extent the Committee deems advisable, retain compensation consultants to advise the Committee about levels and types of compensation being given by companies similar to the Company to their directors and any other matters the Committee deems appropriate.
  
- 5.5 To the extent the Committee deems advisable, consult with legal counsel (which may be noel to the Company) about any matters, including tax deductibility to the Company and tax effects upon employees that the Committee deems relevant with regard to particular compensation related decisions.
  
- 6. Annual Review of Charter**
  
- 6.1 The Committee shall review and reassess the adequacy of the Committee's charter in light of new best practices and new legal or regulatory requirements, at least annually and recommend the proposed changes to the Board.
  
- 7. Confidentiality**
  
- 7.1 All papers, resolutions, minutes and deliberations of the Committee are strictly and highly confidential.