

TANCO HOLDINGS BERHAD

(Company No. : 3326-K)

REMUNERATION COMMITTEE

1. MEMBERSHIP

- a) The Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall consist of not less than three (3) members.
- b) The Committee shall consist majority of non-executive Directors, a majority of whom are independent and non-executive Directors.
- c) The members of the Committee may elect a Chairman from amongst their number.
- d) If a member of the Committee resigns or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall, within three (3) months, appoint such number of new members as may be required to make up the minimum of three (3) members.

2. TERMS OF REFERENCE

The terms of reference approved for the Committee are:

- a) To recommend to the Board, the remuneration packages of all executive directors in all forms inclusive of cash and non-cash benefits, options and privileges granted by the Company. The remuneration packages should be sufficient to attract and retain the director needed to run the Company successfully.
- b) To review and recommend on an annual basis, all benefits and entitlements of all executive directors.
- c) To establish a formal and transparent procedure for developing policy on executive remuneration for fixing the remuneration packages of individual directors.

In framing the Group's remuneration policy, the Remuneration Committee obtain the advice and information from external source, if necessary, it is, nevertheless, the ultimate responsibility of the entire Board to approve the remuneration of these Directors.

The determination of the remuneration of the non-executive Directors including Non-Executive Chairman is a matter for the Board as a whole.

3. MEETINGS

- a. The Committee shall meet at least once per year. However, additional meetings may be called at any time at the discretion of the Remuneration Committee Chairman.
- b. The quorum of each meeting shall be two (2) members.

4. REPORTING

The Chairman of the Committee shall report on each meeting to the Board.

5. SECRETARY

The Secretary to the Committee shall be the Company Secretary.