

BERJAYA FOOD BERHAD

(Company No: 876057-U)

(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

DEFINITIONS

"BFood" or "Company"	:	Berjaya Food Berhad
"Board"	:	Board of Directors of BFood
"Group"	:	BFood and its subsidiaries

1.0 Composition

The Remuneration Committee ("Committee") shall have at least three (3) members, all of whom shall be non-executive directors with the majority being independent directors. The Chairman of the Committee and the members shall be appointed by the Board based on the recommendations of the Nomination Committee. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.

2.0 Authority

2.1 The Committee may consult the Chairman and/or Chief Executive Officer of the Company regarding proposals relating to the remuneration of Executive Directors. The Committee may consult other Non-Executive Directors in its evaluation of the Managing Director/Chief Executive Officer and the Executive Directors. The Committee may request other Directors and key Executives to participate in Committee Meetings, as necessary, to carry out the Committee's responsibilities.

2.2 The Committee shall have access to such information and advice, both from within the Group and externally, as it deems necessary or appropriate in accordance with the procedures determined by the Board and at the cost of the Group. The Committee is authorised by the Board to obtain external legal or other professional advice, as well as information about remuneration practices elsewhere. The Committee may, if think fit, secure the attendance of external advisers with relevant experience and expertise. No Director or Executive shall take part in decisions involving his/her own remuneration.

3.0 Scope and functions

The scope and functions of the Committee shall include the following:-

- 3.1 To develop and agree on the remuneration policy and procedures with the Board, including the fee structure and level of remuneration for Executive Directors and senior management, and to periodically review the policy and procedures. A copy of which shall be made available on the Company's website.
- 3.2 To review the Executive Directors' goals and objectives and to assess his/her performance against these objectives as well as contribution to the corporate strategy.
- 3.3 To ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance-related elements of remuneration setting forming a significant proportion of the total remuneration package of Executive Directors.
- 3.4 In respect of Non-Executive Directors, to ensure via the Board as a whole that the level of remuneration payable reflects the experiences, level of responsibilities and time commitment undertaken by the Non-Executive Directors concerned.
- 3.5 In respect of Senior Management, to ensure that the remuneration package commensurate with individual's performance, skills and experience, level of responsibility as well as the market benchmarks.
- 3.6 To ensure that the remuneration packages are determined on the basis of the directors' and senior management's merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics.
- 3.7 To review the fees and benefits payable to the Directors of the Company including any compensation for loss of employment of director or former director and recommend to the Board of Directors and thereafter to be approved by the shareholders at general meeting.
- 3.8 To consider other matters as referred to the Committee by the Board.

4.0 Conduct of Meetings

The members of the Committee may participate the meeting in person or by means of teleconference, video conference, audio/visual communications or such other communication device or facilities available from time to time. The member shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in quorum accordingly.

5.0 Frequency and Attendance

- 5.1 The Committee shall meet at least once a year. Additional meetings shall be scheduled as considered necessary by the Committee or Chairman of the Committee.
- 5.2 The quorum for the meeting of the Committee shall be at least two (2) members, of which one shall be an independent Director. In the absence of the Chairman of the Committee, the members present shall elect one of their numbers to chair the meeting.
- 5.3 Matters arising at any meeting shall be decided by a majority vote, each member having one (1) vote. In the event of equality of votes, the Chairman of the Committee shall have a casting vote. However, at Meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman will not have a casting vote.
- 5.4 The Secretary of the Committee shall be appointed by the Committee from time to time. The Committee meeting agenda shall be the responsibility of the Committee Chairman with input from Committee members. The Chairman may also ask management to participate in this process.
- 5.5 The Notice and agenda for each meeting shall unless otherwise agreed to by the members, be circulated at least seven (7) days before each meeting to the Committee members and all those who required to attend the meeting.
- 5.6 The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated. The minutes of the Committee meeting shall be circulated to all Board members.
- 5.7 The Committee, through its chairman, shall report to the Board at the next Board of Directors' meeting after each Committee meeting. When presenting any recommendation to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision. The Committee shall provide such information to the Board as necessary to assist the Board in making a disclosure in the Annual Report in accordance with the recommended principles and practices of the Malaysian Code on Corporate Governance, as considered appropriate, and the Listing Requirements of Bursa Malaysia Securities Berhad.
- 5.8 The Chairman of the Committee shall be available to answer questions about the Committee's work at the General Meeting of the Company.

6.0 Circular Resolutions

A resolution in writing signed or approved by letter, telex, facsimile, telegram or other forms of electronic communication, by a majority of the members of the Committee and who are sufficient to form a quorum, shall be as valid as effectual as if it had been passed at a meeting of the Committee duly convened and held. Such resolutions may consist of several documents in the like form, each signed by one (1) or more members of the Committee and shall be forwarded to the Company Secretary without delay and recorded by the Company Secretary in the minutes book.

7.0 Review of the Terms of Reference

The members of the Committee will review the above terms of reference from time to time whenever deem necessary for approval by the Board. The latest copy of the terms of reference of the Committee shall be made available on the Company's website.