



UNITED U-LI CORPORATION BERHAD
[200001008131 (510737-H)]

NOMINATION AND REMUNERATION COMMITTEE

Version 2020.1 approved by the Board on 27 February 2020

UNITED U-LI CORPORATION BERHAD
Company No. 200001008131 (510737-H)

(Incorporated in Malaysia)

Terms of Reference of Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed by the Board of Directors ("the Board") of United U-Li Corporation Berhad ("the Company") on 27 February 2018

INTRODUCTION

This Terms of Reference of Nomination and Remuneration Committee ("the Committee") is established pursuant to the Listing Requirements and approved by the Board

Paragraph 15.08A(2),
Listing Requirements

Practice 6.2, MCCG

The Committee is responsible for: -

- 1) ensuring the Board has the appropriate balance and size, and recommending the right candidates with the necessary mix of skills, experience and competencies to be appointed to the Board.
- 2) carrying out annual reviews whereupon recommendations are submitted to the Board on the overall remuneration policy for Directors and Key Senior Management Officers, to ensure that the remuneration policy remains in support of its corporate objective and shareholder value, and is in tandem with its culture and strategy.

The existence of the Committee does not diminish the Board's ultimate statutory and fiduciary responsibility for decision-making relating to the functions and duties of the Committee.

COMPOSITION

- 1) The Committee shall comprise of not less than three (3) members.
- 2) All members must be Non-Executive Directors and a majority of whom must be Independent Directors. Each member shall devote sufficient time to carry out the responsibilities and duties as a member of the Committee.
- 3) The Committee shall be chaired by an experienced Non-Executive Director who shall be responsible for the conduct of the meetings.
- 4) The Company Secretary of the Company acts as the Secretary of the Committee.

Paragraph 15.08A(1),
Listing Requirements

Practice 6.2, MCCG

Practice 4.7, MCCG

FUNCTIONS & RESPONSIBILITIES OF THE COMMITTEE

A) NOMINATION

The principle responsibilities of the Committee with regard to the nomination functions are as follows:-

Listing Requirements:
-Paragraph 15.08A(3)
-Paragraph 2.20A
-Paragraph 15.20

- 1) to review, recommend and consider suitable candidates to the Board of the Group, including committees of the Board;
- 2) to review and determine the mix of skills, experience and other qualities, including core competencies of Non-executive Directors, on an annual basis;

MCCG:
-Practice 2.1
-Practice 4.4
-Practice 4.6
-Practice 5.1

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- 3) to assess the Directors on an on-going basis and the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director, including Independent Non-Executive Directors as well as Chief Executive Officer;
- 4) to review the retirement of Directors, the Directors who are eligible for re-election and the retention of Directors who have served beyond nine (9) years as Independent Directors, and to assess their eligibility for re-election or retention prior to recommending to the Board the candidates for re-election or retention;
- 5) to recommend suitable orientation, educational and training programmes to continuously train and equip the existing and new Directors;
- 6) to provide a succession planning policy and ensure that the policy is kept under review;
- 7) to examine particular issues and make the appropriate recommendations to the Board;
- 8) to ensure the composition of the Board is in accordance with the Memorandum and Articles of Association and the requirements for Best Practice of Corporate Governance;
- 9) to review the term of office and performance of an audit committee and each of its members annually to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference; and
- 10) to assess and recommend to the Board, the terms of reference of Board Committees and review the adequacy of committee structure of Board Committee.

B) REMUNERATION

The principle responsibilities of the Committee with regard to the remuneration functions are as follows:-

- 1) to establish and review the terms and conditions of employment and remuneration of executive Directors and Key Senior Management Officers of the Group to ensure that rewards commensurate with their contributions to the Group's growth and profitability; and supports the Group's objectives and shareholder value and is consistent with the Group's culture and strategy;
- 2) to review annually the performance of the executive Directors and recommend to the Board specific adjustments in remuneration and/or reward payments if any reflecting their contributions for the year;
- 3) to ensure the level of remuneration for Independent Non-executive Directors reflects their experience and level of responsibilities undertaken and contribution to the effective functioning of the Board. Reviews and recommends changes to the Board where necessary; and

Listing Requirements:

-Paragraph 7.23
-Paragraph 7.24

MCCG:

-Practice 6.1
-Practice 6.2

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- 4) keep abreast of the terms and conditions of service of the executive Directors including their total remuneration package for market comparability. Reviews and recommends changes to the Board where necessary.

MEETING

- 1) The Committee shall meet as required, at least once (1) a year.
- 2) The quorum for the Committee meeting shall be at least two (2) members present at the meeting, one of whom must be an Independent Director.
- 3) The Committee shall ensure that adequate time is allocated for the Committee meeting to ensure due attention is accorded on the nomination and compensation matters discussed.
- 4) The Chairman of the Committee or the Secretary, on the requisition of a member shall at any time summon a meeting of the Committee by giving reasonable notice. The Chairman together with the Company Secretary shall set the meeting agenda which shall be circulated to the members of the Committee 14 days prior to the meetings. The meeting papers shall be furnished at least (5) business days prior to the meetings, to enable the members of the Committee to prepare for the meetings.
- 5) The Chairman of the Committee shall chair the Committee meetings and in his absence, the members present shall elect one (1) of the members to be Chairman of the meeting.
- 6) The Committee may invite other members of the management or professional advisors to attend the Committee meetings where the Committee considers their presence necessary. The Committee may also engage independent professional advisors or service providers as it deems appropriate in order to carry out its functions and responsibilities.
- 7) Any decision to be taken shall be decided by a majority of votes and in the case of equality, the Chairman of the meeting shall have a casting vote.
- 8) The Committee may also deal with matters by way of circular resolutions.
- 9) All reports, recommendations and findings of the Committee shall be submitted to the Board for approval.

DISCLOSURE

The Committee shall assist the Board in making the required disclosure concerning the activities of the Committee for inclusion in the Annual Report.

REVIEW OF TERMS OF REFERENCE

This Terms of Reference will be reviewed annually to ensure that it continues to reflect the requirements of the Company to meet its commitments towards good corporate governance practices.

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All amendment to the Terms of Reference of the Committee must be approved by the Board of the Company.

Approved by Board:-




TAN SRI DATO' SERI UTAMA
HAJI ISMAIL BIN HAJI OMAR



TAN SRI DATO' WIRA
LEE YOON WAH



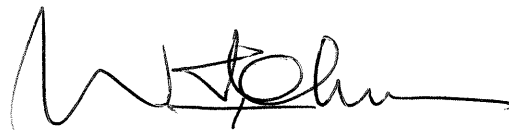
DATO' LEE YOON KONG



TEOW LAI SENG



SHARIFF BIN MOHD SHAH



CHIM WAI KHUAN

Document Version Control since 2019

| Document Version | Date approved by the Board | Committee Members |
|------------------|----------------------------|---|
| Version 1 | 27 February 2019 | Shariff Bin Mohd Shah Chim Wai Khuan |
| Version 2020.1 | 27 February 2020 | Tan Sri Dato' Seri Utama Haji Ismail Bin Haji Omar Shariff Bin Mohd Shah Chim Wai Khuan |