

AUMAS RESOURCES BERHAD
(Formerly Known as BAHVEST RESOURCES BERHAD)
Registration No. 200401011001 (649504-D)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. OBJECTIVE

The primary objective of the Remuneration Committee of AuMAS Resources Berhad (Formerly known as Bahvest Resources Berhad) (“AuMAS” or “**the Company**”) is to assist the Board of Directors (“**the Board**”) in fulfilling its responsibility including reviewing and recommending matters relating to the remuneration of the Board and key senior management, which comprised of compensation, bonuses, incentives and benefits.

2. COMPOSITION

The Remuneration Committee shall be appointed by the Board from amongst the non-executive Directors of the Company and shall consist of at least two (2) members of whom the majority shall be independent. In this respect, the criteria for independence of the “Independent Directors” shall be as defined under the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

The Chairperson of the Remuneration Committee shall be elected from amongst the Committee members.

No alternate director shall be appointed as a member of the Remuneration Committee. The term of office and performance of the Remuneration Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the members have carried out their duties in accordance with their terms of reference.

If a member of the Remuneration Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

3. AUTHORITY

- a) The Remuneration Committee shall have the authority to deliberate, and approve matters within its primary duties and responsibilities as set out in this Terms of Reference; and
- b) Unless otherwise provided by or subject to any applicable laws or legislative requirements, the Remuneration Committee shall have the permission to obtain resources needed to fulfil its duties and responsibilities as set out in this Terms of Reference based on an agreed-upon procedure and at the expense of the Group, such as:
 - i. full and unrestricted access to information, records, properties and employees of the Group;
 - ii. the advice and support of the Company Secretary and senior management; and

- iii. to obtain professional and independent advice from external advisors with relevant knowledge and experience, as and when necessary for the performance of its duties pursuant to Listing Requirements.

4. DUTIES AND RESPONSIBILITIES

The Remuneration Committee shall be responsible for the following duties and responsibilities:

- (a) To recommend a remuneration framework for the Managing Director, Executive Directors, and key senior management for the Board's approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including the Director's fee, salaries, allowance, bonuses, options and benefit-in-kind and take into account the complexity of the Company's business and the individual's responsibilities;
- (b) To recommend specific remuneration packages for the Managing Director, Executive Directors and key senior management. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not depend on short-term performance to avoid incentives for excessive risk-taking. The remuneration should also be aligned with the business strategy and long-term objectives of the Company; and take into consideration the Company's performance in managing material sustainability risks and opportunities. As for Non-Executive Directors and Independent Directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board;
- (c) To ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the Managing Director, Executive Directors and key senior management; and
- (d) To perform any other functions as defined by the Board.

5. MEETINGS OF THE COMMITTEE

The Remuneration Committee shall meet at least once a year and as and when required.

In the event the elected Chairperson is not able to attend a meeting, a member of the Remuneration Committee shall be nominated as Chairperson for the meeting.

Subject to the notice and quorum requirements as provided in the Terms of Reference, a meeting of the Remuneration Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

6. QUORUM

The quorum for a meeting of the Remuneration Committee shall consist of two (2) members. In the absence of the Chairperson, the members present shall elect a Chairperson for the meeting from amongst the members present.

7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Remuneration Committee, any other person required to attend and all other non-executive directors, no later than seven (7) days before the date of the meeting. Supporting papers shall be sent to Remuneration Committee members and other attendees as appropriate, at the same time.

8. SECRETARY AND MINUTES

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the Remuneration Committee. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Remuneration Committee and ensure that the minutes are properly kept and produced for inspection if required.

9. CIRCULAR RESOLUTION

A resolution in writing signed or approved by letter, telegram, telex, telefax or electronic means by a majority of the Remuneration Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Remuneration Committee, shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the Remuneration Committee.

10. REVISION AND UPDATES

The Remuneration Committee shall recommend any changes to its terms of reference in such manner as the Remuneration Committee deems appropriate to the Board for approval. The terms of reference shall be assessed, reviewed and updated where necessary i.e. when there are any changes to the Malaysian Code on Corporate Governance, Listing Requirements or any other regulatory requirements. It shall also be reviewed and updated when any changes to the direction or strategies of the Group may affect the Remuneration Committee's role.

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