

STAR MEDIA GROUP BERHAD

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. OBJECTIVE

- 1.1 The principal objective of the Remuneration Committee (the “Committee” or “RC”) of Star Media Group Berhad (the “Company”) is to assist the Board in assessing and recommending the remuneration of the Executive Directors and Key Management Personnel (including senior management, where appropriate) in all its forms and the fees of Non-Executive Directors (“NEDs”).

Key Management Personnel of the Company/Group, particularly for the following positions (collectively referred to as the “Key Management Personnel”):

- a) Group Chief Executive Officer
- b) C-suites include Group Chief Financial Officer, Chief Content Officer, Chief Revenue Officer and Senior General Manager, Group People or any equivalent key positions

2. MEMBERSHIP

- 2.1 The RC shall be appointed by the Board from amongst its members and shall comprise of at least three (3) members. The RC shall consist wholly or mainly of NEDs.
- 2.2 The office of a RC member shall become vacant upon the member’s resignation/retirement/removal/disqualification as a Director.
- 2.3 In the event of any vacancy in the Committee resulting in the number of their members being reduced to below three (3), the Board shall within three (3) months of such occurrence fill the vacancy.

3. CHAIRMAN

- 3.1 The RC Chairman shall be appointed by the Board who shall be NED.
- 3.2 In the absence of Chairman, the remaining members present shall elect one of their number presents to chair the meeting, who should not be an Executive Director.

4. SECRETARY

- 4.1 The Company Secretary, failing whom, her representative shall be the secretary of the RC and shall be responsible, in consultation with the RC Chairman, for drawing up the agenda.
- 4.2 The Secretary shall attend all RC meetings and minute the proceedings thereof and is responsible for safe-keeping and circulating the minutes of meetings to the RC members and the Board.

5. QUORUM

- 5.1 The quorum for the meeting shall be any two (2) members, including at least one NED.

6. MEETINGS

- 6.1 RC Meetings shall be held as the RC deems appropriate and be held at least once a year. Additional meetings may be called at any time, when necessary, by the RC Chairman or any member of the RC.
- 6.2 Members of the Committee may participate in a meeting in person or by means of teleconference, video conference or any other form of audio and audio-visual communication and all persons participating in the meeting can communicate with each other, and such participation in a meeting shall constitute and be deemed presence in person at the meeting.
- 6.3 Only the Committee Chairman and members shall be entitled to participate at Committee meetings. At the invitation of the RC Chairman, other Directors, Group Chief Executive Officer and Group Chief Financial Officer may also attend the meetings and other management personnel, unless there is a conflict of interest.
- 6.4 Each member present shall have one (1) vote. All resolutions passed in the meeting shall be by majority votes. In the event of an equality of votes, the RC Chairman or chairman of the meeting shall not have a casting vote. All conflicting views shall be submitted to the Board for further deliberation and decision.
- 6.5 Any member who has an interest in any matters being reviewed or considered by the RC shall abstain from voting on the matter.
- 6.6 A resolution in writing, signed by majority of the members of the Committee either in hard copy or digitally/electronically, shall be as effectual as if it has been passed at a meeting of the Committee duly called and constituted. Any such resolution may consist of several documents in like form, each signed by one or more Committee members.
- 6.7 The RC may establish any regulations or practices from time to time to govern its administration.

7. DUTIES AND RESPONSIBILITIES

The duties of the RC include:

- a) To make recommendations to the Board on the Company's policy and structure for remuneration of all Directors and Key Management Personnel (including senior management) and on the establishment and administration of a formal, fair and transparent procedure for developing remuneration policy which includes all aspects of remuneration including but not limited to fees, salaries, allowances, bonuses, options, share-based incentives and benefits-in-kind are covered.

- b) To make recommendations to the Board on the remuneration packages for each individual executive Director, the Group Chief Executive Officer and Key Management Personnel (including senior management), including benefits-in-kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. In this role, the Committee shall seek to ensure that they receive compensation which are appropriate to their scale of responsibilities taking into account the demands, complexities and the overall performance of the Company as well as skills and experience required and market practices, where appropriate.
- c) As part of its review, RC shall ensure that the level and structure of remuneration of the Board and Key Management Personnel (including senior management) are/should:
 - i) be aligned with the long-term interest and risk policies of the Company and should be appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and Key Management Personnel (including senior management) to successfully manage the Company;
 - ii) appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company;
 - iii) be linked to Group or corporate and individual performance and such performance-related remuneration should be aligned with the interests of shareholders and promote the long-term success of the Company. The remuneration packages should be comparable within the industry and in comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures for the purpose of assessing performance of the Director and Key Management Personnel (including senior management).
- d) To make recommendations to the Board on the remuneration of each NED and the respective Board Committees. The remuneration of NEDs shall appropriately reflect the level of their contribution, taking into account factors such as effort and time spent and responsibilities.
- e) To review and recommend compensation payable to Directors and Key Management Personnel (including senior management) for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not overly generous or excessive.
- f) To review and recommend compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms (if any) and are otherwise reasonable and appropriate.
- g) To ensure no Director is involved in deciding his/her own remuneration. The discussions and decisions (where appropriate) of the remuneration packages in all its forms of the Non-Executive Directors including the Chairman and members of Board Committees, shall be a matter for the Board as a whole, with the Director concerned abstaining from deliberation and voting on the decisions of his/her own remuneration.

- h) To consider details of Executive and Non-Executive Directors' remuneration that should be reported and how these details should be presented in the Annual Report.
- i) The Committee's function shall be extended to review the allocation of salary increment and adjustment and bonus to all staff, including the Collective Agreement between the Company and the Trade Union.

8. AUTHORITY

The RC in performing its duties shall:

- 8.1 have full and unrestricted access to the Group and Company's records, information, properties, personnel and other resources for the discharge of its responsibilities; and
- 8.2 be able to obtain external professional advice if it considers this necessary at the Company's expense which is in accordance with the procedure determined by the Board.

9. REPORTING

The Chairman of the Committee shall report each meeting to the Board. The Committee shall make recommendations to the Board as appropriate on any area within its responsibility or as delegated by the Board, where action or improvement is needed.

10. REVISION OF TERMS OF REFERENCE

- 10.1 Any revision or amendment to this Terms of Reference, as proposed by the Committee or any third parties, shall first be presented to the Board for its approval.
- 10.2 Upon the Board's approval, the said revision/amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised/amended.
- 10.3 The Terms of Reference of the RC shall be made available on the Company's website.