

**SUMMIT POWER INTERNATIONAL LIMITED**  
(Incorporated in Singapore)

**REMUNERATION AND NOMINATING COMMITTEE – COMMITTEE CHARTER**

**A. GENERAL PROVISIONS**

**1. Approval**

This Committee Charter has been approved and been put in place by the board of directors (the “**Board**”) of Summit Power International Limited (the “**Company**”) based on the relevant principles of the Monetary Authority of Singapore (MAS) Code of Corporate Governance 2018 (the “**Code**”) (with changes where appropriate to meet the Company’s unique circumstances).

**2. Revision**

The Remuneration and Nominating Committee (the “**RNC**” or “**Committee**”) shall review:

- (a) at least annually, this Committee Charter and recommend to the Board any appropriate amendments for approval; and
- (b) the annual agenda incorporating any changes in this Committee Charter,

subject always that no revision to this Committee Charter shall be effective unless approved by the Board.

**3. Terms of the Committee Charter**

- (a) In the event of any conflict between the provisions of this Committee Charter and the Code, the provisions of the Code shall prevail.
- (b) In the event of any conflict between this Committee Charter and the Company’s constitution (the “**Constitution**”), the Constitution shall prevail.

**4. Access to the Committee Charter**

Relevant parts of this Committee Charter may be posted on the Company’s website.

**B. PURPOSE**

5. The role of the Remuneration and Nominating Committee (“**RNC**”) is to support the Board to fulfil its oversight responsibilities in the following areas:

- (a) reviewing and making recommendations to the Board on a framework of remuneration for the Board and key management personnel as it is designated to consider by the Board;
- (b) developing, recommending and annually reviewing corporate governance guidelines for the Company and overseeing corporate governance matters;
- (c) identifying individuals qualified to become Board members and recommending such individuals to the Board for nomination for election to the Board;
- (d) making recommendations to the Board concerning committee appointments
- (e) coordinating an annual review of the Board’s and its committees’ performance; and
- (f) ensuring the compliance with the Company’s Corporate Governance Code and the Code of Conduct.

**C. COMPOSITION**

## 6. **Nomination**

The RNC shall be appointed by the Board of Directors (**Board**) from amongst its members in accordance with the Constitution and Shareholders' Agreement.

## 7. **Number of directors**

7.1 The RNC shall consist of the following:

- (a) at least three (3) directors;
- (b) be composed of majority non-executive directors

7.2 If the number of members of the RNC falls below three (3), the Board shall, as soon as practicable, appoint new members to the RNC to make up the minimum number of three (3). Any new member appointed shall hold office for the remainder of the term of office of the member of the RNC in whose place he or she is appointed.

7.3 No alternate member of any member of the RNC can be appointed.

## 8. **Term of office**

Subject always to him or her remaining at all times during his or her term of office as a director of the Company, a member of the RNC shall hold office until the next annual general meeting of the Company following such member's appointment and may be re-appointed to such office.

## 9. **Requirements**

9.1 The members of the RNC shall have sufficient and relevant expertise and be appropriately qualified to discharge their responsibilities effectively.

9.2 The RNC members are required to keep abreast of changes in remuneration packages, and issues which have a direct impact on remuneration packages, as well as the corporate governance practices that underpin the success of a high growth company in the infrastructure space.

## 10. **New members**

10.1 The new members of the RNC shall be provided with:

- (a) a latest copy of this Committee Charter;
- (b) minutes of recent RNC meetings together with the relevant meeting papers; and
- (c) copies of the relevant policies and procedures of the Company.

## D. **ROLE**

### 11. **Authority**

The RNC shall have such authority as it may require to carry out any functions and obligations as may be stipulated by the Constitution of the Company or recommended or required of it by the relevant law and codes, including to:

- (a) establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors of the Company (each a "Director"), provided that no Director shall be involved in deciding his own remuneration;

- (b) ensure a formal and transparent process for the nomination, appointment and reappointment of directors to the Board, provided that no Director shall be involved in deciding his/her own nomination, appointment and re-appointment;
- (c) assess the effectiveness and contributions of the Board as a whole and each of its members to the welfare, strategic growth and development of the Company
- (d) take such action within this Committee Charter as it deems fit, having regard to the principles of corporate governance and the Code, including but not limited to requiring information from the officers and employees of the Company;
- (e) seek such external legal, financial or other professional advice within or outside the Company to enable it to discharge its duties as it considers necessary; and
- (f) consider such other matters as defined or assigned by the Board from time to time.

## 12. Responsibilities

12.1 The RNC shall be responsible for the following matters:

### (a) *Remuneration*

- (i) The RNC shall determine and agree with the Board general remuneration and benefit policies of the Company, including:
  - each Director;
  - the CEO (or executive of equivalent rank) if the CEO is not a Director;
  - senior management of the Group;
  - employees related to Directors or, controlling shareholders of the Group; and
  - other members of executive management
- (ii) In determining the general remuneration and benefit policies of the Company, the RNC shall take into account all factors that it deems necessary, having due regard to the relevant law and codes, and associated guidance.
- (iii) The objective of such policy shall be to ensure that Directors and members of the executive management are provided with appropriate remuneration and incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.

### (b) *Specific Executive Compensation*

- (i) The RNC shall at least annually (1) review and approve the corporate goals and objectives relevant to the compensation of the CEO and senior management, (2) evaluate the performance of the CEO and senior management in light of these goals and objectives and (3) set the CEO's compensation level based on this evaluation.
- (ii) The RNC shall ensure that the remuneration package of employees related to Directors or controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibility.
- (iii) The RNC shall, in consultation with the CEO, at least annually review and approve the compensation for the executive directors (other than the CEO), and such other members of the executive management, including (1) salary, allowances, bonuses, awards, (2) the incentive opportunity, (3) the long-term incentive opportunity, and (4) any special or supplemental benefits, including share options and benefits-in-kind.
- (iv) The RNC shall review and recommend to the Board on the employment contract of the CEO and contracts of other executive management.

- (v) The RNC shall ensure that there are policy and procedures for claims for expenses, and delegations of approval authorisations to the CEO and Chairman of the Board, as appropriate.
  - (vi) The RNC shall review and note annually the remuneration trends across the Company, having regard to any major changes in employee benefit structure, and review the ongoing appropriateness and relevance of the remuneration policy adopted by the RNC and the Company.
  - (vii) The RNC shall annually review executive compensation trends and policies at peer groups of companies and make relevant modifications to its own policies and practices to take into account market practice.
- (c) *Compensation Plans*
- (i) The RNC shall oversee any major changes in employee benefit structures throughout the Company.
  - (ii) The RNC shall oversee the implementation and administration of the compensation plans of the Company, including pension, savings, incentive and equity-based plans, and setting the targets for any performance related-pay schemes of the Company; provided that the RNC shall not exercise any of its authority with respect to any of its members.
  - (iii) The RNC shall review and make recommendations to the Board with respect to, or approve, any incentive compensation plans and equity-based plans for the Company to be adopted. The RNC shall ensure that performance-based compensation efficiently focuses on the long-term success of the Company and is not able to be manipulated through short-term reporting mechanisms.
  - (iv) The RNC shall review and make recommendations to the Board with respect to, or approve, all awards of shares or share options pursuant to the Company's equity-based plans; provided that, the RNC shall not exercise any of its authority with respect to any of its members.
- (d) *Corporate Governance Structure*
- (i) To consider and recommend any proposed amendments to the Company's Constitution, any standing procedures of the Board and the terms of reference of the Company's Board committees, and to review and recommend any changes to other documents relating to the corporate governance of the Company.
  - (ii) To review the effectiveness of orientation processes for newly elected members of the Board. The RNC shall also regularly assess the adequacy of and need for additional continuing director education programs.
  - (iii) To keep under review all legislative, regulatory and corporate governance developments that might affect the Company's operations and to make recommendations to the Board in relation thereto, always striving to ensure that the Company is at the forefront of best practice.
  - (iv) To recommend to the Board corporate governance guidelines for the Company (the Corporate Governance Code), assessing those guidelines at least annually, and reviewing any requests for waivers of those guidelines and oversee compliance with the Code.
  - (v) To ensure that the standards and the disclosures required by the Code of Corporate Governance 2018 are observed (where applicable) and reflected in disclosures made in the Company's reports.
  - (vi) To review Company's policies in relation to corporate governance and to make recommendations to the Board in relation thereto.

- (vii) To receive and consider reports on any views expressed by shareholders, shareholder representative bodies and other interested parties in relation to corporate governance.
  - (viii) The RNC shall (a) regularly receive reports from management regarding compliance with the Company's Code of Conduct and the procedures established to monitor compliance with the Code of Conduct; (b) review requests for waivers from the Code of Conduct; and (c) promptly disclose any waivers that are required by applicable regulations to be disclosed publicly.
- (e) *Board Nominees; Committee Appointments; Continued Service*
- (i) The RNC shall keep under review the leadership needs of the organisation, both executive and non-executive with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace, and shall make recommendations to the Board regarding plans for succession both for executive and non-executive directors.
  - (ii) The RNC shall be responsible for identifying and nominating for the approval of the Board candidates to fill Board vacancies as and when they arise. In the case of an individual recommended to fill a Board vacancy created by an increase in the size of the Board, the RNC shall also recommend to the Board the class of directors (executive or non-executive) in which the individual should serve.
  - (iii) In recommending a candidate for appointment to the Board, the RNC shall determine criteria, objectives and procedures for selecting Board members, including factors such as independence, diversity, age, future succession planning, integrity, skills, expertise, breadth of experience, knowledge about the Company's business and industry, and willingness to devote adequate time and effort to Board responsibilities in the context of the existing composition and needs of the Board and its committees and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.
  - (iv) In identifying suitable candidates the RNC shall consider the use of open advertising or the services of external advisers to facilitate the search, consider candidates from a wide range of backgrounds and consider candidates on merit against objective criteria, taking care that appointees have enough time to devote to the position.
  - (v) The RNC shall regularly review the structure, size and composition required for the Board (including the skills, knowledge and experience) compared to its current position and make recommendations to the Board with regard to any changes. This exercise should, where appropriate, include the following:
    - (1) reviewing potential candidates for the Board (and reporting to the Board regarding the results of such review);
    - (2) making recommendations regarding nominations for election and re-election to the Board;
    - (3) recommending appointments to the Board to fill vacancies, and recommending directors for executive or other office;
    - (4) determine on an annual basis if a director is independent, bearing in mind the Code's definition of an "independent director" and guidance as to relationships the existence of which would deem a director not to be independent. The process for the determination of independency is through submissions and declarations from each director as may be required by law, subsidiary legislation or recommended by the Code. When considering the meaning and tests of independence, the RNC should be guided that an independent director is one who has no relationship with the Company, its related companies or its officers that could interfere, or be

reasonably perceived to interfere, with the exercise of a director's independent business judgement with a view to the best interests of the Company. The RNC should also make disclosures as and when required or necessary to support its finding on a director's independence or non-independence.

- (5) determine annually whether a director with multiple board representations is able to and has been adequately carrying out his duties as a director of the Company through an assessment of the effectiveness and contributions of the individual director.
  - (vi) The RNC shall annually review the delegation of authorities from the Board to committees to ensure that the Board overall fulfills all the functions stipulated by law and the Company's Constitution.
  - (vii) The RNC shall review the appropriateness of continued service on the Board of members whose business or professional affiliations or responsibilities have changed or who contemplate accepting a directorship on another public company board or an appointment to a committee of another public company board.
  - (viii) The RNC shall review annually the time required from a non-executive director, and consider whether a non-executive director is spending enough time to fulfil his duties, and shall make recommendations to the Board on the reappointment of non-executive directors at the end of their term of office, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.
  - (ix) The RNC shall identify Board members qualified to fill vacancies on any committee of the Board (other than the RNC) and recommend that the Board appoint the identified member or members to the relevant committee.
  - (x) In recommending a candidate for appointment to a committee, the Committee shall consider any required qualifications as set forth in such committee's terms of reference, the needs of the committee in light of its purpose and responsibilities and the existing composition of the committee, the benefits of periodic rotation of committee members and any other factors the RNC deems appropriate.
  - (xi) The RNC shall ensure that on appointment to the Board non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.
  - (xii) The RNC shall make recommendations to the Board concerning:
    - the continuation (or not) in service of any director who has reached the age of 70; and
    - any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract.
- (f) *Board and Committees Performance Evaluation*
- (i) The RNC shall coordinate the annual evaluation of the structure, organisation, policies, performance and effectiveness of the Board and its committees.
  - (ii) The RNC shall ensure that a peer review or other evaluation mechanism of each Board member individually is in place, and that written reports on evaluation results are submitted to the Board, suggesting improvements, if any.
  - (iii) propose to the Board for its acceptance, objective performance criteria to evaluate the performance and effectiveness of the Board as a whole and each of its members. The criteria should be pre-approved by the Board and should not be changed from year to year unless justified by the Board.

(g) *Succession Planning*

- (i) The RNC shall make recommendations to the Board as regards plans for succession for both executive and non-executive directors.
- (ii) The RNC shall monitor succession planning for CEO and the Board Chairman, review the outside activities of senior executives and review with the Chairman and CEO succession plans relating to other executive positions in the Company.

(h) *Access to Advisors and Training*

- (i) The RNC, in carrying out its tasks under this Charter, shall have its own budget and authority to (1) retain and terminate the engagement of any outside consultant used to assist in the evaluation of CEO or other executive directors or officers' remuneration and performance, and (2) to obtain advice and assistance from internal or external legal or other advisors, in each case without having to seek Board approval and at the Company's expense, for matters within this Charter.
- (ii) The RNC shall select the criteria for choosing such consultants, and shall have authority to approve the consultant's fees and other retention terms.
- (iii) The RNC should ensure that existing relationships, if any, between the Company (or a director, shareholder, employee or advisor of the Group) and remuneration or performance consultants and advisors will not affect the independence and objectivity of the remuneration consultants.

## **E. PROCESSES AND PROCEDURES**

### **13. Secretary of the RNC**

The secretary of the Company or another person nominated by the RNC shall act as the secretary of the RNC.

### **14. Meetings**

14.1 The meetings and notice and proceedings of the meetings of the RNC shall be governed by the Constitution and the Shareholders' Agreement.

14.2 Attendance by all RNC members is expected, whether in person or via telephone conference, video conference or any other form of audio or audio-visual instantaneous communication.

14.3 The RNC should meet at least once a year and meetings should be organized so that attendance is maximised.

14.4 Executive Directors or senior management may be invited to the meetings to attend meetings and provide pertinent information, as necessary.

14.5 Meeting agendas will be prepared by RNC Chairman with the assistance of the secretary of the RNC and provided in advance to members, along with appropriate briefing materials. The Secretary shall attend all meetings and prepare the minutes of the proceedings thereof.

14.6 The RNC shall maintain minutes of its meetings and shall give regular reports to the Board, including on the Committee's actions, conclusions and recommendations and such other matters as the Board shall from time to time specify. Reports to the Board may take the form of oral reports by the RNC Chairman or any other member of the RNC designated by the RNC to give such report.

14.7 In addition to the Committee's reporting obligations above, it may prepare a report describing the Committee's work in discharging its responsibilities to the board.

15. **Review of Performance**

To ensure that the RNC is fulfilling its stewardship duties to the Board, the RNC shall

- (a) agree and review its key performance metrics with the Board with respect to how it discharges its roles and responsibilities;
- (b) conduct an annual assessment of its performance against the duties and responsibilities as set out in this RNC Committee Charter and provide a report of the findings to the Board; and
- (c) conduct an annual assessment of each RNC member (the RNC Chairman should provide a report of the findings to the Chairman of the Board).

-End-