

Assessment Topic 5: Nomination and Remuneration Committee Assessment

The Nomination and Remuneration Committee (“NRC”) Form contains the following areas of assessment:

- Section A: Composition and governance;
- Section B: Meeting administration and conduct;
- Section C: Skills and competencies;
- Section D: Duties and responsibilities in relation to nomination matters;
- Section E: Duties and responsibilities in relation to remuneration matters;
- Section F: Disclosure; and
- Assessment questions relevant to the Chairman of the Nomination and Remuneration Committee.

The criteria for the NRC Assessment were developed based regulatory provisions as well as emerging and leading practices, customised to the needs of Duopharma.

The questionnaire should be completed using the grading system of “Satisfactory”, “Good” or “Excellent”, represented by ‘S’, ‘G’ and ‘E’ respectively.

The assessment criteria are as follows:

Assessment criteria <i>(Note: additional comments can be included beside the grading)</i>	Grading
Section A: Composition and governance	
1. Does the composition of the NRC allow for NRC members to exercise objectivity and independence in performing their duties and responsibilities in the best interest of Duopharma?	

Assessment criteria <i>(Note: additional comments can be included beside the grading)</i>	Grading
Section B: Meeting administration and conduct	
2. Does the NRC seek independent professional advice as required to perform its roles and responsibilities (e.g. benchmarking exercise or scouring of talent) and invite persons with relevant experience to attend its meetings, if necessary?	
Section C: Skills and competencies	
3. Do the NRC members possess the required knowledge, skills and competencies to evaluate potential Directors or candidates for directorships and Management and to review remuneration matters as well as setting up the remuneration policies?	
Section D: The duties and responsibilities in relation to nomination matters	
4. Does the NRC regularly review the policy on Board diversity to ensure its continued effectiveness and relevance to the needs of the Company? <i>For this question, please provide comments below.</i> <u>Explanatory note:</u> Practice 4.4 of MCCG calls for the appointment of board directors and senior management to be based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. Comments:	
5. Has the NRC develop a succession plan for Board members, including the Chairman, and Senior Management officers, including the Managing Director, to ensure minimal business disruption in the event of a change in personnel? <i>For this question, please provide comments below.</i> Comments:	
Section E: The duties and responsibilities in relation to remuneration matters	
6. Has the remuneration structure been designed in such a way that it supports Duopharma's culture, objectives, strategies, risk appetite whilst being reflective of the responsibilities and commitment which goes with Board membership and responsibilities of the Managing Director and Senior Management officers?	
7. Does the NRC's recommendation on remuneration of Duopharma's Managing Director and Non-Executive Directors reflect the remuneration level and trend seen for directors of a similar position in the market and time commitment required from the director?	

Assessment criteria <i>(Note: additional comments can be included beside the grading)</i>	Grading
<p>8. Are the remuneration policies and procedures for Directors and Senior Management’s remuneration reviewed on a regular basis and kept contemporary with the developments and evolving needs of Duopharma? <i>For this question, please provide comments below.</i></p> <p>Comments:</p>	
Section F: Disclosure	
<p>9. Does the NRC Terms of Reference clearly sets out the authority and responsibilities of the NRC? Among others, are the separation of roles for nomination and remuneration matters clearly demarcated in ensuring that there are no overlapping of duties and responsibilities? Further, is the Terms of Reference easily accessible to shareholders and other stakeholders? <i>For this question, please provide comments below.</i></p> <p><u>Explanatory note:</u></p> <p>Paragraph 15.08A(2) of Bursa Securities Listing Requirements mandates listed issuers to have a written terms of reference which deals with the NRC’s authority which must include the selection and assessment of directors, and such information must be made available on the listed issuer’s website.</p> <p>Comments:</p>	
Additional comments	

Assessment questions relevant to the Chairman of the Nomination and Remuneration Committee:

<p style="text-align: center;">Assessment criteria <i>(Note: additional comments can be included beside the grading)</i></p>	<p style="text-align: center;">Individual Director's grading (self- assessment, including by the Chairman)</p>
<p>10. The NRC Chairman establishes and maintains a good working relationship with the Managing Director and Senior Management team as well as the Group Human Resources Department including providing support and advice whilst respecting executive responsibilities.</p>	
<p>11. The NRC Chairman accords sufficient time to fairly deliberate on both nomination and remuneration issues during meetings with adequate attention and time for both matters.</p>	
<p>12. The NRC Chairman exercises the highest level of independence, collaborates with the risk management function (i.e. Risk Management Committee) and advises the Board appropriately to ensure that nomination and remuneration policies do not lead to imprudent risk-taking.</p>	