



# ROGERS AND COMPANY LIMITED

## CORPORATE GOVERNANCE COMMITTEE

### TERMS OF REFERENCE

#### 1. CONSTITUTION

**(a) In its capacity as Corporate Governance Committee :**

- i. to make recommendations to the board on all corporate governance provisions to be adopted so that the board remains effective and complies with prevailing corporate principles and practices.
- ii. to ensure that the disclosure requirements with regard to corporate governance, whether in the annual report or other reports on an ongoing basis, are in accordance with the principles of the applicable Code of Corporate Governance.

**(b) In its capacity as Nomination Committee :**

- i. to make recommendations to the board on all new board appointments;
- ii. to review through a formal process the balance and effectiveness of the board, identifying the skills needed and those individuals who might best be seen to be providing such skills in a fair and thorough manner.

**(c) In its capacity as Remuneration Committee :**

- i. to develop a policy on executive remuneration and for fixing the remuneration and benefit packages of individual directors, within agreed terms of reference, to avoid potential conflicts of interest.
- ii. in relation to remuneration of non-executives, for reason of self-interest, to make recommendations to the full board.

#### 2. TERMS OF REFERENCE

**(a) In its capacity as Corporate Governance Committee, to:**

- i. advise the board on all aspects of corporate governance and to recommend the adoption of best practices as appropriate for the company and the group;
- ii. determine, agree and develop the company's general policy on corporate governance in accordance with the applicable Code of Corporate Governance;
- iii. recommend to the board any closed periods during which the directors and any other persons in the company who are privy to price sensitive information shall not be permitted to trade in shares or securities of the company;
- iv. prepare the corporate governance report to be published in the company's annual report;
- v. ensure that disclosures are made in the annual report in compliance with the disclosure provisions in the Code of Corporate Governance;
- vi. report any breach of the Code to the board of Rogers for action to be taken;
- vii. review any statements on ethical standards or requirements for the company and assist in developing such standards and requirements; and
- viii. give recommendations on situations involving any breach of the company's code of ethics.

**(b) In its capacity as Nomination Committee, to:**

- i. make recommendations to the board on appointment of new executive and non-executive directors, including recommendations on composition of board in general regarding balance between executive and non-executive directors appointed to the board;
- ii. review board structure, size and composition and make recommendations to the board where necessary with regard to any adjustments deemed necessary;
- iii. to identify and nominate candidates for approval of the board to fill board vacancies as and when they arise, as well as put in place plans for succession, in particular for chairperson and CEO;
- iv. to ensure that the CEO has put in place plans for succession of the Chief Executive of each sector and CFE;
- v. recommend to the board for continuation (or not) in service of any director who has reached the age of 70;
- vi. recommend directors who are retiring by rotation, for re-election; and
- vii. liaise with the board in relation to preparation of committee's report to shareholders, as required.

**(c) In its capacity as Remuneration Committee, to:**

- i. determine the level of non-executive and independent non-executive fees and subject to board approval, to recommend same to the shareholders at the Annual Meeting of Shareholders;
- ii. determine and recommend to the board specific remuneration packages for executive directors of the company (basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentives, pensions and other benefits);
- iii. determine, agree, develop and recommend to the board the company's general policy on executive and senior management remuneration (i.e. Chief Executive of each sector, CFE, Group Company Secretary and packages for expatriates;



- iv. give the executive directors every encouragement to enhance the company's performance and to ensure that they are fairly, but responsibly rewarded for their individual contributions and performance;
- v. review (at least annually) the terms and conditions of executive directors' service agreements, taking into account information from comparable companies where relevant and to make recommendations to the board;
- vi. be kept informed of relevant information for other group executives and senior managers;
- vii. co-ordinate its activities with the chairperson of the board and the chief executive as well as consult them in formulating the Committee's remuneration policy and when determining specific remuneration packages;
- viii. determine any criteria necessary to measure the performance of the board collectively, the directors individually, the executive directors, the chairman of the board, the chairperson of the sub-committees of the board and the CEO in discharging their functions and responsibilities;
- ix. consult, if need be, other non-executive directors in its evaluation of the performance of the chairperson of the board and the CEO; and
- x. liaise with the board in relation to the preparation of the Committee's report to shareowners as required and to consider each year (and minute its conclusions) whether the circumstances are such that the annual general meeting of the company should be invited to approve the remuneration policy set out in the Committee's report.

**(d) these terms of reference may be amended as required, subject to the approval of the board.**

### **3. MEMBERSHIP**

The Committee shall be composed of 4 non-executive members of the board and the CEO. As far as possible:

- (a) the Committee shall be substantially composed of independent non-executive directors; and
- (b) the aspiration is that the chairperson of the Committee should be an independent non-executive director.

The members of the Committee shall elect a chairperson from amongst the 4 non-executive directors appointed to the Committee.

The members of the Committee shall be assisted by a Secretary.

### **4. MEETINGS**

- Meetings of the Committee will be held as the Committee deems appropriate. However, the Corporate Governance Committee should meet at least twice each year; and the Remuneration and Nomination Committee, at least once every year.
- The chairperson of the Committee or any member of the Committee may call a meeting at any other time.
- The notice of each meeting of the Committee confirming the venue, time and date and enclosing an agenda of items to be discussed shall, other than under exceptional circumstances, be forwarded to each member of the Committee not less than ten working days prior to the date of the meeting.
- The quorum for decisions of the Committee shall be any three members (composed of at least two non-executive directors) present throughout the meeting who shall vote on the matter for decision.
- The Remuneration Committee shall normally invite the chairperson of the board and the chief executive to attend meetings to discuss the performance of other executive directors and to make proposals as necessary.

### **5. PROCEEDINGS**

- Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the company's articles of association regulating the meetings and proceedings of directors and committees.
- The Secretary shall take minutes of meetings.
- The minutes of meeting to be circulated as follows:
  - (a) Corporate Governance Committee minutes to be circulated to the members of the Committee and the Chairperson of the board as soon as possible after the meeting and may also, if the Chairperson of the Committee so decides, be circulated to other members of the board;
  - (b) Remuneration Committee and Nomination Committee minutes shall be kept under lock and shall not be circulated beforehand to the members of the Committee. The minutes shall be read and approved by the members of the Committee at a subsequent meeting of the Committee. The minutes shall be made available to the Chairperson of the board of Rogers.
- Any director may, provided that there is no conflict of interest and with the agreement of the chairperson of the Committee, obtain copies of the Committee's minutes.
- No Remuneration Committee attendee shall participate in any discussion or decision in respect of their own remuneration or performance/ disciplinary proceedings or evaluations.

### **6. REMUNERATION**

Members of the Committee shall be paid such special remuneration in respect of their appointment as shall be fixed by the board. Such special remuneration shall be in addition to the annual fees payable to directors.

### **7. GENERAL**

The Committee, in carrying out its tasks under these terms of reference, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.

