

EDUSPEC HOLDING BERHAD

(Company No. 646759-X)
(Incorporated in Malaysia)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. Composition

The Committee shall be appointed by the Board from amongst the Directors of the Company consisting wholly or mainly of non-executive Directors.

It shall consist of not less than three (3) members.

2. Quorum

Two (2) members shall form a quorum for meetings.

3. Chairman

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-Executive Director. In the absence of the Chairman of the Remuneration Committee, the remaining members present shall elect one of their members as Chairman of the meeting.

4. Secretary

The Secretary to the Remuneration Committee shall be the Company Secretary or his representative(s).

5. Meetings and Minutes

- a) The Remuneration Committee shall meet at least once a year or at such other times as the Chairman of the Committee deems necessary.
- b) Minutes of meetings should be recorded and kept.
- c) Question arising shall be decided by a majority of votes and determination by a majority of members shall for all purposes be deemed a determination of the Remuneration Committee.

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- d) In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote provided that where two (2) members form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote.
- e) Any resolution in writing, signed or assented to by all the members of the Committee shall be as valid and effectual as if had been passed at a meeting of the Committee duly convened and held, and may consist of several documents in the like form, each signed by one or more members of the Committee.

6. Scope of Responsibilities

- a) To recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary.
- b) To recommend to the Board, guidelines for determining remuneration of Non-Executive Directors.
- c) To recommend to the Board any performance related pay schemes for Executive Directors.
- d) To review Executive Directors' scope of service contracts (if any).
- e) To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfill its functions.
- f) To review any major changes in remuneration policy and employee benefit structures throughout the Company or Group, and if thought fit recommend them to the Board for adoption.

7. Reporting Procedures

- a) The remuneration of Directors shall be the ultimate responsibility of the full Board after considering the recommendation of the Committee.
- b) Executive Directors do not participate in discussion on their own remunerations.

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- c) The determination of remuneration packages of Non-Executive Directors should be a matter for the Board as a whole.
- d) Level of remuneration should be sufficient to attract and retain the Directors needed to run the Company successfully.
- e) Change in Membership of the Remuneration Committee.
- f) Decisions and recommendations of the Committee shall be reported to the Board.