

Objectives (cont.)

- iii. To fully implement the ten initiatives as laid out in the GLC Transformation Manual by end of 2007.
- iv. To regularly update and report the progress of GLC Transformation to the respective Government-Linked Investment Companies (GLIC), in case of CCM, to report and update Permodalan Nasional Berhad every quarter.
- v. To consider other matters as referred to the Committee by the Board.

Members and Meetings

The GLCT Committee consists of four (4) members, all of whom are Non-Executive Directors.

A total of four (4) meetings were held during the year. The attendance record of each member during the year is as follows:

Name of Directors and Status	Number of Meetings Attended
Tan Sri Ab. Rahman bin Omar Chairman, Non-Independent Non-Executive Director	4/4
E. Sreesanthan Non-Independent Non-Executive Director	3/4
Dato' Kalsom binti Abdul Rahman (resigned from the Committee w.e.f. 1/10/2008 and reappointed w.e.f. 1/1/2009) Non-Independent Non-Executive Director	3/3
Mohd. Nizam bin Zainordin (appointed w.e.f. 11/5/2009) Non-Independent Non-Executive Director	N/A
Jamiah binti Abdul Hamid (resigned from the Committee w.e.f. 5/5/2009) Non-Independent Non-Executive Director	2/4

Activities During the Year

During the year, the Committee:

- i. Reviewed and approved the Group's GLC Transformation Plans for 2008.
- ii. Recommended for approval the 2008 Headline Key Performance Indicators (KPIs) for the Group.
- iii. Reviewed and approved the Quarterly Reporting to PNB on the progress of GLC Transformation in the Group.
- iv. Implemented the GLCT guidelines on the initiative for Enhancing Board Effectiveness, through the completion

of a Board Effectiveness Assessment and the formulation and implementation of a Board Improvement Plan.

- v. Tracked and monitored the progress of implementation for all GLCT initiatives and reviewed the results and benefits achieved for year 2008.

Report of the Nomination & Remuneration Committee

The Board is pleased to issue the following report on the Nomination & Remuneration Committee and its activities during the financial year ended 31 December 2008.

Terms of Reference**Objectives**

- i. To recommend to the Board of Directors, candidates for all directorships in the Company and Group to be appointed by the shareholders or the Board;
- ii. To recommend to the Board, directors to fill seats on Board Committees;
- iii. To consider candidates for directorships proposed by the Group Managing Director and, within bounds of practicability, by any other senior executive or any director or shareholder;
- iv. To evaluate the effectiveness of the Board and Board Committees with regard to their structure, size, balance and composition including the required mix of skills, knowledge, expertise, experience, professionalism, integrity including core competencies which non-executive directors should bring to the board, and contributions of each individual director;
- v. To evaluate the candidates' ability to discharge such responsibilities/functions as expected from non-executive directors, in the case of candidates for the position of Independent Non-Executive directors;
- vi. To provide adequate training and orientation to new Directors as well as continuous training to current Directors with respect to business, structure and management of the Group as well as the expectations of the Board;
- vii. To recommend to the Board whether Directors retiring by rotation should be put forward for re-election;
- viii. To ensure an appropriate framework and plan for Board and management succession in the Group;

Objectives (cont.)

- ix. To review management's recommendation on appointment or promotions of senior management personnel of the Group;
- x. To review and ensure that the policy on Directors' fees for the Company and Group are in line with market and industry practice and are reflective of the contribution of each individual director;
- xi. To review and approve/ratify policies on the remuneration package of Executive Directors of the Company as well as Managing Directors, Chief Executive Officer and Chief Operating Officers and General Managers of the CCM Group of Companies;
- xii. To review and approve/ratify the annual global increment and bonus package for non-unionized employees in the CCM Group of Companies;
- xiii. To review and recommend to the Board on any new Employees' Share Options Scheme of the CCM Group and/or amendments to the existing scheme.

Members and Meetings

The Nomination & Remuneration Committee consists of three (3) members, all of whom are Non-Executive Directors.

During the year, Tan Sri Dato' Dr. Abu Bakar bin Suleiman was appointed as a Committee Member with effect from 1 October 2008. Tan Sri Dato' Dr. Mohamed Yusof bin Hashim, who resigned from the Board of the Company effective 9 December 2008, also resigned from the Committee on even date.

A total of six (6) meetings were held during the year. The attendance record of each member during the year is as follows:

Name of Directors and Status	Number of Meetings Attended
Dato' N. Sadasivan Chairman, Independent Non-Executive Director	6/6
Tan Sri Ab. Rahman bin Omar Non-Independent Non-Executive Director	6/6
Tan Sri Dato' Dr. Mohamed Yusof bin Hashim (resigned w.e.f. 9/12/2008) Independent Non-Executive Director	3/6
Tan Sri Dato' Dr. Abu Bakar bin Suleiman (appointed w.e.f. 1/10/2008) Non-Independent Non-Executive Director	2/2

Activities During the Year

During the year, the Committee:

- i. Conducted the Board's effectiveness assessment and recommended improvement plans for the same.
- ii. Recommended for approval the appointment of new Directors to the Group.
- iii. Reviewed policy on Directors' fees for the Company and Group.
- iv. Recommended for approval the remuneration package of the Group Managing Director and Managing Directors/ Chief Executive Officer / Chief Operating Officer of the CCM Group of Companies.
- v. Recommended to the Board the appointment of Directors to the Board Committees.
- vi. Reviewed and approved the annual global increment and bonus package for non-unionized employees of the Group.
- vii. Ensured that all Directors received appropriate continuous training programmes in order to keep abreast with developments in the relevant industry and with changes in the relevant statutory and regulatory requirements.
- viii. Reviewed the management's recommendation on appointment or promotions of senior management personnel of the Group.
- ix. Reviewed and monitored the succession planning in the Company and Group.

Report of the Finance & Investment Committee

The Board is pleased to issue the following report on the Finance & Investment Committee and its activities during the financial year ended 31 December 2008.

Terms of Reference

- To review and recommend to the Board of Directors the Group's operational plan and budget;
- To review and approve all capital expenditure in excess of RM1 million and up to RM20 million as proposed by companies within the Group;
- To review and recommend to the Board of Directors all capital expenditure in excess of RM20 million as proposed by companies within the Group;