

Report of the Nomination & Remuneration Committee

The Board is pleased to issue the following report on the Nomination and Remuneration Committee and its activities during the financial year ended 31 December 2006.

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 review and approve/ratify policies on the remuneration package of executive directors of the Company and Managing Directors of subsidiary companies;
- iv. to review and approve/ratify the annual global increment and bonus package for non-unionized employees in the CCM Group of Companies;
- v. to review the implementation of the Employees' Share Options Scheme of the CCM Group.

MEMBERS AND MEETING

The Nomination and Remuneration Committee consists of three (3) members, all of whom are Independent 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	Membership	Number of Meetings	
		Held	Attended
Dato' N. Sadasivan (Chairman)	Independent Non-Executive	4	3
Tan Sri Ab. Rahman bin Omar	Non-Independent Non-Executive	4	4
Tan Sri Dato' Dr. Mohamed Yusof bin Hashim	Independent Non-Executive	4	4

ACTIVITIES DURING THE YEAR

During the year, the Committee:-

- i. recommended for approval the appointment of new Directors to the Board.
- ii. recommended for approval the remuneration package of the Group Managing Director and Managing Directors/Chief Operating Officer of Subsidiary Companies.
- iii. recommended to the Board the appointment of Directors to the Board Committees.
- iv. reviewed and approved the annual global increment and bonus package for non-unionized employees of the Group.
- v. ensured that all Directors received appropriate continuous training programmes in order to keep abreast with developments in the financial industry and with changes in the relevant statutory and regulatory requirements.
- vi. reviewed the management's recommendation on appointment or promotions of senior management personnel of the Group.
- vii. reviewed the implementation of the Employees' Share Option Scheme of the Group.