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# Automatic Systems Ltd

## *Terms of reference - Corporate Governance Nomination and Remuneration Committee*

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### **1. Establishment of a Corporate Governance Nomination and Remuneration Committee**

In accordance with the recommendations contained in the Code of Corporate Governance, the Board of Directors of Automatic Systems Ltd (the 'Company') established a Corporate Governance Nomination and Remuneration Committee (the 'Committee').

### **2. New terms of reference**

The Board of Directors approved the new terms of reference which replace the previous terms of reference.

### **4. Tenure of office**

The tenure of office of a member shall be for a period of one year, renewable at the option of the Board.

### **5. Objects and functions of the Committee**

The objects and functions of the Committee shall be to:

- a. determine, agree and develop the Company's policy on Corporate Governance in accordance with the recommendations of the Code of Corporate Governance (the 'Code');
- b. review the Constitution and structure of the Company in the light of the Code ;
- c. identify areas of compliance and areas of non-compliance with the Code and to report to the Board accordingly;
- d. assist, advise and make recommendations to the Board of Directors, hereinafter referred to as the Board, on all aspects of corporate governance provisions which should be followed by the Company, so that the Board remains compliant while complying with sound and recommended corporate practices and principles;
- e. advise the Directors and persons in the Company who are privy to price sensitive information of any closed periods during which they should refrain from trading in shares or securities of the Company;
- f. ensure that disclosures, whether in the Annual Report or any other Report, are made in accordance with the principles recommended in the Code ;
- g. prepare the Corporate Governance Report to be published in the Annual Report;
- h. report any breach of the Code to the Board;
- i. to act as Nomination Committee and Remuneration Committee, in accordance with Sections 3.94 and 3.95 respectively of the Code, as and when required;

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#### **6. Membership of the Committee**

- (1) The Committee shall be composed of at least three Board members, the majority of which shall be non-executive Directors.
- (2) The members of the Committee shall elect a non-executive Director as Chairperson.
- (3) The Company Secretary shall act as the Committee secretary.
- (4) The Chairperson may invite any professional adviser to attend any meeting of the Committee.

#### **7. Meetings of the Committee**

- (1) The Committee shall meet at least twice a year and at any other time as the Chairperson or any of its members may request.
- (2) The notice of any meeting of the Committee, together with the Agenda shall, save in exceptional circumstances, be forwarded to each member at his last known email address four days before the meeting.
- (3) The quorum of the Committee shall be two.
- (4) Minutes of meetings of the Committee shall be circulated to its members and the Chairman of the Board as soon as possible after the meeting.
- (5) The Committee shall submit a report to the Board following every meeting.

#### **6. Remuneration**

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

#### **7. Independent professional advice**

The Committee, in carrying out its duties under the present terms of reference may obtain such independent professional advice as it considers necessary to carry out its duties.

Approved by the Board of Directors of Automatic Systems Ltd on the 15<sup>th</sup> of March 2013.

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Eric Espitalier Noel  
*Chairman of the Board*

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Ravindra Chetty  
*Chairman of the Committee*

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Box Office Ltd  
*Secretary*