



## ICT ZONE ASIA BERHAD

Registration No. 201901003459 (1312785-X)  
(Incorporated In Malaysia)

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### TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

#### 1. OBJECTIVE

The primary objective of the Remuneration Committee of ICT Zone Asia Berhad (“**ICT Zone Asia**” or “**Company**”) is to establish a clear, formal and transparent process to aid and support the Board of Directors (“**Board**”) and the key senior management in fulfilling its responsibility in matters pertaining to the remuneration of the Board. This includes reviewing the remuneration policies and framework of the Board and recommending matters relating to the remuneration of the Board and key senior management, which comprises compensation, bonuses, incentives and benefits to the Board for approval.

#### 2. COMPOSITION

The Remuneration Committee shall consist of not less than three (3) members and the members shall be appointed by the Board from amongst the non-executive directors of the Company. The majority of the Remuneration Committee shall be independent directors. In this respect, the criteria for independence of the “Independent Directors” shall be as defined under the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**ACE LR**”).

The chairman of the Remuneration Committee shall be elected from amongst the Remuneration Committee members and shall chair all meetings of the committee but shall abstain from matters concerning him/herself.

No alternate director shall be appointed as a member of the Remuneration Committee. The term of office and performance of the Remuneration Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the members have carried out their duties in accordance with their Terms of Reference.

If a member of the Remuneration Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

#### 3. AUTHORITY

- (a) The Remuneration Committee shall have the authority to deliberate, and approve matters within its primary duties and responsibilities as set out in this terms of reference; and
- (b) Unless otherwise provided by or subject to any applicable laws or legislative requirements, the Remuneration Committee shall have the permission to obtain resources from the management of the Company needed to fulfil its duties and responsibilities as set out in this

Terms of Reference based on an agreed-upon procedure and at the expense of the ICT Zone Aisa and its subsidiaries (“**Group**”), such as:

- (i) full and unrestricted access to information, records, properties and employees of the Group;
- (ii) the advice and support of the company secretary and senior management; and
- (iii) obtaining of professional and independent advice from external advisors with relevant knowledge and experience, as and when necessary for the performance of its duties pursuant to ACE LR.

#### **4. DUTIES AND RESPONSIBILITIES**

The Remuneration Committee shall be responsible for the following duties and responsibilities:

- (a) To recommend a remuneration framework for the managing director, executive directors, and key senior management for the Board’s approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including the director’s fee, salaries, allowance, bonuses, options and benefit-in-kind and take into account the complexity of the Company’s business and the individual’s responsibilities;
- (b) To recommend specific remuneration packages for the managing director, executive directors and key senior management, which shall be based on objective assessments of the Director’s contributions and value to the Company;
- (c) The remuneration package should be structured in a competitive way. Salary scales drawn up should be within the scope of the general business policy and not depend on short-term performance to avoid incentives for excessive risk-taking. The remuneration should also be aligned with the business strategy and long-term objectives of the Company and shall take into consideration the Company’s performance in managing material sustainability risks and opportunities should be taken into consideration. As for non-executive directors and independent directors, the level of remuneration should be proportional to their level of responsibilities undertaken and contribution to the effective functioning of the Board;
- (d) To ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the managing director, executive directors and key senior management;
- (e) To oversee and assess the remuneration and performance of key management at the subsidiary level, including CEOs and Directors of the Group, recognising their role in driving operational performance and strategic execution. These reviews will support the Group’s overall succession planning, leadership development, and alignment of remuneration practices across the Group; and
- (f) To perform any other functions as defined by the Board.

#### **5. MEETINGS OF THE COMMITTEE**

The Remuneration Committee shall meet at least once a year and as and when required.

In the event the elected chairman is not able to attend a meeting, a member of the Remuneration Committee shall be nominated as chairman for the meeting.

Subject to the notice and quorum requirements as provided in the Terms of Reference, a meeting of the Remuneration Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

## **6. QUORUM**

The quorum for a meeting of the Remuneration Committee shall consist of two (2) members. In the absence of the chairman, the members present shall elect a chairman for the meeting from amongst the members present.

## **7. NOTICE OF MEETINGS**

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Remuneration Committee, any other person required to attend and all other non-executive directors, no later than seven (7) days before the date of the meeting. Supporting papers shall be sent to Remuneration Committee members and other attendees as appropriate, at the same time.

## **8. SECRETARY AND MINUTES**

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the secretary of the Remuneration Committee. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the Remuneration Committee and ensure that the minutes are properly kept and produced for inspection if required.

## **9. WRITTEN RESOLUTION**

A resolution in writing signed or approved by letter, telegram, telex, telefax or electronic means by a majority of the Remuneration Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Remuneration Committee, shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the Remuneration Committee.

## **10. REVISION AND UPDATES**

The Remuneration Committee shall recommend any changes to its Terms of Reference in such manner as the Remuneration Committee deems appropriate to the Board for approval. The Terms of Reference shall be assessed, reviewed and updated where necessary i.e. when there are any changes to the Malaysian Code on Corporate Governance, ACE LR or any other

regulatory requirements. It shall also be reviewed and updated when any changes to the direction or strategies of the Group may affect the Remuneration Committee's role.

**END.**