

**JCBNEXT BERHAD**  
(Company No. 641378-W)

**REMUNERATION COMMITTEE**

<b>TERMS OF REFERENCE</b>
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**1. OBJECTIVE**

The principal objective of the Remuneration Committee (“the Committee”), in line with the Malaysian Code of Corporate Governance, is to recommend to the Board the remuneration package of Executive Directors and Non-Executive Director of the Company, including Chairman, Chief Executive Officer (“CEO”) and Senior Management reporting directly to the CEO of the Company to attract, retain and motivate Directors.

**2. MEMBERSHIP**

The members of the Committee shall comprise wholly or mainly of Non-Executive Directors, and number at least three (3) in total.

The Chairman of the Committee shall be a Non-Executive Director appointed by the Board.

**3. ATTENDANCE**

The Chief Executive and the senior management staff may be invited to attend meetings.

The Committee may appoint external consultants to aid the Committee in the discharge of its duties.

**4. ADVISERS**

The Committee is authorised by the Board of Directors (“the Board”) to seek appropriate professional advice inside and outside the group at the Company’s expense, as and when it considers this necessary.

**5. DUTIES**

The duties and responsibilities of the Committee shall be to:-

- assist the Board in developing and administering a fair and transparent procedure for setting the remuneration policies and procedures of the Company and its subsidiaries for Directors, CEO and key senior

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management officers to ensure that rewards are commensurate with their merit, qualification, competence and contributions to the Company's growth and profitability; and that the remuneration policy supports the Company's operating results, individual performance, comparable market statistics, objectives and shareholder value and is consistent with the Company's culture and strategy.

The determination of remuneration packages of Executive Directors and Non-Executive Directors should be a matter for the Board as a whole where the individuals concerned shall abstain from discussion of their own remuneration;

- review at least once a year the performance of the Executive Directors and the CEO and recommend to the Board specific adjustments in remuneration and/or reward payments if any reflecting their contributions for the year; and which are competitive and consistent with the Company's objectives, culture and strategy;
- review and recommend to the Board and thereafter the shareholders at the Annual General Meeting, the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of the Company;
- review performance of the Executive Directors, CEO, Chief Financial Officer against the Key Performance Indicators and recommend to the Board specific adjustments in remuneration and/or reward payments if any, reflecting their contributions for the year;
- include the determination of the remuneration packages of the key senior management officers in subsidiaries of the Company;
- consider all other matters as may be requested by the Board from time to time.

Directors who are shareholders should abstain from voting at general meetings to approve their fees.

Pursuant to Section 230 of the Companies Act 2016, the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of the Company shall be approved at a general meeting.

## **6. MEETINGS**

Meetings shall be held not less than once a year. More meetings may be conducted if the need arises. The Committee may establish procedures from time to time to govern its meetings, keeping of minutes and its administration. The quorum for a meeting of the Committee shall be two (2) members, present in person.

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Attendance at a meeting may be in person or by way of participation via video conference or teleconference or such other means as may be agreed by the members.

The notice and agenda for each Committee meeting shall be sent to all members of the Committee and any other persons who may be required to attend the meeting within a reasonable period prior to the meeting.

The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities as well as on any other matter that should be brought to the Board's attention and provide recommendations of the Committee that require the Board's approval at the Board meeting.

The Committee shall regulate the manner of proceedings of its meetings, having regard to normal conventions on such matter.

A resolution in writing, signed by all the members of the Committee, shall be as effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Committee members.

The Secretary of the Company shall be secretary of the Committee.

The minutes of meetings of the Committee shall be circulated to all members of the Board. The minutes shall be kept at the registered office of the Company under the custody of the Secretary of the Company and shall be open for inspection by the Board. Any request by Management or other persons to inspect the minutes shall be subject to the approval of the Committee.

**7. *REPORTING RESPONSIBILITIES***

The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters with its duties and responsibilities.

The Committee shall make whatever recommendation to the Board it deems appropriate or any area within its remit where action or improvement is needed.

**8. *GENERAL MEETING***

The Chairman of the Committee should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

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**9. PERIODIC REVIEW**

This Terms of Reference shall be reviewed whenever necessary by the Committee.