

JCBNEXT BERHAD
[(REGISTRATION NO. 200401002875 (641378-W)]

REMUNERATION COMMITTEE

<p>TERMS OF REFERENCE</p>

1. OBJECTIVE

The principal objective of the Remuneration Committee (“**RC**” or “**the Committee**”) is to recommend to the Board of Directors (“**the Board**”) the remuneration package of Executive Directors and Non-Executive Directors of the Company and its subsidiaries (“**the Group**”), including Chairman, Chief Executive Officer (“**CEO**”) and Senior Management who report directly to the CEO of the Company, to attract, retain and motivate Directors and Senior Management to drive long term objectives of the Company.

2. MEMBERSHIP

The members of the Committee shall comprise wholly of Non-Executive Directors, and a majority of them must be Independent Directors and number at least three (3) in total. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board. No alternate Director shall be appointed as a member of the Committee.

The Chairman of the Committee shall be a Non-Executive Director appointed by the Board. The Chairman of the Board should not be a member of the Committee.

3. ATTENDANCE

Only members of the Committee have the right to attend Committee meetings. However, the CEO, the CFO, the Head of Human Resources, and the Senior Management staff may be invited to attend all or part of any meeting, as and when appropriate and necessary.

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

4. ADVISERS

The Committee is authorised by 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 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 long term strategic goals, sustainability risks and opportunities, 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 Executive Directors, the CEO and key senior management officers 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 General Meeting, directors fee 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 Executive Directors, the CEO, the 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;
- consider and review Executive Directors' scope of service contracts, if any;
- review any major changes in remuneration policy and employee benefit structures throughout the Company or Group, and if thought fit, recommend them to the Board for adoption;
- include the determination of the remuneration packages of the key senior management officers in subsidiaries of the Company;
- consider and review all other matters as may be requested by the Board from time to time;

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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. QUORUM AND MEETINGS

Meetings shall be held not less than once (1) a year. Additional meetings may be conducted as and when the Committee or the Chairman of the Committee shall decide. The Committee may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.

The quorum of the Committee shall be at least two (2) members and no business shall be transacted at any meeting of the Committee unless a quorum is present. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst themselves.

A member of Committee may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

The notice of the Committee meeting should be given in writing at least seven (7) days prior to the meeting and a well-prepared agenda paper 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 at least five (5) business days prior to the meeting or such other period as deemed appropriate by the Committee.

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 member of the Committee shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to a situation of an actual or perceived conflict of interest for the member. Where this cause insufficient directors to make up a quorum, the Committee has the right to appoint another Director, which meets the membership criteria.

The Committee may deal with matters by way of circular reports and resolutions in lieu of convening a formal meeting. A resolution in writing,

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signed, approved or assented by letter, electronic mail, telegram, telex or telefax or other electronic communication 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 as may be transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the members of the Committee.

7. SECRETARY

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.

8. 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.

9. GENERAL MEETING

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

10. PERIODIC REVIEW

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

Any revision or amendment to this Terms of Reference, as proposed by the Committee or any third party, shall first be presented to the Board for its approval. Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

This Terms of Reference is reviewed and approved by the Board of Directors via Directors' Circular Resolution dated 26 April 2022.