



# **TECK GUAN PERDANA BERHAD**

Registration No. 199401021418 (307097-A)  
Incorporated in Malaysia

## **TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE**

Adopted 24<sup>th</sup> January 2025

## TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

### CONSTITUTION

1. a. The Board of Teck Guan Perdana Berhad (“**the Company**”) had established the Nomination Committee (“**NC**”) and the Remuneration Committee (“**RC**”), both on 31 March 2003.
- b. The Board merged the NC and RC into a combined committee called “**Nomination & Remuneration Committee**” on 22 January 2018.
- c. On 24 January 2025, The **RC** was re-established following the demerge of the previously NRC to improve governance to ensure greater objectivity and clarity in the evaluation and determination of Directors’ remuneration.

### MEMBERSHIP

2. The NRC shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three members. All members of the Committee must be non-executive directors, a majority of whom must be independent directors.
3. The Chairman of the Committee must be an independent director elected among the members of the Committee.
4. The Chairman of the Board should not be a member of the Committee.
5. In event of any vacancy in the Committee resulting in the numbers of members being reduced to below three, the Board shall within 3 months fill the vacancy; and/or in the case of the chair being vacant, the members shall within 3 months of that vacancy, elect a new Chairman from amongst themselves.

### AUTHORITY

6. In accordance with the procedures to be determined by the Board and at the expense of the Company, the Committee shall:
  - i. have the resources which are required to perform its duties;
  - ii. subject to the approval of the Board, obtain independent professional advice, service and/or expertise to perform its duties; and
  - iii. obtain the assistance of employee, Management or internal professional advice where necessary in carrying out its duties; and
  - vi. if required and necessary, be able to utilise independent sources (such as any available directors’ registry, industry and professional associations, published remuneration surveys, or independent consultancy firms) to obtain relevant market data for determining fair and competitive remuneration packages for the directors.

The Committee shall make whatever recommendations to the Board it deemed appropriate on any area within its remit where action or improvement is needed. The Committee does not have the delegated authority from the Board to implement the recommendations but is obliged to report its recommendation to the Board of Directors for its consideration and approval.

## FUNCTIONS

7. The Committee shall discharge the following duties and responsibilities and report the same to the Board:

### 7.1 Remuneration

- a. To review the annual remuneration packages of each individual Director (both Executive and Non-Executive) such that the levels of remuneration are sufficient to attract and retain the Directors needed to run the Company successfully; and
- b. To recommend to the Board the remuneration of the Directors (both Executive and Non-Executive) in all its form are reflective of the contribution and performance of each individual Director. The level of remuneration should be aligned with business strategy and long-term objectives of the Company, the complexities of the Company's activities and reflects the experience and level of responsibilities undertaken by the Executive Directors.
- c. The determination of remuneration packages of the Directors should be a matter for the board as a whole where individual concerns shall abstained from discussion and decision of their own remuneration.
- d. Directors' fees and any benefits are subject to the approval of shareholders at Annual General Meeting.

### 7.2 Disclosures in Annual Report

To review the following statement or disclosure for inclusion in the Annual Report of the Company:

- a. the statement about the activities of the Committee in the discharge of its duties for the financial year:-
  - i. remuneration policy and framework for Directors, including the alignment of remuneration with the Company's overall objectives, corporate and individual performance, market competitiveness, and long-term sustainability; and
  - ii. the approaches in determining the remuneration of Directors
- b. the disclosure pertaining to Directors' remuneration, for the Company and on a Group basis.

### 7.3 Self-Assessment and Terms of Reference

To review its own performance annually and report its findings to the Board; and from time to time to review and amend its Terms of Reference as required, subject to the approval of the Board.

8. To review and report such other matters as may be delegated by the Board from time to time.

## **MEETINGS**

9. Save as is otherwise provided, the Committee shall meet, adjourn or otherwise regulate its meetings and proceedings as it thinks fit:
  - 9.1 The Committee shall meet at least once a year or as and when there are matters referred to them for consideration or at any other time on requisition by any member of the Committee.
  - 9.2 The quorum of the meeting shall be two (2), including at least one independent director.
  - 9.3 In the absence of the Chairman or if he is unwilling to act, the members present shall elect one of the members who must be an independent director to chair the meeting.
  - 9.4 All resolutions or questions arising at any meeting shall be decided by a majority of vote of the members present, each member having one (1) vote. In the case of an equality of votes, the Chairman (of the meeting) shall be entitled to a casting vote in addition to the vote which he is entitled as a member.
  - 9.5 A meeting shall normally be conducted face-to-face to enable effective discussion, however, the Committee members may participate in a meeting by means of telephone conference, video conference or any other form of communications by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.
10. Other Board members and employees shall attend Committee meetings only at the invitation of the Committee.
11. A resolution signed by all members of the Committee for the time being present in Malaysia shall be as effective as a resolution passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in the same form and each signed by one or more members of the Committee.

## **INTEREST OF THE COMMITTEE MEMBERS**

12. A Committee member should not participate or be involved in the deliberation or decision in the review of the member own re-election as a Director or continuation as an Independent Director beyond 9 years, or his/her remuneration.

## **REPORTING PROCEDURES**

13. The Company Secretary shall be the Secretary of the Committee. The Secretary of the Committee shall give notice of the meeting including the agenda together with all relevant documents to all members of the Committee prior to the meeting. The draft minutes shall be circulated to the Committee for comment. Minutes of each meeting shall be kept and distributed to each member of the Committee and of the Board. Any persons who may be required to attend shall also be notified by the Secretary accordingly.