

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. OBJECTIVES

The Terms of Reference (“**TOR**”) of the Remuneration Committee of AGX Group Berhad (“**AGB**”) are established pursuant to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and approved by the Board of AGB Directors (“**Board**”).

The primary objective of the Remuneration Committee (“**the Committee**” or “**RC**”) is to establish a documented, formal and transparent procedure for assessing and reviewing the remuneration packages for Executive Directors (“**EDs**”), Non-Executive Directors (“**NEDs**”) as well as key Senior Executives of the Company and its subsidiaries (“**the Group**”). The remuneration packages recommended by the Committee shall require the approval of the respective Board of Directors and any changes thereto shall be subject to the endorsement of the respective Board of Directors of the Group.

2. COMPOSITION OF THE COMMITTEE

The RC members shall be appointed by the Board from among its members who fulfill the following requirements:

- 2.1 The RC members shall all be composed of NEDs and a majority of the members must be Independent Directors.
- 2.2 The Chairperson/ Chairman of the Board shall not be a member of RC.
- 2.3 No alternate Director shall be appointed as a member of the Committee.
- 2.4 A member shall automatically cease to be a member of the Committee if he/she is removed or is disqualified from being a Director under any provisions of the laws, rules and regulations of the relevant authorities or if he/she resigns or retires from the Board.
- 2.5 If a member of the Committee resigns, dies or ceases to be a director or for any other reason ceases to be a member of the Committee resulting in the number of members to be reduced to less than three, the Board shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum of three members.

3. CHAIRPERSON/ CHAIRMAN

The Board shall appoint a Chairperson/ Chairman of the RC from among the Board members who are Independent Non-Executive Directors. Should the Chairperson/ Chairman be absent from any meeting, one of the members who shall be an Independent Director shall be elected as Chairperson/ Chairman by the RC members.

4. DUTIES AND RESPONSIBILITIES

The RC is empowered by the Board with the following duties and responsibilities to execute any matters within its TOR, as follows:

- 4.1 To review and establish the compensation, benefits package and salary scales for EDs, NEDs and key senior executives of the Group;
- 4.2 To review and recommend the annual bonus quantum for bonus schemes applicable to EDs, key senior executives and employees of the Group;
- 4.3 To review and recommend to the Board of the Group on Director's fees and other remuneration of NEDs linking the level of remuneration to their level of responsibilities and contribution to the Group; and
- 4.4 Any other such functions as may be delegated by the Board from time to time.

5. FREQUENCY OF MEETINGS AND NOTICES

The Board follows these procedures for all meetings and notices as follows:

- 5.1 The RC shall meet at least once a year or at any time when necessary for the dispatch of business and adjourn as it may think fit.
- 5.2 Any two members of the Committee shall constitute a quorum. In the absence of the Chairperson/ Chairman of the Committee, the members present shall nominate one amongst themselves to act as the Chairperson/ Chairman of the Meeting.
- 5.3 Each member of the Committee is entitled to one vote in deciding the matters deliberated in the meeting. The decision that gained the majority of votes shall be the decision of the Committee. In the event of an equality of votes, the Chairperson of the Committee shall be entitled to a second or casting vote.

- 5.4 The Secretary/ Secretaries of the Company shall be the Secretary/ Secretaries of the Committee. The Secretary/ Secretaries shall be entrusted to record all proceedings and minutes of the Committee's meetings, which shall be kept and circulated to all members of the Committee and the Board.
- 5.5 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 members of the Committee, any other person required to attend and all other NEDs, no later than 7 days before the date of the meeting except in the case of an emergency. Supporting papers shall be sent to Committee members and to other attendees as appropriate at the same time.
- 5.6 The Committee members shall excuse himself/ herself from the meeting during discussions or deliberations on any matter that gives rise to an actual or perceived conflict of interest for the member. Where this causes insufficient Committee members to make a quorum, the Committee has the right to invite or appoint any Director or Directors from the Board (excluding the Chairperson of the Board) to fulfill the membership criteria temporarily.
- 5.7 The Committee may deal with matters by way of a circular resolution in lieu of convening a formal meeting. A resolution in writing, signed by the majority of the members of the Committee shall be valid and effective as if it had 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 of the Committee's members and shall be as valid and effective as if it were a resolution duly passed at a meeting of the Committee. Any such document may be accepted as sufficiently signed by a member of the Committee if transmitted to the Company by any technology purporting to include a signature and/or electronic signature by the said members.

6. PERIODIC REVIEW

This TOR shall be reviewed annually by the Committee.

This TOR was approved and adopted by the Board on 20 February 2023.