

MEGA FIRST CORPORATION BERHAD
TERMS OF REFERENCE FOR REMUNERATION COMMITTEE

1. OBJECTIVE

The Remuneration Committee ("RC") has adopted the objective, as recommended by the Malaysian Code on Corporate Governance, to determine the remuneration for Directors and Senior Management so as to ensure that the Company attracts and retains good caliber personnel needed to run the Group successfully.

2. MEMBERSHIP

- 2.1 The RC shall be appointed by the Board of Directors from amongst the Directors of the Company and shall consist of not less than three (3) members.
- 2.2 The RC shall consist exclusively of non-executive Directors, a majority of whom are independent and non-executive Directors.
- 2.3 The RC shall elect a Chairman from amongst their number.
- 2.4 If a member of the RC resigns or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall, within three months appoint such number of new members as may be required to make up the minimum of three (3) members.
- 2.5 The term of office and performance of the RC and of each of its members shall be reviewed by the Board no less than once every three (3) years. However, the appointment terminates when a member ceases to be a Director.

3. MEETINGS

- 3.1 The quorum for a RC meeting shall be at least two (2) members.
- 3.2 The RC shall meet at least once a year and such additional meetings as the Chairman shall decide.
- 3.3 The Company Secretary shall act as Secretary of the RC and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.
- 3.4 The Secretary of the RC shall be entrusted to record all proceedings and minutes of all meetings of the RC.
- 3.5 The minutes of the RC shall be made available to the Board.

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Terms of Reference of Remuneration Committee

4. RIGHTS AND AUTHORITY

The RC is authorised to: -

- 4.1 Have adequate resources required to perform its duties.
- 4.2 Have full and unrestricted access to information, records and documents relevant to its activities.

5. FUNCTIONS AND DUTIES

- 5.1 To recommend to the Board the remuneration package and other terms of employment of the Executive Directors and Senior Management of the Company.
- 5.2 To recommend to the board of directors of the respective subsidiaries on the remuneration packages and other terms of employment of the chief executive officers as the RC is designated to consider.
- 5.3 To oversee any major changes in employee remuneration and benefit structures throughout the Group.
- 5.4 To review the Remuneration Policy and Procedures for Directors and Senior Management.
- 5.5 To engage the services of consultants as the RC shall deem necessary to fulfil its responsibilities.

This Terms of Reference of Remuneration Committee was adopted and approved by the Board of Directors on 23 March 2022