



TECHNA-X BERHAD

Registration No.: 200601012477 (732227-T)

(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

(Revised and adopted on 8 April 2022)

1. Objectives

The principal objective of the Remuneration Committee ("RC") is to assist the Board of Directors in their responsibilities in assessing the remuneration packages of the Directors and Senior Management.

2. Composition of members

The Board of Directors shall elect the RC members from amongst themselves and shall comprise at least two (2) members, exclusively of Non-Executive Directors and a majority of whom are independent.

No Alternate Director shall be appointed as a RC member.

Where the RC members for any reason are reduced to less than two (2), the Board of Directors shall, within three (3) months from the occurrence of the event, appoint such number of new member(s) as may be required to make up the minimum number of two (2) members.

3. Chairperson

The RC Chairperson shall be an Independent Non-Executive Director appointed by the Board of Directors from amongst the RC members. The RC Chairperson shall not be a Chairperson of the Board.

In the absence of the Chairperson during the meeting, the other RC members shall elect from amongst themselves who must be an Independent Director to chair the meeting.

4. Secretary

The Secretary(ies) of the RC shall be the Company Secretary(ies).



TECHNA-X BERHAD
Registration No.: 200601012477 (732227-T)

(Terms of Reference of Remuneration Committee - cont'd)

5. Meetings

The RC shall meet as and when required at least once a year or more frequently as deemed necessary. The Chairperson may call for additional meetings at any time at the Chairperson's discretion.

The RC may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit by means of any communication technology by which all persons participating in the meeting are able to hear and be heard by all other participants without the need for a member to be in the physical presence in the meeting. The member participating in any such meeting shall be counted in the quorum for such meeting. All resolutions agreed by the member in such meeting shall be deemed effective as a resolution passed at a meeting in person of the members duly convened and held.

Resolutions, proposals, and matters tabled for approvals at any RC meeting shall be decided by a simple majority of the members present. In the case of equality of votes, the RC Chairperson shall have a second or casting vote.

The Secretary(ies) shall, on the requisition of the RC members, summon a RC meeting, and reasonable notice of every RC meeting shall be given in writing, except in the case of an emergency, where the RC may waive such notice requirement.

6. Minutes

Minutes of each meeting shall be kept at the registered office and distributed to each RC member and the other Board members.

The RC Chairperson shall report on the proceeding of each meeting to the Board of Directors.

The RC meeting's minutes shall be signed by the Chairperson of the meeting at which the proceedings were held or by the Chairperson of the next succeeding meeting.



(Terms of Reference of Remuneration Committee - cont'd)

7. Quorum

A quorum shall consist of two (2) members.

8. Circular Resolutions

A resolution in writing signed by a majority of the RC members for the time being, not being less than two (2) RC members, shall be as valid and effectual as if it had been passed at a RC meeting duly called and constituted.

Any such resolution may consist of several documents in like form, each signed by one (1) or more RC members. Any such document may be accepted as sufficiently signed by a RC member if transmitted to the Company by telex, telegram, cable, facsimile, or other electrical/electronic or digital written message purporting to include a signature of a RC member.

9. Authority

The RC, in accordance with a formal and transparent procedure, process, or policy on the Directors' and Senior Management's remuneration packages determined and established by the Board of Directors and at the expense of the Company, shall:

- (a) review, assess, and recommend to the Board of Directors the remuneration packages of the Directors and Senior Management in all forms, with other independent professional advice or outside advice as necessary.
- (b) be entitled to the services of the Company Secretary(ies), who must ensure that all decisions made on the remuneration packages of the Directors and Senior Management be properly recorded and minuted in the minutes book.

10. Duties and Responsibilities

The duties and responsibilities of the RC are as follows:-



TECHNA-X BERHAD
Registration No.: 200601012477 (732227-T)

(Terms of Reference of Remuneration Committee - cont'd)

- To review and recommend to the Board of Directors the remuneration packages of the Executive Directors, Non-Executive Directors, and Senior Management while taking into account the demands, complexities, and performance of the Company as well as the skills and experience required.
- To review and assess the remuneration packages of the Directors and Senior Management in all forms, with or without other independent professional advice or other outside advice, to reflect the Board's responsibilities, the Directors' expertise, and the complexity of the Company's activities.
- To structure the component parts of remuneration to align with the Company's business strategy and long-term objectives, link rewards to corporate and individual performance, and assess the Company's needs for talent at the Board level at a particular time.
- To recommend to the Board of Directors the policy and framework for Directors and Senior Management's remuneration as well as the remuneration and terms of service of Executive Directors.
- In respect of Executive Directors, to ensure that the remuneration package is commensurate with skills and responsibility expected of the Director concerned and is sufficient to attract and retain Directors needed to run the Company successfully.
- In respect of Non-Executive Directors, to ensure via the Board as a whole that the remuneration payable reflects the experience, time demanded of the Directors to discharge their duties and responsibilities undertaken.
- In respect of Senior Management, to ensure that the remuneration package commensurate with the individual's performance, skills, experience, level of responsibility, and market benchmarks.
- To consider details of the remuneration of each Director such as basic salary, bonus, and other benefits-in-kind, and how these details should be presented in the Annual Report.
- To act in line with the directions of the Board of Directors;



TECHNA-X BERHAD
Registration No.: 200601012477 (732227-T)

(Terms of Reference of Remuneration Committee - cont'd)

- To consider and examine such other matters as the RC considers appropriate; and
- To consider any other relevant matters as delegated by the Board.

** Note: These terms of reference may change from time to time to fulfill such other requirements as prescribed by Bursa Malaysia Securities Berhad.*
