

CARLO RINO GROUP BERHAD
(formerly known as CRG Incorporated Berhad)
Registration No. 200901037127 (880257-A)
Incorporated in Malaysia

TERMS OF REFERENCE - REMUNERATION COMMITTEE

1.0 OBJECTIVE

- 1.1 The objective of the Remuneration Committee (“RCom”) is to assist the Board of Directors (“Board”) of Carlo Rino Group Berhad (formerly known as CRG Incorporated Berhad) (“CRG” or “Company”, and references to “CRG Group” or “Group” are to CRG and its subsidiaries) to establish a documented, formal and transparent procedure for assessing and reviewing the remuneration packages of Directors and the top senior management comprises C-Suite category executives (i.e. the Managing Director, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer, if any) so as to ensure that the Company attracts and retains good caliber personnel needed to run the Group successfully.
- 1.2 The RCom submits to the Board its recommendation and/or reports on matters within its purview or other matters of the Group referred to it by the Board, for the Board’s consideration.
- 1.3 The Nomination Committee and the Board of the Company shall review the term of office and performance of the RCom and each of its members annually to determine whether the RCom and its members have carried out their duties in accordance with the Terms of Reference of the RCom.
- 1.4 This Terms of Reference should be read together with the legislation as follows, where relevant:
- Companies Act 2016; and
 - the applicable listing requirements of Bursa Malaysia Securities Berhad.
- (Note: This Terms of Reference is not intended to contain a comprehensive summary of the applicable legal principles. Board members requiring advise in respect of any matter referred to in this Terms of Reference may contact the Company Secretary of CRG)
- 1.5 This Terms of Reference is complementary to the applicable legislation and the provisions of the Constitution of the Company. Where there is a conflict between the contents of this Terms of Reference and the aforementioned legislations, or the Constitution of the Company, the relevant enumerations contained in the said legislations or the Constitution of the Company shall prevail.

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- 1.6 In formulating this Terms of Reference, the Company has also taken into account the recommendations contained in the Malaysian Code on Corporate Governance 2021 (“MCCG”) issued by the Securities Commission Malaysia.

2.0 MEMBERSHIP

- 2.1 The RCom shall be appointed by the Board from amongst the non-executive directors and shall consist of not less than 2 members who are independent directors.
- 2.2 No alternate Director shall be appointed as a member of the RCom.
- 2.3 The office of an RCom member shall automatically be vacated when he ceases to be a Director of the Company.
- 2.4 The members of the RCom must elect a Chairman from among their numbers, and who shall be an independent director or the Senior Independent Director (if any).

3.0 AUTHORITY

- 3.1 The RCom shall have the following authority as empowered by the Board:
- to investigate any matter within the Terms of Reference of the RCom;
 - have the resources which are required to perform its duties and responsibilities;
 - have full and unrestricted access to any information pertaining to the Group;
 - have direct communication channels with the external auditors, internal auditors, as well as all directors and employees of the Group;
 - to obtain independent professional or other advice as necessary; and
 - be able to convene meetings with the external parties with relevant experience and expertise whenever deemed necessary.

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4.0 DUTIES AND RESPONSIBILITIES

- 4.1 The RCom to research, formulate and recommend to the Board the broad policy for the remuneration of Directors and the top senior management, drawing from outside advice as necessary, with the objective of attracting, retaining and motivating the right talents in the Board and the top senior management to drive the Group's long-term objectives.
- 4.2 The RCom to review annually the remuneration structure (cover all aspects of remuneration including directors' fees, salaries, allowances, bonuses, other emoluments and benefit-in-kind) of the Directors and the top senior management in all forms by referring to the "Remuneration Policy For Directors and Senior Management" duly adopted by the Board.
- 4.3 In respect of Executive Directors and the top senior management, the RCom shall ensure that remuneration packages of Executive Directors and the top senior management are reflective of the Group's demands, complexities and performance as a whole as well as skills, experience and level of responsibility required in line with the strategic objectives of the Group.
- 4.4 In respect of Non-Executive Directors, the RCom shall ensure that remuneration payable reflects the experience, expertise and time required of the Non-Executive Directors to discharge their duties and responsibilities undertaken. The remuneration packages of Non-Executive Directors shall be a matter to be decided by the Board as a whole.
- 4.5 In respect of Independent Directors, the RCom shall ensure that the remuneration and incentives for the Independent Directors do not conflict with their obligation in bringing objectivity and independent judgment on matters discussed.
- 4.6 The RCom is to review and recommend to the Board the compensation for the loss of employment of the Director, and the benefits or token of appreciation for the former Director before presenting to the shareholders for approval.
- 4.7 The RCom shall ensure that no Director or any of his associates is involved in deciding his own remuneration.

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4.8 Others

- The RCom shall review the RCom report to be included in the annual report of the Company for each financial year that complies with the provisions of the applicable listing requirements of Bursa Malaysia Securities Berhad.
- The RCom may involve and consider other matters as may be directed by the Board from time to time.
- The RCom to promptly report to Bursa Malaysia Securities Berhad on any matter reported by it to the Board, which has not been satisfactorily resolved resulting in the breach of the applicable listing requirements of Bursa Malaysia Securities Berhad.

5.0 MEETING GUIDELINES

- 5.1 The RCom shall meet at least once a year, and meetings may be convened with the external auditors, internal auditors or both, excluding the attendance of other directors and employees of the Group, or with the external parties with relevant experience and expertise, whenever deemed necessary.
- 5.2 A quorum consists of 2 members present and a majority of whom must be independent Directors.
- 5.3 The meeting and proceedings of the RCom shall be governed by the provisions of the Constitution of the Company regulating the meetings and proceedings of the Board so far as the same are applicable.
- 5.4 The Chairman of the RCom shall report on key issues discussed at each meeting to the Board.
- 5.5 The decision of the RCom may be made by a written resolution, provided it is signed by a majority of the committee members. Any such written resolution may consist of several documents in like form, each signed by 1 or more RCom members.

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6.0 REVIEW OF THE TERMS OF REFERENCE

- 6.1 The RCom shall periodically review and update its Terms of Reference to ensure compliance with regulatory and legal requirements, which will take precedence over any stipulation of the Terms of Reference, and in accordance with the needs of the Company/Group that may have an impact on the discharge of the RCom's duties and responsibilities.
- 6.2 The Board's approval is mandatory for any amendments to the Terms of Reference of the RCom.

[End]

| Document ID | Version | Approval |
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| Terms of Reference - Remuneration Committee | V1 | Approved by the Board on 01 July 2023 Effective date: Upon listing on ACE Market of Bursa Malaysia Securities Berhad |

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter gender, and vice versa. References to persons shall include corporations, unless otherwise specified.

A reference to a statute or a statutory provision herein shall be deemed to include any modification, re-enactment or consolidation thereof and any regulations, rules, orders, guidelines, practice notes, practice directives, circulars or other statutory instruments made pursuant thereto.