

EMPG GROUP BERHAD

[Registration No. 202201023693 (1469390-M)]
(Incorporated in Malaysia)

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

1. OBJECTIVE

The primary objective of the Terms of Reference for the Remuneration Committee of EMPG Group Berhad (“**EMPG**” or “**Company**”) is to assist the Board of Directors of the Company (“**Board**”) in fulfilling its responsibility, including reviewing and recommending matters relating to the remuneration of the Board and key senior management of EMPG and its subsidiaries (collectively known as the “**Group**”), which comprised of fees, salaries, allowances, bonuses, incentives and benefits.

2. COMPOSITION

The Remuneration Committee shall comprise of not less than three (3) members appointed by the Board from amongst its Non-Executive Director members only, a majority of whom must be independent and shall not be the Chairman of the Board.

In determining independence, the Board will observe the requirements of Independence as defined under Rule 1.01 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).

The members of the Remuneration Committee shall elect a Chairman from amongst their number who shall be an Independent Non-Executive Director. In the absence of the Chairman of the Remuneration Committee (“**Chairman**”), the remaining members present shall elect one of them to chair the meeting.

No alternate director shall be appointed as a member of the Remuneration Committee.

The term of office and performance of the Remuneration Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the members have carried out their duties in accordance with their terms of reference.

If a member of the Remuneration Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

3. AUTHORITY

- (a) The Remuneration Committee shall have the authority to deliberate and approve matters within its primary duties and responsibilities as set out in this terms of reference; and
- (b) Unless otherwise provided by or subject to any applicable laws or legislative requirements, the Remuneration Committee shall have permission to obtain resources needed to fulfil its duties and responsibilities as set out in this terms of reference based on an agreed-upon procedure and at the expense of the Group, such as: -

- (i) full and unrestricted access to information, records, properties and employees of the Group;
- (ii) the advice and support of the Company Secretary and senior management; and
- (iii) to obtain professional and independent advice from external advisors with relevant knowledge and experience, as and when necessary, for the performance of its duties pursuant to Listing Requirements.

4. DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the Remuneration Committee shall undertake, amongst others, the following duties and responsibilities: -

- (a) to recommend a remuneration framework for the Executive Directors and key senior management of the Group for the Board's approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain Directors of caliber, and yet not excessive. The framework should cover all aspects of remuneration including the Director's fees, salaries, allowances, bonuses, options and benefit-in-kind and take into account the demands, complexity and performance of the Group's business, as well as skills and experience required and the individual's responsibilities;
- (b) to recommend specific remuneration packages for the Executive Directors and key senior management. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not depend on short-term performance to avoid incentives for excessive risk-taking. The remuneration should also be aligned with the business strategy and long-term objectives of the Group and take into consideration the Group's performance in managing material sustainability risks and opportunities;
- (c) to ensure the establishment of a formal, fair and transparent procedure for developing policies, strategies and framework for the remuneration of the Executive Directors and key senior management;
- (d) to recommend to the Board the directors' fees and/or allowances of Non-Executive Directors. The level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board; and
- (e) to perform any other functions as defined by the Board.

5. MEETINGS OF THE REMUNERATION COMMITTEE

The Remuneration Committee shall meet at least once a year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman's discretion.

In the event the Chairman is unable to attend a meeting, a member of the Remuneration Committee present shall be nominated to chair the meeting. The nominated Chairman shall be an Independent Non-Executive Director.

Subject to the notice of meetings and quorum requirements as provided in this terms of reference, a meeting of the Remuneration Committee may be held and conducted by means of a telephone conference or video conference or any other means of audio-visual communications which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

6. QUORUM

The quorum for a meeting of the Remuneration Committee shall be two (2) members. The majority present must be Independent Directors.

7. NOTICE OF MEETINGS

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, and an agenda of items to be discussed shall be forwarded to each member of the Remuneration Committee no later than seven (7) days before the meeting date. Supporting papers shall be sent to Remuneration Committee members and other attendees as appropriate at the same time.

8. SECRETARY AND MINUTES

The Company Secretary, his nominee, or other persons authorised by the Board shall act as the Secretary of the Remuneration Committee. The Company Secretary shall record, prepare and circulate the minutes of the Remuneration Committee meetings and ensure that the minutes are properly kept and produced for inspection if required.

The Remuneration Committee shall report to the Board and the minutes of each meeting shall be tabled to the Board for notation.

9. CIRCULAR RESOLUTION

A resolution in writing signed or approved by letter, telegram, telex, telefax or electronic means by a majority of the Remuneration Committee members for the time being entitled to receive notice of a meeting of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the Remuneration Committee.

10. REVISION OF THE TERMS OF REFERENCE

The Remuneration Committee shall recommend any changes to its terms of reference to the Board for approval in such manner as it deems appropriate. The terms of reference shall be assessed, reviewed and updated annually by the Board.

It should also be reviewed and updated as necessary when there are changes to the direction or strategies of the Group that may affect the role of Remuneration Committee.

The Terms of Reference for the Remuneration Committee was adopted by the Board on 14 October 2025.