

Coraza Integrated Technology	Policy & Procedures	Document Number 100 – 003	Rev 1
Approved By: Board of Directors	Policy Title: Terms of Reference For Nominating & Remuneration Committee	Review Date: April 05, 2024	

Change Register		
Rev No:	Date	Description
0	04/14/21	Original
1	04/05/24	Reviewed and updated “Performance Based Employee Share Option Scheme” to “Long Term Incentive Plan”

Table of Contents

- 1 Introduction
- 2 Purpose
- 3 Membership
- 4 Authority and Responsibilities
 - 4.1 The Chairman of Nominating & Remuneration Committee
 - 4.2 Nomination
 - 4.3 Assessment
 - 4.4 Remuneration
 - 4.5 Term of Reference Review
- 5 Meetings
 - 5.1 Frequency
 - 5.2 Notice and Agenda
 - 5.3 Quorum
 - 5.4 Meeting Mode
 - 5.5 Voting
 - 5.6 Meeting Minutes
- 6 Secretary

1 Introduction

- 1.1 The Nominating and Remuneration Committee (“NRC”) oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as undertakes the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director;
- 1.2 The NRC is also primarily responsible for recommending to the Board the remuneration framework for Directors, reviewing the remuneration package for Executive Directors and Key Management as well as the remuneration framework of employees of the Group; and
- 1.3 The NRC is also responsible for implementing and allocating Long Term Incentive Plan for the Eligible Employees (including Executive Directors) of Coraza Integrated Technology and its Subsidiaries (excluding Subsidiaries which are Dormant) subject to the By-Laws governing the Plan if any.

2 Purpose

- 2.1 The principal objective of the NRC is:
 - a) to make recommendation to the Board on all Board appointments;
 - b) to make recommendation to the Board on Board Effectiveness and the necessary improvement;
 - c) to make recommendations to the Board on remuneration matters of the directors and key management in the Company.

3 Membership

- 3.1 The NRC shall be appointed by the Board of Directors (“Board”) from among their number and shall consist not less than three (3) members, comprises exclusively of non-executive directors, a majority of whom are independent.
- 3.2 The Chairman of the NRC shall be elected by the NRC members, approved by the Board and should not be the Chairman of the Board.
- 3.3 In the event of any vacancy in the NRC resulting in the number of members being reduced to below three (3), the Board shall within three (3) months appoint such number of new members as may be required to make up the minimum number of three (3) members.
- 3.4 The Board shall review annually the term of office and performance of the NRC and each of its members, who are subject to re-appointment by the Board annually.

4 Authority and Responsibilities

The NRC is authorised by the Board to review and recommend any matters within its Terms of Reference with sufficient resources be provided in undertaking its duties. The NRC shall,

- a) have access to such information and/or appropriate professional advice, both from within the Company and the Group and externally, as it deems necessary or appropriate in discharging its responsibilities at the cost of the Company.
- b) request other Directors, members of Management, counsels, consultants or any employee as applicable, to participate in NRC meetings, as necessary, to carry out the NRC's responsibilities.

4.1 The Chairman of NRC

- a) The Chairman of the NRC is responsible for ensuring the overall effectiveness and independence of the NRC.
- b) The Chairman of the NRC shall report to the Board on any matter that should be brought to the Board's attention and provide recommendations of the NRC that require the Board's approval at the Board Meeting.
- c) The Chairman (or in his absence, an alternative member) of the NRC shall attend the General Meetings of the Company and be prepared to answer questions falling within the scope of the NRC.

4.2 Nomination

- a) To recommend to the Board of Directors, candidates for all directorships to be filled by the shareholders or the Board of Directors. In making its recommendations, the NRC should consider the following attributes of the candidates'-
 - i. Age, gender and its diversity;
 - ii. skills, knowledge, expertise and experience, background and character;
 - iii. professionalism, competence and commitment (including time commitment);
 - iv. integrity; and
 - v. in the case of candidates for the position of Non-Independent Non-Executive Directors, the NRC should evaluate the candidates' ability to discharge such responsibilities / functions as expected from Non-Independent Non-Executive Directors.
- b) To evaluate, propose and recommend candidates for the approval of the Board to fill Board vacancies as and when the needs arise, relying on sources from existing Board members, Management, major shareholders or independent sources.
- c) To recommend to the Board, candidates for the position of any committee members to be filled, with prior consultation with the Chairman of the respective committees.
- d) To evaluate if there is any conflict of interest on the declaration of new Directors to the Board and existing Directors whom they are required to declare to the NRC at the onset

and as and when there are changes in their respective interests in companies outside the Group. After a determination has been made on the existence of the conflict of interest, it is to:

- i. Immediately inform the Audit Committee and the Board of the conflict of interest situation; and
- ii. After deliberation with our Audit Committee, to make recommendations to the Board to direct the conflicted Director to:
 - Withdraw from all of his/her executive involvement in the Group in relation to the matter that has given rise the conflict of interest (in the case where the conflicted Director is an Executive Director); and
 - Abstain from all Board deliberation and voting in the matter that has given rise to the conflict of interest.

The conflicted Director and persons connected to him (if applicable) shall be absent from any Board discussion relating to the recommendation of our Nominating Committee and the conflicted Director and persons connected to him (if applicable) shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of our Board, be present at our Board meeting to answer any questions.

In circumstances where a Director is determined to have a significant, ongoing and irreconcilable conflict of interest with our Group, and where such conflict of interest significantly impedes the Director's ability to carry out his fiduciary responsibility to our Group, the NRC may determine that a resignation of the conflicted Director from our Board is appropriate and necessary.

- e) To review regularly on the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary and to recommend directors to committees of the Board.
- f) To review the required mix of skills, knowledge and experience and other qualities, including core competencies which non-executive directors should bring to the Board.

4.3 Assessment

- a) To assess annually, the independence of the Independent Directors. The assessment should take into consideration the criteria laid out in the Listing Requirements and such other factors as the NRC deemed appropriate to take into account in determining whether the Director is independent of management; and free of any business or other relationship that could materially interfere with, or could be perceived to materially interfere with, the exercise of their unfettered and independent judgement.
- b) To consider and recommend to the Board whether any of the Independent Directors who has served the Board for a cumulative period of more than nine (9) years, should continue

to be retained as an Independent Director or otherwise.

- c) To review and recommend the outcome of the evaluations and assessments to the Board concerning the areas for continuous improvement.
- d) To recommend Directors who are retiring by rotation to be put forward for re-election.
- e) To review annually the term of office and performance of the Audit Committee and each of its members to determine whether they have carried out their duties in accordance with their terms of reference.
- f) To oversee and review the Board's succession plan including the succession of Chairman of the Board and Managing Director/Chief Executive in order to maintain an appropriate balance of skills, knowledge and experience.
- g) To ensure induction programme is in place for newly appointed Directors with respect to the business, structure and management of the Company as well as the expectations of the Board with regard to their contribution to the Board and the Company.
- h) To review the training needs of Directors and ensure that all Directors receive appropriate continuous training programmes which provide them guidelines on their fiduciary duties in order to broaden their perspective and to keep abreast with development in the marketplace and of the new statutory regulatory requirements.
- i) To evaluate and recommend the appointment, promotion, transfer and dismissal of the head of the subsidiary and Key Management at Group Head Office;
- j) To review and evaluate the effectiveness and performance of the head of the subsidiary and Key Management at Group Head Office including character, experience, integrity, competence and time to effectively discharge his role.
- k) To establish and implement processes for carrying out annual assessment on the effectiveness of the Board as a whole, committees of the Board and contribution of each individual Director, including Independent Non-Executive Directors, Head of the subsidiary and Key Management at Group Head Office. All assessments and evaluations carried out by the NRC in the discharge of all its functions should be properly documented.

4.4 Remuneration

- a) To formulate or review the policy and procedures for remuneration of the Chairman, Board members and head of the subsidiary and Key Management at Group Head Office, to be aligned with their responsibilities and contributions including scope of service agreements, terms of employment or contract of employment/service, benefits, pension or incentive scheme entitlement, bonuses, fees and expenses and any compensation payable on termination of employment/service contract by the Company and/or the Group and to review for changes to the policy, as necessary, and recommend the same to the Board for approval.

- b) To review and recommend the remuneration package of the Non-Executive Directors including Non-Executive Chairman to the Board. The individuals concerned shall abstain from discussion of their own remuneration.
- c) To ensure that the remuneration framework for key management and other employees are in place and structured to ensure that reward is measurably linked to individual's performance, skills, experience and level of responsibilities.
- d) To recommend to the Board any performance related pay schemes for the Company or Group.
- e) To oversee any major changes in employee remuneration and benefit structures throughout the Company or Group.
- f) To produce a report on the details of remuneration of each director that will form part of the Company or Group's annual report and accounts.

4.5 Term of Reference Review

The NRC shall review and assess the adequacy of this Terms of Reference on a periodic basis determined by the NRC or as and when necessary. Any revision or amendments to the Terms of Reference shall be approved by the Board.

5 Meetings

5.1 Frequency

The NRC shall meet at least one (1) time in a financial year, with additional meetings to be convened as and when necessary.

5.2 Notice and Agenda

- a) Notices and agenda of meetings duly endorsed by the Chairman of NRC together with the relevant Board papers shall be distributed at least five (5) working days prior to the NRC meetings.
- b) The NRC shall have full discretion to invite any Directors, members of Management, counsels, consultants or any employee as applicable to attend its meetings.

5.3 Quorum

- a) The quorum for a NRC meeting shall be a minimum of two (2) members, one (1) of whom must be an Independent Director.
- b) In the absence of the NRC Chairman, the members present shall elect a Chairman from amongst them to chair the meeting.

5.4 Meeting Mode

- a) A meeting shall normally be conducted face-to-face to enable effective discussion; however, meetings may also be conducted via telephone conferencing, video conferencing or other appropriate means as determined by the NRC.
- b) The NRC may from time to time and if deemed appropriate, consider and approve and/or recommend relevant matters via a resolution in writing, in lieu of formally convening a meeting.
 - i. A written resolution in writing signed or approved by a majority of the NRC shall be as valid and effectual as if it has been passed by a meeting of the NRC duly convened.
 - ii. Approval of the NRC on the resolution can be through email and/or other means of electronic communications.
 - iii. Any such resolution may consist of several documents, including facsimile or other means of communications, in like form, each signed by one or more NRC members.

5.5 Voting

- a) All resolutions of the NRC shall be adopted by a simple majority vote, each NRC member having one vote. In case of equality of votes, the Chairman of the meeting shall have a second or casting vote.
- b) A member is required to abstain from deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.

5.6 Meeting Minutes

- a) The minutes of the meeting shall be action oriented and record the deliberations and decisions of the NRC. The minutes shall include compiled NRC instructions as Matters Arising for discussion at each NRC meeting to ensure proper follow through.
- b) Minutes shall be distributed to NRC members and shall be approved by the Chairman of the meeting at which the proceedings are held or by the Chairman of the next succeeding meeting.
- c) The NRC shall report to the Board on the proceedings, findings and recommendations of each meeting.

6 Secretary

6.1 The secretary of the NRC shall be appointed by the Board.

6.2 The Secretary shall organise and provide assistance at NRC meetings and have the following key responsibilities:

- a) draft the schedule of NRC activities for the financial year;

- b) ensure meetings are arranged and held accordingly;
- c) assist the Chairman of NRC in planning the NRC's activities;
- d) draw up meeting agendas in consultation with the NRC Chairman and maintain the minutes;
- e) ensure structured communication channels between the NRC and the Board;
- f) attend NRC meetings and ensure the proceedings of meetings are recorded and the minutes circulated in a timely manner;
- g) ensure the presence of a quorum at the meeting; and
- h) ensure NRC's recommendations presented to the Board are supported by papers that explain the rationale for the NRC's recommendations.