

# **TOYO VENTURES HOLDINGS BERHAD**

Company Registration No. 202001001322 (1357641-P)

## **TERMS OF REFERENCE FOR REMUNERATION COMMITTEE**

### **1. OBJECTIVE**

The primary objective of the Remuneration Committee ("Committee") is to establish a documented, formal and transparent procedure for assessing and reviewing the remuneration packages of Executive Directors, Non-Executive Director and Senior Management in order to ensure the remuneration of the director reflect their responsibility and commitment undertaken by them and also to attract and retain right talent in the Board and senior management to drive the company's long term objectives.

### **2. COMPOSITION**

The members of the Committee shall be appointed by the Board from amongst the Directors of the Company of not fewer than 3. The Committee shall elect a Chairman from among its members.

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

Members of the Remuneration Committee may relinquish their membership in the Committee with prior written notice to the Company Secretary and may continue to serve as Director of the Company.

If a member of the 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 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 3 members.

### **3. AUTHORITY**

- a) The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.
- b) The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent advice on any matters within the scope of responsibilities.
- c) The Committee is authorised by the Board to obtain, at the Company's expense, external legal or other professional advice on any matters within its terms of reference.

### **4. DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee shall be:-

- a) To recommend to the Board the remuneration of the Managing Director and Executive Directors.
- b) To ensure that a fair differential between the remuneration of Board members and other levels of management is maintained.
- c) To conduct continued assessment of individual Executive Directors to ensure that remuneration is directly related to corporate and individual performance
- d) To obtain the advice and information from external source, if necessary. To compare the remuneration currently earned by the Executive Directors and those paid to Executive Directors of other companies of a similar size in a comparable industry sector.

- e) To ensure that the base salary element is competitive but fair.
- f) To provide an objective and independent assessment of the benefits granted to Executive Directors.
- g) The Committee shall ensure the matter of remuneration policies and procedures are periodically reviewed by the Committee and recommended to the Board for approval.
- h) The Committee to ensure detailed disclosure on named basis for the remuneration of individual directors and top's senior management remuneration component including salary, bonus, benefit in kind and other emoluments in band of RM50,000.

**5. MEETINGS OF THE COMMITTEE**

- a) The Committee shall meet at least once a year. However, additional meetings may be called at any time at the Remuneration Committee Chairman's discretion.
- b) In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting.
- c) Subject to the notice and quorum requirements as provided in the Terms of Reference, meeting of the Committee may be held and conducted through the telephone or any communication equipment 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.
- d) Executive Director shall abstain from deliberations and voting on decisions in respect of their remuneration package. The remuneration and entitlements of the Non-Executive Directors, including the Non-Executive Chairman should be a matter to be decided by the Board of Directors as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration.

**6. QUORUM**

The quorum for a meeting shall be a majority of members present.

**7. NOTICE OF MEETINGS**

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than 7 days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

**8. SECRETARY AND MINUTES**

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

**9. CIRCULAR RESOLUTION**

A resolution in writing, signed by a majority of the Committee members present in Malaysia for the time being entitled to receive notice of a meeting of the Committee, shall be as valid and effectual as if it had been passed at a meeting of the 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 Committee.

**10. REVISION AND UPDATES**

This Terms of Reference will be reviewed and updated from time to time to ensure it remains consistent with the Committee's objectives and responsibilities.

Approved on 15 October 2020