



**Classita Holdings Berhad 199601036023 (408376-U)  
Remuneration Committee**

**1. Independence**

- (a) The Remuneration Committee shall function independently of Management
- (b) Its objective is to facilitate appropriateness, transparency and accountability to shareholders on the issue of executive remuneration, thus preventing payout of substantial remuneration packages without regard to the performance of the individual and the Company.

**2. Purpose**

- (a) The Remuneration Committee has primary responsibility for setting the policy framework and for making recommendations for approval by the Board with respect to matters relating to the remuneration of Directors, the level of remuneration of which should reflect the experience and responsibility borne by an individual Director.
- (b) The Committee evaluates senior managerial performance and sets the appropriate reward and incentive structures on the recommendation of the Chief Executive Officer.
- (c) The Committee monitors and oversees the integrity of the incentive linked assessment process which strongly influences management to meet performance targets.
- (d) The Committee provides recommendations to the Board of Directors on the Company's policy on executive remuneration for Directors, which should be documented and approved by the full Board and any changes hereto should be subject to the endorsement of the full board.

**3. Composition of Committee**

- (a) The members of the Remuneration Committee are appointed by the Board of Directors
- (b) The Remuneration Committee shall comprise of at least 3 board members; majority of whom shall be non-executive and be independent of management and free from any business or other

relationships which may materially interfere with the exercise of independent judgement

- (c) Alternate Directors shall not be appointed as a member of the Remuneration Committee
- (d) The members of the Remuneration Committee shall elect a chairman from amongst themselves who shall be an independent director
- (e) A member of the Committee shall abstain from participating in discussions and decisions on matters directly involving him or her to avoid conflict of interest

#### **4. Secretary**

- (a) The Company Secretary or their nominee shall act as the Secretary of the Committee

#### **5. Quorum**

- (a) The quorum necessary for the transaction of business shall be 2 of whom majority shall be non-executive members
- (b) A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions vested or exercisable by the Committee

#### **6. Frequency of Meetings**

- (a) The Committee shall meet not less than once a year and at such other times, as the Chairman of the Committee shall require
- (b) In the absence of a meeting, any issues shall be resolved through circular resolution

#### **7. Minutes of the Meetings**

- (a) The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance
- (b) Minutes of committee meetings shall be circulated to each member of the Remuneration Committee and to the Chairman of the Board and made available on request to other members of the Board

## **8. Duties**

- (a) To establish and review the terms of conditions of remuneration of Executive Directors and senior executives of the Group
- (b) To review annually the performance of the Executive Directors and recommend to the Board specific adjustments in remuneration and / or reward payments, if any, reflecting their contributions for the year
- (c) To keep abreast of the terms and conditions of service of Executive Directors including their total remuneration package for market comparability, to review and recommend changes to the Board wherever necessary
- (d) To keep abreast of the remuneration packages for Executive Directors to ensure that they commensurate with the scope of responsibilities, and review and recommend changes to the Board whenever necessary
- (e) To determine the policy for and scope of pension arrangements, service agreements for the executive management team, termination payments and compensation commitments

## **9. Authority**

- (a) The Committee is authorised to obtain any outside legal or other professional advice including the advice of independent remuneration consultants, to obtain reliable and updated information about remuneration in the marketplace. The Committee shall have full authority to commission any reports or surveys, which it deems necessary to help it fulfil its obligations
- (b) The Committee is not authorised to make any decisions but is obliged to report its recommendations to the full board for decision

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This Policy was last updated on 19<sup>th</sup> June 2023