



# QES GROUP BERHAD

Company Registration No. 201401042911(1119086-U)  
(Incorporated in Malaysia)

## TERMS OF REFERENCE FOR REMUNERATION COMMITTEE

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### 1. OBJECTIVE

The primary objective of the Remuneration Committee ("RC") is to assist the Board in fulfilling its responsibility on matters relating to QES Group Berhad ("the Company") and its subsidiaries ("the Group") compensation, bonuses, incentives and benefits.

The RC is to establish a documented, formal and transparent procedure for assessing and reviewing the remuneration packages of Executive Directors ("ED") and Non-Executive Directors ("NED") in order to ensure the remuneration of the Directors reflects their responsibility and commitment undertaken by them and also to attract and retain the right talent in the Board to drive the Company's long term objectives.

The RC Terms of Reference ("TOR") is in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Constitution of the Company.

The RC TOR also endeavours to comply with the MCCG as a guide, wherever possible.

### 2. COMPOSITION

The composition of the RC is in compliance with the Listing Requirements of Bursa Securities and the Constitution of the Company.

### 3. AUTHORITY

- (a) The RC is authorised to seek any information it requires from any employee of the Company to perform its duties.
- (b) The RC 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 RC 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.

*Assuring you our best, always*

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

- (a) The RC shall provide assistance to the Board in establishing the policy and framework for the Director's remuneration;
- (b) The RC shall ensure that the Company's remuneration and incentive policies, practices and key performance indicators are appropriately established and are aligned with the Company's vision, values, business objectives and market trends;
- (c) The RC shall provide assistance to the Board on matters relating to amongst others, management grievances, compensation strategy, management development and other compensation agreements;
- (d) The RC shall ensure corporate accountability and governance in respect of the Board's remuneration and compensation;
- (e) The RC shall review and determine the annual salary increment, performance bonus, and short term/long term incentives for EDs depending on various performance measurements of the Company;
- (f) The RC shall review and determine the other benefits in kind for the EDs;
- (g) The RC shall review the Company's compensation policy and ensure alignment of compensation to corporate performance, and compensation offered in line with market practice;
- (h) The RC may recommend the engagement of external professional advisors to assist and/or advise the RC and the Board, on remuneration matters, where necessary.
- (i) The RC shall ensure the remuneration policies and procedures are periodically reviewed.
- (j) The RC is to ensure detailed disclosure on named basis for the remuneration of individual director's component including salary, bonus, benefit in kind and other remunerations in band, of RM50,000.
- (k) The RC shall perform such other functions as may be requested by the Board.
- (l) The recommendations of RC are subject to the approval of the Board.

#### **5. MEETINGS OF THE COMMITTEE**

The RC shall meet at least once a year and as frequently as may be required.

#### **6. QUORUM**

The quorum for a meeting of the RC shall consist of not less than 2 members.

#### **7. PROCEEDINGS OF MEETINGS**

The proceedings, reporting procedures and minutes of the RC meetings is conducted in full compliance with the Listing Requirements of Bursa Securities and the Constitution of the Company.

## **8. CIRCULAR RESOLUTION**

A resolution in writing signed by a majority of the RC members for the time being shall be as valid and effectual as if it had been passed at a meeting of the RC duly called and constituted. Any such resolution may consist of several documents in like form each signed by a majority of RC members. Any such document may be accepted as sufficiently signed by RC member if transmitted to the Company by electronic or any communication facilities to include a signature of an RC member.

## **9. REVIEW OF THE WRITTEN TERMS OF REFERENCE**

Any amendments to these terms of reference are to be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the RC responsibilities.

The written terms of reference will be made available to public on the Company's website.

The Terms of Reference of the RC is adopted on 14 April 2022.