

ECOSCIENCE INTERNATIONAL BERHAD

(Registration No.: 202001024633 (1380953-M))

(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. OBJECTIVE

The principal objective of the Remuneration Committee ("**Remuneration Committee**") is to establish a documented, formal and transparent policy and procedure to support and advise the Board of Directors (the "**Board**") and to recommend the remuneration package to the Board and key senior management as a whole for approval, with each director concerned abstaining from any decision as regards his remuneration.

2. COMPOSITION

- (a) The Remuneration Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three (3) members.
- (b) The Remuneration Committee shall consist exclusively of Non-Executive Directors, a majority of whom are Independent Directors.

The definition of "**Independent Directors**" shall have the meaning given in Chapter 1 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**ACE Market Listing Requirements**").

- (c) The Chairperson of the Board shall not be a member of the Remuneration Committee.
- (d) The Chairperson of the Remuneration Committee shall be elected among the Remuneration Committee members and shall be an Independent Non-Executive Director approved by the Board.
- (e) In the event of any vacancy in the Remuneration Committee resulting in the number of the Remuneration Committee is reduced below three (3) members, the vacancy shall be filled within three (3) months of that event.

3. AUTHORITY

The Remuneration Committee shall, in accordance with the procedures to be determined by the Board and at the cost to be borne by the Group:

- (a) Have adequate resources required to perform its duties;
- (b) Have full and unrestricted access to information, records and documents relevant to its activities;
- (c) Obtain external professional advice or other advice and invites persons with relevant experience to attend its meetings, if necessary; and
- (d) Seek input from management on remuneration policies, but no individual should be directly involved in deciding their own remuneration.

4. QOURUM

The quorum for the Remuneration Committee meeting shall consist of not less than two (2) members, of which majority of members present must be Independent Non-Executive Directors.

5. MEETINGS

- (a) The Remuneration Committee shall meet at least once a year. However, additional meetings may be called at any time at the discretion of the Remuneration Committee's Chairperson.
- (b) In the absence of the Chairperson of the Remuneration Committee, the remaining members present shall among themselves elect another member who must be an Independent Non-Executive Director to chair the meeting.
- (c) Remuneration Committee members must abstain from discussing their own remuneration.
- (d) The Remuneration Committee may invite any person to attend the meeting to assist in its deliberations.
- (e) The Company Secretary shall be the Secretary of the Remuneration Committee.
- (f) The Company Secretary shall issue and circulate the notice of Remuneration Committee meeting confirming the venue, date and time together with the agenda of items to be discussed, to the Remuneration Committee members at least five (5) working days or shorter notice where it is unavoidable before the date of the meeting. Supporting papers shall be sent to the Remuneration Committee members at the same time.
- (g) The Remuneration Committee may participate in a meeting by means of telephone or video conferencing or using any technology. Such participation shall constitute presents in person at such meeting and shall be entitled to vote or be counted in quorum accordingly.
- (h) The Remuneration Committee may pass the resolution by way of written resolution of which it is signed by at least a majority of the Remuneration Committee members or at a meeting of the Remuneration Committee.
- (i) Draft minutes of the meeting shall be distributed to the Remuneration Committee members within four (4) weeks after the meeting. The minutes shall be approved by the Remuneration Committee at the next meeting and signed by the Chairperson of the meeting at which proceedings were held or by the Chairperson of the next meeting.
- (j) The minutes of Remuneration Committee shall be made available at the Registered Office and shall be opened for inspection by any Remuneration Committee member or Board.

6. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Remuneration Committee are as follow:

- (a) To determine and recommend to the Board regarding the remuneration packages of all directors (including executive and non-executive directors) and key senior management in all forms inclusive of cash and non-cash benefits, options and privileges granted by the Group taking into consideration of the following:
 - (i) technical competency, skills, expertise and experience;
 - (ii) qualification and professionalism;
 - (iii) integrity;
 - (iv) roles and responsibilities;
 - (v) company's performance in managing sustainability risks and opportunities; and
 - (vi) aligned with the business and risks strategies, and long-term objectives of the Group.

- (b) To review and recommend to the Board, on an annual basis, in relation to the remuneration structures of all Executive Directors, Non-Executive Directors and key senior management in all forms.
- (c) To review and implement remuneration policies and procedures in relation to the remuneration of Board and key senior management periodically.
- (d) In respect of Executive Directors, to ensure that the remuneration package commensurate with skills and responsibility expected of the director and is sufficient to attract and retain directors needed to run the Group successfully.
- (e) In respect of Non-Executive Directors, to ensure via the Board as a whole that the remuneration payable reflects the experience, time demanded of the directors to discharge their duties and responsibilities undertaken.
- (f) In respect of key senior management, to ensure that the remuneration package commensurate with individual's performance, skills and experience, level of responsibility as well as the market benchmarks.
- (g) To oversee any major changes in employee remuneration and benefit structures throughout the Group.
- (h) To recommend to the Board any performance related pay schemes for the Company or Group.
- (i) To engage external professional advisers to assist and/or advise the Remuneration Committee, on remuneration matters, where necessary.
- (j) To provide clarification to shareholders during general meetings on matters pertaining to remuneration of directors and key senior management as well as the overall remuneration framework of the Group.
- (k) To carry out other responsibilities, functions or assignments as may be agreed by the Board from time to time.

7. REPORTING

The Remuneration Committee, through its Chairperson, shall report a summary of significant matters to the Board at the next Board meeting after each Remuneration Committee meeting. When presenting any recommendations to the Board for approval, the Remuneration Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

8. REVIEW OF THE WRITTEN TERMS OF REFERENCE

- (a) 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 Committee's responsibilities.
- (b) The written terms of reference will be made available to public on the Company's website.

The Terms of Reference of the Remuneration Committee is adopted on 20 August 2021.