

Revision Date : 26 April 2024



BINASTRA CORPORATION BERHAD
(Formerly known as Comintel Corporation Bhd)
(Registration No. 200301027648 [630068-T])
(Incorporated in Malaysia)

**TERM OF REFERENCE
OF THE
REMUNERATION COMMITTEE**

1. Objectives

The Remuneration Committee (“**Committee**”) is entrusted with duties to assist the Board of Directors (“**Board**”) in establishing a formal and transparent procedure for developing policy on the remuneration of Directors and recommending their remuneration packages to attract and retain the Executive Directors and Key Management to run the Company successfully. The remuneration package of the Executive Directors should be aligned with the business strategy, long-term objectives and sustainability goals of the Group while the remuneration of other board members shall reflect the board’s responsibilities, expertise and complexity of the Group’s activities.

2. Composition of Members

The Committee shall be appointed by the Board and shall consist of not less than 2 members and only of Non-Executive Directors, a majority of whom shall be Independent Directors.

In the event of any vacancy in the Committee resulting in the non-compliance of the above, the Company must fill the vacancy within 3 months.

The members of the Committee shall elect a Chairman amongst themselves who shall be an Independent Director.

The Board shall review the term of office and performance of the Committee and each of its members at least once every 3 years to determine whether such Committee and members have carried out their duties in accordance with their terms of reference.

3. Secretary

The Company Secretary shall be the secretary of the Committee (“**Secretary**”) and shall be responsible, in consultation with the Chairman, for drawing up the agenda and circulating it prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members.

The Committee members may inspect the minutes of the Committee at the Registered Office or such other place as may be determined by the Committee.

4. Meetings

The Committee shall meet at least once annually and as and when there are matters referred to them for consideration, with reasonable notice as the Committee members deem fit, of issues to be discussed. A member of the Committee may at any time and the secretary shall on the requisition of a member summon a meeting of the Committee. The Committee should disclose the number of committee meetings held in a year and the details of attendance of each individual member in respect of meetings held.

The quorum shall be 2 members with majority of Independent Directors.

The Committee should have a formal schedule of matters specifically reserved to it for review and make appropriate recommendation to the Board for decision. In the event that the remuneration package of a Committee member is to be discussed, the Committee member concerned should abstain from the discussion of his/her own remuneration package.

All decisions at such meeting shall be decided on a show of hands on majority of votes.

Minutes of each meeting shall be circulated to the Committee members and presented to the Board. Issues discussed and actions recommended by the Committee shall be presented and reported to the Board for decision.

If need arises, issues shall be resolved through circular resolution. A circular resolution in writing, signed by MAJORITY members, shall be valid and effective as if it has been passed at a meeting duly convened and constituted.

The Committee should be entitled to the services of a secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both the Company's own records and for the purposes of meeting statutory requirements, as well as obligations arising from the Listing Requirements of Bursa Malaysia Securities Berhad and/or other regulatory authorities.

Other directors or employees may attend any particular Committee Meeting only at the Committee's invitation, specific to the relevant meeting.

5. Functions of the Committee

The Committee shall:-

- (a) establish policies and procedures for developing remuneration framework for Directors and Key Management;
- (b) obtain the advice and information from external sources, if necessary, to benchmark the directors' remuneration benefits and packages currently earned by the Executive Directors and Key Management with those holding the similar positions in other companies of similar size in a comparable industry sector;
- (c) review the Executive Directors' employment contracts and recommend to the Board on the total individual remuneration package for Executive Directors, including, where appropriate, salaries, bonuses, benefits, incentive payments within the terms of the agreed remuneration policy and based on individual performance. The remuneration packages of the Executive Directors should be determined by the Board (with each Executive Director abstained from discussion on their remuneration);
- (d) review the remuneration of the Key Management including, where appropriate, salaries, bonuses, benefits, incentive payments within the terms of the agreed remuneration policy and based on individual performance;
- (e) review the remuneration of Non-Executive Directors (with each member abstained from discussion on their own fees/benefits) and report to the Board, particularly on whether the remuneration remains appropriate to each Director's contribution, by taking into account the level of expertise, commitment and responsibilities undertaken. The remuneration of Non-Executive Directors should be determined by the Board as a whole;
- (f) review the remuneration packages/allowances of members of the Board's committees, if any. The remuneration packages of the Board's committees should be determined by the Board as a whole. The individuals concerned should abstain from discussion their own remuneration;

Binastra Corporation Berhad

(Formerly known as Comintel Corporation Bhd)

Registration No. 200301027648 (630068-T)

Term of Reference of the Remuneration Committee

- (g) assist the Board in ensuring the remuneration of the Directors reflects the responsibility, skill expertise and commitment of the Director concerned which takes into accounts the demands, complexities and performance of the Company as well as ensuring a fair differential between the remuneration of the Executive Directors and Key Management to ensure that remuneration is directly related to corporate responsibilities, seniority, skill, merit and individual performances;
- (h) review and report such other matters as may be delegated by the Board from time to time.
- (i) oversee the qualitative and quantitative disclosures of remuneration made in the annual report and notice to general meetings; and
- (j) provide clarification to shareholders during general meetings on matters pertaining to remuneration of Directors and Key Management as well as the overall remuneration framework of the Company.

6. Access to Advice

In furtherance to their duties as the Committee's members of the Company, there should be an agreed procedure for the members, whether as a full Committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.

7. Review of Terms of Reference

This Terms of Reference shall be reviewed periodically (subject to at least once in every 3 years) in accordance with the needs of the Company and the Board's approval shall be obtained for any amendment or changes proposed by the Committee or any third parties made from time to time.