

**KRONOLOGI ASIA BERHAD 201301037868 (1067697-K)**  
**TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE**

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**1. OBJECTIVES**

The principal objectives of the Remuneration Committee of Kronologi Asia Berhad (“Company”) (“Committee”) are to attract and retain high caliber Executive Directors needed to run and manage the Company successfully and to assist the Board of Directors (“Board”) of the Company in its responsibilities in assessing and reviewing the remuneration packages of the Executive Directors, Non-Executive Directors and Senior Management of the Company.

**2. COMPOSITION OF MEMBERS**

The Board shall elect the Committee members from amongst themselves, comprised exclusively of Non-Executive Directors, a majority of whom must be Independent Non-Executive Directors.

**3. CHAIRMAN**

The Committee shall elect a Chairman from amongst its members who shall be an Independent Non-Executive Director and the elected Chairman of the Committee shall be approved by the Board.

In the event that the elected Chairman is not able to attend the Committee meeting, a member of the Committee shall be nominated as Chairman for the meeting.

**4. MEETINGS OF THE COMMITTEE**

**i. Frequency**

The Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. In the event issues requiring the Committee’s decision arise between meetings, such issues may be resolved through circular resolutions of the Committee. Such circular resolution in writing shall be valid and effectual if it is signed or approved by letter, facsimile or any electronic means by members of the Committee pursuant to the Constitution of the Company.

For the Committee’s meetings (except in the case of an emergency), reasonable notice shall be given in writing to all the Members of the Committee.

Other Board members and senior management may be invited to attend the Committee meetings.

**ii. Quorum**

A minimum of two (2) members shall form the quorum.

**iii. Secretary of the Committee**

The Company Secretary shall be the secretary of the Committee.

**iv. Minutes of the Committee Meeting**

Every meeting of the Committee must be recorded either by the Company Secretary or any other person approved by the Committee to take minutes and such minutes must be signed by the Chairman of that meeting or by the Chairman of the next succeeding meeting as evidence of the proceedings that the meeting was duly convened and held.

**5. FUNCTIONS**

The functions of the Committee are as follows:

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- i. To review and recommend to the Board the appropriate remuneration packages for the Group Chief Executive Officer and Executive Director(s) of the Company, with or without other independent professional advice or other outside advice;
- ii. To formulate policies, guidelines and set criteria for remuneration packages for Executive Directors of the Company;
- iii. To ensure that the Executive Directors are fairly and appropriately remunerated according to the industry, general market sentiments or conditions;
- iv. To determine the composition of the various types of components of remuneration such as basic salary, bonus and other benefits in kind for the Group Chief Executive Officer and Executive Director(s) of the Company.
- v. To ensure all necessary actions are taken expediently by the Board to offer appropriate rewards, benefits, compensation and remuneration and to ensure that the levels of remuneration are sufficiently attractive to retain Directors and structuring the remuneration packages to link rewards to the individual performance.
- vi. To ensure that all remuneration packages and benefits given to the Directors comply with all laws, rules, requirements, regulations and guidelines set by the relevant authorities and the Board from time to time.
- vii. To attend to any other functions that may be delegated by the Board which would be beneficial to the Company and ensures the effective discharge of the Committee's duties and responsibilities.
- viii. To carry out such other functions or assignments as may be delegated by the Board from time to time.

**6. REPORTING RESPONSIBILITIES**

- i. The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities.
- ii. The Committee shall make whatever recommendations to the Board it deems appropriate, on any area within its terms of reference and/or where action or improvement is needed.
- iii. The Committee shall report to the Board on its activities, based on its Terms of Reference.

**7. GENERAL MEETINGS**

The Chairman of the Committee should attend the general meetings to answer to questions relating to the Committee's activities.

*This Terms of Reference was revised and adopted by the Board of the Company on 29 June 2021.*