

# **MQ TECHNOLOGY BERHAD**

(Company No. 635804-H)

(Incorporated in Malaysia)

## **REMUNERATION COMMITTEE**

### **TERMS OF REFERENCE**

#### **1.0 APPOINTMENT**

- 1.1 The Remuneration Committee (“RC”) of MQ Technology Berhad [MQ] (“MQ” or “the Company”) shall be appointed by MQ Board of Directors (“MQ Board”) from amongst its members, and shall consist of not fewer than 3 members, majority of the members shall be Non-Executive Directors.
- 1.2 The Chairman shall be elected by members of the RC. In the absence of the committee Chairman, the remaining members present shall elect one of their members to chair the meeting.
- 1.3 A Secretary shall be nominated by the RC.
- 1.4 If a member, for any reason, ceases to be a member, MQ Board shall appoint a new member so that the number of members does not fall below three.
- 1.5 The office of a member shall become vacant upon the member’s resignation/retirement/removal or disqualification as a Director of the Company.

#### **2.0 ADMINISTRATION**

##### **2.1 Meetings**

- (i) The meetings of the RC may be conducted by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as aforesaid.

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### **REMUNERATION COMMITTEE (Continued...)**

#### **2.0 ADMINISTRATION (Continued...)**

##### **2.1 Meetings (Continued...)**

- (ii) The meetings shall be held at least once a year. Additional meetings may also be held by the RC to discuss other issues, which the RC considers necessary.
- (iii) The RC shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.
- (iv) The RC shall appoint a secretary who shall attend the meetings and minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance. The minutes shall be confirmed by the Chairman of the meeting and circulated to all members of the RC.
- (v) The quorum necessary for the transaction of business shall be two both of whom shall be Non-Executive Directors. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion vested or exercisable by the Committee.
- (vi) Minutes of the RC meetings will be circulated to all members of the Board.

##### **2.2 Notice**

The notice of each meeting of the RC, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the RC not fewer than three (3) working days prior to the date of the meeting.

##### **2.3 Voting**

Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.

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### **REMUNERATION COMMITTEE (Continued...)**

#### **2.4 Circular Resolution**

A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the RC. All such resolutions be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile, telex, cable, telegram or other forms of electronic communications.

#### **3.0 FUNCTIONS AND RESPONSIBILITIES**

##### **3.1 The functions and responsibilities of the RC shall be (on an annual basis):**

- (i) to review and recommend to the Board a remuneration framework for Directors as well as the remuneration packages of Executive Directors needed to attract, retain and motivate the Directors of the quality required to manage the business of the Group and to align the interest of the Directors with those of the shareholders.
- (ii) to recommend to the Board the remuneration of Non-Executive Directors, which decision shall be made by the Board as a whole.
- (iii) to carry out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by MQ Board from time to time.

Executive Directors should play no part in decisions on their own remuneration. The determination of remuneration packages of Non-Executive Directors should be a matter for the Board as a whole.

#### **4.0 GENERAL**

- 4.1 The RC in carrying out its tasks under these terms of reference may obtain such external or other independent professional advice as it considers necessary to carry out its duties.
- 4.2 MQ Board will ensure that the RC has access to professional advice both internally and externally at the Company's expense in order for it to perform its duties.
- 4.3 These terms of reference may from time to time be amended as required, subject to the approval of the Board.