

SENHENG NEW RETAIL BERHAD
Registration No.: 202101019079 (1419379-T)

Remuneration Committee (“Committee”)

Terms of Reference

1. Objectives

The establishment of the Committee are to assist the Board of Directors of the Company (“Board”) to develop and ensure that a transparent and independent process are in place to determine the remuneration packages of the Directors and senior management of the Company.

The remuneration packages are determined on the basis of the directors’ and senior management’s merit, qualification and competence, having regard to the Company’s operating results, individual performance and comparable market statistics which shall be competitive and consistent with the Company’s culture, objectives and strategy in order to attract and retain the right talent in the board and senior management for Company’s long-term objectives.

2. Composition of the Committee

The Committee shall be appointed by the Board of Directors from among its members, comprising of at least three (3) members, all of whom shall be Non-Executive Directors, with a majority of them being Independent Directors.

In the event of any vacancy in the Committee resulting in the number of members is reduced to below three (3), the vacancy must be fulfilled within three (3) months to fulfil the minimum requirement.

All members of the Committee will hold office only so long as they serve as a Director of the Company.

3. Chairman of the Committee

The position of Chairman of the Board and the Committee shall be held by different individuals. The Chairman of the Committee must be an Independent Director and elected amongst the members of the Committee.

4. Rights of the Committee

The Committee shall have access to adequate resources and authority to discharge its duties and responsibilities, including seeking independent professional advice or outside advice, as it deems necessary at the expense of the Company.

The Committee may invite other Directors, members of Management, counsels and etcetera as appropriate, to participate at Committee meetings to assist the Committee to carry out their responsibilities and duties effectively.

5. Functions and Duties of Committee

- i. Review the Committee’s Terms of Reference annually or as and when necessary;

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- ii. To review and recommend to the Board, the remuneration policy and framework for Directors and senior management of the Company, drawing on independent professional advice if necessary;
- iii. To review and recommend to the Board the remuneration and benefits including share options (if any) for Executive Directors and senior management taking into account the responsibilities, complexities and performance of the Directors and senior management;
- iv. To review the fees and benefits (if any) payable to Non-Executive Directors linking the level of remuneration to their level of responsibility and contribution;
- v. To oversee any major changes in employee remuneration and benefit structures throughout the Group;
- vi. To consider and examine such other matters as the Committee considers appropriate; and
- vii. To consider any other matters as delegated by the Board.

6. Quorum and Meeting

The quorum necessary for the meeting shall be two and the majority of members present must be independent directors.

The Committee shall meet at least once in a year, and additional meetings may be called and convened by the Chairman of the Committee, or at the requisition of other Committee members with the Chairman's discretion, to discuss matters within its terms of reference.

Any committee member who is unable to present physically at a meeting may participate the meeting via video / tele-conferencing. Such member would be deemed to be present at the meeting.

Notice of the Committee meetings shall be circular to all Committee members at least seven (7) days prior to each Committee meeting. A shorter notice may be circulated to the Committee members provided it is agreed by the Chairman and all members.

In the absence of the Chairman of the Committee, the Committee members who present shall elect a Chairman amongst themselves to chair the meeting.

Attendance of other Directors, management or external parties (i.e. external legal or other independent professional) at any particular Committee meeting shall be at the invitation of the Committee.

Majority of votes of the members present at the meeting shall be the decision of the Committee. In the case of equality of votes, the Chairman of the Committee shall have a second or casting vote.

The Company Secretary or his/her representative or other appropriate senior officer shall act as secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to committee members prior to each meeting.

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The Company Secretary or his/her representative or other appropriate senior officer shall also be in attendance at each Committee meeting and responsible for keeping the minutes of meetings of the Committee, and circulating them to committee members and to the other members of the Board of Directors

7. Minutes of the meetings

Minutes of the Committee meeting shall be signed by Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

Minutes of each Committee meeting shall be tabled to the Board for notation and all the minutes shall be kept at the Registered Office of the Company.

Any resolution in writing signed or copies thereof signed or approved by telefax, electronic mail or any other electronic form by all the Committee members, shall be as valid and effective as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by all of the Committee members.