

SC ESTATE BUILDER BERHAD

(Registration No. 200401017162 (655665-T))

(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. Objectives

To assist the Board of Directors (the "Board") of SC Estate Builder Berhad (the "Company") in discharging its responsibilities relating to the remuneration of Executive Directors of the Company in accordance with the Companies Act 2016, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), the Malaysian Code on Corporate Governance ("MCCG"), the Constitution of the Company and other applicable laws, regulations and guidelines.

The Committee shall support a formal, fair and transparent process for determining remuneration, taking into account the demands, complexities and performance of the Group as well as the skills, experience, responsibilities and contributions required from the Executive Directors

2. Composition of Members

The Board shall appoint the members of the Remuneration Committee (the "Committee") from amongst the Directors of the Company.

The Committee shall comprise not fewer than two members, all of whom shall be Non-Executive Directors, with a majority being Independent Non-Executive Directors.

The Board shall review the composition of the Committee periodically to ensure that it remains appropriate and consistent with the Listing Requirements, the MCCG and the needs of the Group.

3. Chairman

The Chairman of the Committee shall be appointed by the Board and should be an Independent Non-Executive Director.

In the absence of the Chairman, the members present may elect one (1) member, who should be an Independent Non-Executive Director, to chair the meeting.

4. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee. The Secretary shall ensure that meetings are properly convened and that proceedings, decisions and recommendations of the Committee are properly recorded and maintained.

5. Meetings

The committee shall meet at least once a year and such other times as may be necessary.

Where the elected Chairman is unable to attend a meeting, one of the Committee members shall be nominated to chair the meeting.

Subject to the notice and quorum requirements set out in the Terms of Reference, meetings of the Committee may be conducted by telephone or any other means of communication that enables all participants to hear one another. Any person participating by such means shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted towards the quorum accordingly.

6. Quorum

The quorum for a meeting shall be at least two (2) members, of which at least one(1) shall be Independent Non- Executive Director.

7. Circular Resolutions

A resolution in writing, including by electronic means, signed or approved by a majority of the Committee members who are sufficient to form a quorum shall be as valid and effective as if it had been passed at a duly convened meeting of the Committee, provided that the resolution is circulated to all Committee members and no member objects to the matter being dealt with by way of written resolution.

All such resolutions shall be described as "Remuneration Committee Members' Resolutions in Writing" and shall be forwarded or otherwise delivered to the Secretary

8. Authority

The Committee is authorised by the Board, to obtain any information it requires from any employee of the Company in order to perform its duties.

The Committee shall operate in accordance with a formal and transparent remuneration policy and process approved by the Board. The Committee shall review, assess and recommend to the Board remuneration policies, procedures and packages for Directors and Senior Management, subject always to applicable shareholder approvals and regulatory requirements.

9. Duties and Responsibilities

The duties and responsibilities of the Committee shall include the following:

- (a) review and recommend to the Board the remuneration policy and procedures for Directors and Senior Management, taking into account the Group's business strategy, long-term objectives, performance, complexity, market practice, skills and experience required, the inflation price index, individual responsibilities and contributions;
- (b) review and recommend to the Board the remuneration packages of Executive Directors and Senior Management in all forms, including salary, bonuses, benefits-in-kind, incentives, allowances, share-based schemes and other benefits, where applicable;
- (c) review and recommend to the Board the fees and benefits payable to Non-Executive Directors for shareholders' approval at a general meeting, as required under Section 230 of the Companies Act 2016 and Rule 7.24 of the Listing Requirements;

- (d) ensure that the fees payable to Non-Executive Directors are by a fixed sum and are not by a commission on, or percentage of, profits or turnover, and that the salaries payable to Executive Directors do not include a commission on, or percentage of, turnover, consistent with Rule 7.23 of the Listing Requirements;
- (e) ensure that remuneration is structured to attract, retain and motivate Directors and Senior Management of the calibre needed to manage the Group successfully, while being aligned with corporate and individual performance and long-term shareholder value;
- (g) review the Group's disclosures on Directors' and Senior Management remuneration in the annual report and Corporate Governance Report, including the application of the MCCG practices and the disclosure obligations under the Listing Requirements;
- (h) consider external benchmarking and independent professional advice where appropriate;
- (i) report its proceedings, findings and recommendations to the Board;
- (j) review this Terms of Reference periodically and recommend any changes to the Board for approval; and

10. Reporting Procedures

The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. Draft minutes shall be circulated to the Chairman and members of the Committee for review before confirmation.

The Chairman of the Committee shall report to the Board on matters deliberated by the Committee and on any recommendations requiring Board consideration or approval.

11. Review of Terms of Reference

This Terms of Reference shall be reviewed periodically and updated as necessary to ensure that it remains consistent with the Committee's objectives and responsibilities, the Listing Requirements, the MCCG, the Companies Act 2016, the Constitution of the Company and other applicable regulatory requirements.