



ZHULIAN CORPORATION BERHAD

Company No. 199701000031 (415527-P)

(Incorporated in Malaysia)

TERMS OF REFERENCE NOMINATION AND REMUNERATION COMMITTEE

1. Objectives

The Nomination and Remuneration Committee (“the Committee”) is established in line with the Malaysian Code on Corporate Governance (MCCG) to:

- **Nomination Function:** Recommend suitable candidates for appointment to the Board and Board Committees, ensuring the Board has the appropriate balance, diversity, and mix of skills, experience, and competencies. The Committee also oversees annual assessments of the Board, Committees, and individual Directors.
- **Remuneration Function:** Recommend a fair and transparent framework for the remuneration of Executive Directors (“EDs”) and other designated persons, ensuring alignment with corporate and individual performance, long-term objectives, and shareholder interests.

2. Composition

- The Committee shall comprise wholly or mainly Non-Executive Directors, a majority of whom must be Independent Non-Executive Directors.
- The Committee shall have at least two (2) members.
- A member’s appointment ceases automatically if he/she ceases to be a Director or as determined by the Board.
- The Chairman of the Committee shall be elected from among the Independent Non-Executive Directors.
- In the absence of the Chairman, the members present shall elect an Independent Non-Executive Director to chair the meeting.
- Any vacancy shall be filled within three (3) months to comply with Bursa Malaysia Securities Berhad’s Listing Requirements.

3. Secretary

The Company Secretary shall act as the Secretary of the Committee or, in her absence, another person authorised by the Chairman.

4. Meetings

- The Committee shall meet at least once a year, or more frequently as required.
- Meetings may be held physically or through electronic/telecommunication means.
- Written resolutions signed by a majority of members (including at least one Independent Director) shall be valid as if passed in a duly convened meeting.

5. Quorum & Voting

- The quorum shall be two (2) members.
- Each member shall have one (1) vote.
- Resolutions shall be passed by majority vote. In case of equality, the Chairman shall have a casting vote.

6. Attendance by Invitation

The Committee may invite other Directors, key Executives, employees, or external advisers to attend meetings as necessary.

7. Authority

The Committee is authorised by the Board to:

- Access all resources and information necessary for its duties.
- Obtain independent professional advice.
- Secure attendance of external advisers or other persons as deemed appropriate.

8. Duties and Responsibilities**8.1 Nomination Function**

- Recommend candidates for appointment as Directors, considering skills, knowledge, integrity, diversity, professionalism, and time commitment.
- Review Board structure, size, and composition annually.
- Conduct annual performance evaluations of the Board, Committees, and individual Directors.
- Assess independence of Independent Non-Executive Directors.
- Recommend appointments of Directors to Board Committees.
- Propose responsibilities of Non-Executive Directors, including memberships and chairmanships.
- Recommend continuation or cessation of service of Directors, including Executive Directors as employees.
- Recommend Directors retiring by rotation for re-election.
- Identify training needs for Directors and arrange induction for newly appointed Directors.
- Review the performance of the Audit Committee annually.
- Carry out other responsibilities as delegated by the Board.

8.2 Remuneration Function

- Recommend to the Board a remuneration framework/policy for EDs and other designated persons.
- Review and update remuneration policies as necessary.
- Recommend remuneration packages for EDs, linking rewards to performance and corporate results.
- Implement/maintain a reward system for EDs, considering:
 - o Position and scope of work
 - o Company strategy and long-term objectives
 - o Complexity of operations
 - o Individual and corporate performance
 - o Years of service and experience
 - o Industry salary standards
- Review and recommend annual bonuses and incentives for EDs. EDs not in Committee abstain shall be at Board
- Review proposed share option schemes, if any.
- Recommend appointment of external advisers or consultants for remuneration matters.
- Ensure disclosures on Directors' remuneration are made in the Annual Report in line with regulatory requirements.
- Carry out such other responsibilities as may be delegated by the Board.

9. Reporting Procedures

- The Secretary shall maintain minutes of Committee meetings and make them available to Board members upon request.
- The Committee, through its Chairman, shall report to the Board after each meeting.

10. Review of Terms of Reference

This Terms of Reference shall be reviewed periodically by the Board.