

## Terms of Reference of Remuneration Committee

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### THIS TERMS OF REFERENCE APPLIES TO:

- MST Golf Group Berhad  
(Registration No.: 199301009307 (264044-M))
- MST Golf Sdn Bhd  
(Registration No.: 198901011987 (189294-P))
- MST Golf Management Sdn Bhd  
(Registration No.: 200101013452 (549209-A))
- MST Golf Arena Sdn Bhd  
(Registration No.: 199801015399 (471528-D))
- MST Golf (Singapore) Pte Ltd  
(Registration No.: 200002124N)

## Terms of Reference of Remuneration Committee

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### ADOPTION & REVISION HISTORY:

Rev.	Effective Date	Description	Approved by
0	12 May 2023	Formal Adoption	Board of Directors

(SEE NEXT PAGE FOR TERMS OF REFERENCE)

# Terms of Reference of Remuneration Committee

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## 1. DEFINITIONS

1.1. The following definitions shall apply in throughout this document:

AGM	Annual General Meeting
Board	The Board of Directors of the Company
Bursa Securities	Bursa Malaysia Securities Berhad
CA	Companies Act 2016
CFO	The Group's Chief Financial Officer
CEO	The Group's Chief Executive Officer
Chairman	Chairman of the Board and is used in a gender neutral sense
Committee	The Board Committees of the Company
Company	MST Golf Group Berhad (f.k.a. M S T Golf (Asia) Sdn Bhd)
Company Secretary	Board secretary(ies)
Constitution	Constitution of the Company
Directors	the Directors for the time being of the Company and unless otherwise stated, includes their duly appointed alternates
EGM	Extraordinary General Meeting
Group	The Company and its subsidiaries as listed in the first page of this document.
Independent Director	A Director who does not participate in the management of the Company and who satisfies the criteria for "independence" set out in the MMLR
Management	Management personnel of the Group
MMLR	Main Market Listing Requirements of Bursa Securities
MCCG	Malaysian Code on Corporate Governance
SC	Securities Commission Malaysia
Senior Management	Senior Management personnel of the Group

## Terms of Reference of Remuneration Committee

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### **2. OBJECTIVES**

- 2.1. The Board forms the Company's with its primary function in line with the MCCG, to assist the Board in recommending the remuneration package of Directors and Senior Management including CEO, executive Directors and non-executive Directors with the aim to attract, retain and motivate Directors.

### **3. COMPOSITION**

- 3.1. The Chairman of the Board should not be a member of the RC.
- 3.2. The chairman of the RC ("RC Chairman") shall be an independent non-executive Director appointed by the Board from amongst the RC members. The membership of the RC shall comprise exclusively non-executive Directors, a majority of whom shall be independent and number at least three (3) in total. The RC member shall automatically cease to be a member of RC when the member cease to be a Director, or as determined by the Board.
- 3.3. No alternate Director shall be appointed as a member of the RC.

### **4. QUORUM AND MEETING PROCEDURES**

- 4.1. The RC shall meet at least once (1) a year. More meetings may be conducted if the need arises. The quorum for a meeting of the RC shall be two (2) members, present in person.
- 4.2. A resolution in writing, signed by all the members of the RC, shall be as effectual as if it has been passed at a meeting of the RC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more RC members and may be accepted as sufficiently signed by RC members if transmitted to the Company by email, facsimile or other electronic means or digital written message/application to include a signature of RC members.
- 4.3. In the absence of the RC Chairman, the members present shall elect a chairman for the meeting from amongst the members present who would qualify under these terms of reference to be appointed to that position of the Board.
- 4.4. The RC members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.
- 4.5. As a best practice, the RC Chairman should attend the AGM to answer any shareholder questions on the RC's activities.

## Terms of Reference of Remuneration Committee

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### **5. SECRETARY**

- 5.1. The Company Secretary shall be the secretary of the RC ("Secretary"). The Secretary, in conjunction with the RC Chairman, shall draw up an agenda, which shall be circulated together with the relevant supporting papers, at least one (1) week prior to each meeting to the members of the RC.

### **6. ATTENDANCE**

- 6.1. The CEO, and Executive Chairman may be invited to attend meetings to discuss the performance of Executive Directors and make proposals as necessary. Executive Directors should play no part in decisions on their own remuneration.

### **7. ADVISERS**

- 7.1. The RC is authorised by the Board to seek appropriate professional advice inside and outside the Group as and when it considers this necessary at the expense of the Company, subject to compliance with the provisions on such advisers stipulated in the Board Charter.

### **8. RESPONSIBILITIES AND DUTIES**

- 8.1. In fulfilling its primary objectives, the RC shall undertake the following responsibilities and duties:
- 8.1.1. Setting the remuneration policy for all Directors and key senior management. In determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of remuneration policy is to attract, retain and motivate executive management of the quality required to run the company successfully without paying more than is necessary, having regard to the views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the Company.
  - 8.1.2. Assist the Board in developing and administering a fair and transparent procedure for setting policy on remuneration of Directors and key senior management. Remuneration packages are determined on the basis of the directors' and senior management's merit, qualification and competence, having regard to the company's long term strategic goals, sustainability risks and opportunities, operating results, individual performance and comparable market information.
  - 8.1.3. Recommend to the Board the appropriate remuneration packages for the executive Directors, non-executive Directors and key management;

## Terms of Reference of Remuneration Committee

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- 8.1.4. Formulate policies, procedures, guidelines and set criteria for remuneration packages for the executive Directors, non-executive Directors and key management, which should be disclosed in the Company's annual report where necessary.
  - 8.1.5. Ensure that the executive Directors, non-executive Directors and key management are fairly and appropriately remunerated according to the general market sentiments or conditions.
  - 8.1.6. Ensure that all necessary actions are taken expediently by the Board to offer appropriate rewards, benefits, compensation and remuneration to ensure that the Company attracts and retains the individual executive Directors, non-executive Directors and key management needed to run the Company successfully.
  - 8.1.7. Ensure that all remuneration packages and benefits given to the executive Directors, non-executive Directors and key management are in compliance with all laws, rules, requirements, regulations and guidelines set by the relevant authorities and the Board from time to time.
  - 8.1.8. Review the fees of the Directors and benefits payable to Directors including any severance payments/ compensation for loss of employment of Directors or former Directors and recommend to the Board of Directors and thereafter to be approved at a general meeting. When considering severance payments, RC should bear in mind that it must represent the public interest and avoid any inappropriate use of public funds. Care should be taken to avoid determining a severance package that public opinion might deem to be excessive.
  - 8.1.9. Recommend the engagement of external professional advisors to assist and/or advise the RC, on remuneration matters, where necessary.
  - 8.1.10. Review, at least once a year, its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
  - 8.1.11. Consider all other related matters as may be requested by the Board from time to time.
- 8.2. The level of remuneration should be aligned with the business strategy and long-term objectives of the Group, complexity of the Group's activities, and reflects the experience and level of responsibilities undertaken by the executive Directors, non-executive Directors and key management.
- 8.3. The determination of remuneration packages of executive Directors, non-executive Directors and key management should be a matter for the Board as a whole where the individuals concerned shall abstain from discussion of their own remuneration.

## Terms of Reference of Remuneration Committee

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### **9. MINUTES**

- 9.1. The Secretary shall keep all the minutes of meetings of the RC and copies thereof shall be circulated to all members of the Board.

### **10. REVISION OF THE TERMS OF REFERENCE**

- 10.1. Any revision or amendment to this Terms of Reference, as proposed by the RC or any third party, shall first be presented to the Board for its approval.
- 10.2. Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

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