

CLB HOLDINGS BERHAD
Registration No.: 202601006134 (1668232-H)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. OBJECTIVES

The Remuneration Committee ("**RC**" or the "**Committee**") of CLB Holdings Berhad ("**Company**") is to assist the Board of Directors of the Company ("**Board**") in the following area:

- i) Assess and recommend to the Board the remuneration packages for the Executive Directors and Non-Executive Directors of the Group and assist the Board in formulating remuneration policies and guidelines for Directors and key senior management to attract, retain and motivate them to drive long-term objectives of the Group.

2. COMPOSITION

The members of the RC of the Company shall be appointed by the Board from among its members and shall comprise exclusively Non-Executive Directors and a majority of whom must be Independent Non-Executive Directors. Alternate Director(s) shall not be appointed as a member of the Committee.

The members of the RC shall consist of a minimum of not less than three (3) members.

In the event of any vacancy resulting to the number of members falling below three (3), the Board must fill the vacancy within three (3) months.

The Chairman of the Board must not be a member of the Committee.

The Board may from time to time and at its absolute discretion, revise the composition, roles, and responsibilities of the RC.

3. CHAIRPERSON

The Committee shall elect a chairperson from amongst its members ("**Chairperson**") who shall be an Independent Non-Executive Director and the elected Chairperson of the Committee shall be approved by the Board.

All members of the RC, including the Chairperson, shall hold office only for so long as they serve as Director of the Company. Members of the RC may relinquish their membership in the RC with prior written notice to the Board.

The Committee Chairman shall chair all meetings of the Committee other than matters concerning him/herself. In the event that the elected Chairperson is not able to attend the Committee meeting, a member of the Committee shall be nominated as Chairperson of the meeting.

4. MEETINGS

(i) Meetings

The Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairperson may call for additional meetings at any time at his discretion.

The Secretary(ies) shall, on the requisition of the members of the RC, summon a meeting of the RC.

For the Committee's meetings (except in the case of an emergency), reasonable notice shall be given in writing to all the members of the Committee. The members of the Committee may participate in the 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.

Other Board members and key senior management of the Company may be invited to attend the Committee meetings.

In the event issues requiring the Committee's decision arise between meetings, such issues shall be resolved through written resolution in accordance with paragraph (iv) below. Such written resolution in writing shall be valid and effectual if it is signed or approved by letter, facsimile or any electronic means by a majority of the members of the Committee.

Managing Director and Executive Director(s) should not be involved in the decision-making process relating to their own remuneration. Each member of the Committee should abstain from discussion or voting on any resolutions in respect of his/her own remuneration.

Any member of the Committee who has an actual or perceived interest or is involved directly or indirectly in any matter under consideration by the meeting must declare his/her interest in the matters and shall abstain from deliberating and voting on the said matter.

(ii) Quorum

A minimum of two (2) members present shall form the quorum, and a majority of members present must be Independent Non-Executive Directors.

(iii) Secretary of the Committee

The Company Secretary(ies) shall be the secretary of the Committee. The Secretary(ies) shall circulate the agenda, notice of the meetings and draft minutes together with the supporting explanatory documentation to all members of the Committee prior to each meeting and shall be entrusted to record all proceedings and minutes of all meetings of the RC.

(iv) Minutes of the Committee Meeting

Every meeting of the Committee must be minuted either by the Company Secretary(ies) or any other person approved by the Committee and such minutes must be confirmed by the Committee at the next succeeding Committee meeting.

The Minutes of each meeting shall be signed by the Chairperson of that meeting or by the Chairperson of the next succeeding meeting and shall be evidence of the proceedings that the meeting was duly convened and held.

Minutes of each meeting shall be kept at the registered office and distributed to each member of the RC and also to the other members of the Board.

5. FUNCTIONS OF THE COMMITTEE

The Committee is responsible for the following functions:

- (i) To review and consider appropriate remuneration policies and packages for all Directors after considering the scope of service agreement and make such recommendations to the Board as the Committee thinks fit.
- (ii) To review and provide recommendations on all aspects of remuneration (including fees, salaries, allowances, bonuses and benefits) payable to all Directors.
- (iii) To assist the Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits for Directors and key senior management.
- (iv) To ensure that remuneration packages and benefits for Directors align with the Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and the Board. The Group's performance in managing material sustainability risks and opportunities should be taken into consideration.
- (v) To develop and administer a fair and transparent procedure for setting policy on the remuneration of Directors and key senior management, which considers the demands, complexities, and performance of the Company, as well as the skills and experience required.
- (vi) To implement the Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of the Board and key senior management.
- (vii) To ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and the Company's operating results, as well as the Directors or key senior management's merit, qualification, competence, and individual performance.

- (viii) To ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors, and structuring remuneration packages to link rewards to individual performance.
- (ix) To ensure that the remuneration and incentives for Independent Non-Executive Directors do not conflict with their obligations to bring objective and independent judgement to the Board.
- (x) To oversee any major changes in employee remuneration and benefit structures of the Company.
- (xi) To recommend the engagement of advisers or consultants to assist and advise the RC on all remuneration matters, where necessary.
- (xii) To carry out any other functions delegated by the Board that would benefit the Company and ensure the effective discharge of the Committee's duties and responsibilities.

6. ADVISER

The Committee is authorised by the Board to seek appropriate professional advice inside and outside the Company as and when it considers this necessary at the expense of the Company.

7. AUTHORITY / RIGHTS OF THE COMMITTEE

The Company must ensure that wherever necessary and reasonable for the performance of its duties, the Committee must, in accordance with a procedure to be determined by the Board and at the cost of the Company:–

- i. have explicit authority to carry out the functions as stated in its Terms of Reference and report to the Board with recommendations for the Board's decision;
- ii. have the resources which are required to perform their duties;
- iii. have full and unrestricted access to any information pertaining to the Company or the Group as well as the personnel of the Company and the Group; and
- iv. be able to obtain external legal or other independent professional or other advice.

8. REPORTING RESPONSIBILITIES

- (i) The Chairperson shall report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities and table its minutes for notation by the Board.
- (ii) The Committee shall make whatever recommendations to the Board it deems appropriate, on any area within its Terms of Reference and/or where action or improvement is needed.

- (iii) The Committee shall report to the Board on its activities, based on these Terms of Reference.

9. GENERAL MEETINGS

The Chairperson of the Committee shall attend the general meetings of the Company to respond to any queries or concerns regarding the Committee's functions and responsibilities and provide updates on its activities.

10. REVIEW OF THE TERMS OF REFERENCE

The Committee is responsible for periodically reviewing the Terms of Reference and recommending any necessary changes to ensure their continued relevance and viability. Such changes may be necessary in response to updates to the Malaysian Code on Corporate Governance, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, or other regulatory requirements. The Terms of Reference should also be reviewed and updated if there are changes to the Company's direction or strategies that could impact the Committee's role and ability to meet its objectives. Any recommended changes will be submitted to the Board for approval. This written Terms of Reference will be made available on the Company's website at <https://www.clbgroups.com/>.

This Terms of Reference (Version No. 1) was reviewed and adopted by the Board on 29 May 2026.