

JF TECHNOLOGY BERHAD
(Company No. 747681-H)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE
(Adopted on 24 August 2018)

1. Objective

To assist the Board of Directors in their responsibilities in assessing the remuneration packages of the executive directors.

2. Composition of members

The Board of Directors shall elect the Remuneration Committee members from amongst themselves, composed exclusively non-executive directors, and a majority of them must be Independent Directors. The appointment of a Committee member terminates when a member ceases to be a director.

3. Chairman

The Chairman of the Remuneration Committee shall be elected from amongst the Remuneration Committee members. The Chairman of the Committee shall be approved by the Board of Directors.

4. Secretary

The Secretary of the Remuneration Committee shall be the Company Secretary of the Company.

5 Meetings

The Remuneration 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 Chairman may call for additional meetings at any time at the Chairman's discretion.

The Secretary shall on the requisition of the members of the Remuneration Committee summon a meeting of the Remuneration Committee except in the case of an emergency, reasonable notice of every Remuneration Committee meeting shall be given in writing.

In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the Meeting.

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(Terms of reference of Remuneration Committee – cont'd)

6. Quorum

A quorum shall consist of two (2) members, one of whom shall be the Chairman of the Committee.

7. Circular Resolutions

A resolution in writing signed by a majority of the Remuneration Committee members for the time being not being less than two (2) Remuneration Committee members shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Remuneration Committee members. Any such document, may be accepted as sufficiently signed by a Remuneration Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message purporting to include a signature of a Remuneration Committee member.

8. Authority

The Remuneration Committee shall, in accordance with a formal and transparent procedure or process or policy on directors' remuneration packages to be determined and established by the Board of Directors and at the expense of the Company,

- (a) review, assess and recommend to the Board of Directors the remuneration packages of the directors in all forms, with other independent professional advice or outside advice as necessary.
- (b) be entitled to the services of a company secretary who must ensure that all decisions made on the remuneration packages of the directors be properly recorded and minuted in the minutes book.

9. Duties and Responsibilities

The duties and responsibilities of the Remuneration Committee are as follows:-

- (a) To review and assess the remuneration packages of the executive directors in all forms, with or without other independent professional advice or other outside advice.
- (b) To ensure the levels of remuneration be sufficiently attractive and be able to retain and motivate directors needed to run the Company successfully.

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(Terms of reference of Remuneration Committee – cont'd)

- (c) To structure the component parts of remuneration so as to link rewards to corporate and individual performance and to assess the needs of the Company for talent at Board level at a particular time.
- (d) To recommend to the Board of Directors the remuneration packages of the executive directors.
- (e) To act in line with the business strategy and long term objectives of the Company; and
- (f) To consider and examine such other matters as the Remuneration Committee considers appropriate.