

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. Objective

The principal objective of the Remuneration Committee ("**RC**") is to assist the Board of Directors ("**Board**") of RichTech Digital Berhad ("**Company**") in implementing its remuneration policies and procedures including reviewing and recommending matters relating to the remuneration of the Board and Key Senior Management. Thereafter, the Board shall decide on the remuneration package after considering the recommendations of the RC.

2. Composition of Members

The Board shall elect the RC members from amongst themselves which shall comprise exclusively of non-executive directors and shall not be less than three (3) members, whereby a majority of the RC members shall be independent non-executive directors ("**Independent Director**"). The Chairman of the Board shall not be appointed as a member of the RC.

3. Chairman

The chairman of the RC ("**Chairman**") shall be an Independent Director appointed by the Board.

4. Secretary

The Company Secretary shall be the secretary of the RC ("**Secretary**").

The Secretary shall be responsible for keeping the minutes of meetings of the RC, circulating them to members of the RC and to the other members of the Board as well as for following up on outstanding matters.

5. Meetings

The RC may meet together for the dispatch 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 RC, summon a meeting of the RC. Except in the case of an emergency, reasonable notice of every RC meeting shall be given in writing.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the RC, no later than five (5) business days before the date of the meeting.

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

RC members may participate in a meeting by means of a conference telephone or similar communications equipment, through which all persons participating in the meeting can hear and speak with each other.

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A participant on a conference call shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted for quorum accordingly.

The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

Directors should not be involved in discussions or meetings in relation to their own remuneration and directors who are shareholders and controlling shareholders with a nominee or connected director on the Board should also abstain from voting on the resolution to approve directors' remuneration at the general meeting.

6. Quorum

A quorum shall consist of two (2) members, one (1) of whom must be an Independent Director.

7. Circular Resolutions

A resolution in writing signed or approved by letter, telex or other form of written electronic communications by the majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting. All such resolutions shall be described as "Written Resolution of the Remuneration Committee" and shall be forwarded or otherwise delivered to the Secretary without delay and shall be recorded by the Secretary in the minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more members.

8. Authority

The RC is authorised by the Board to obtain independent professional or other advice at the Company's expense and to invite outsiders with relevant experience and expertise to attend meetings if deemed necessary.

9. Duties and Responsibilities

The duties and responsibilities of the RC are as follows:-

- (a) to support the Board in overseeing the design and operation of the Group's remuneration system to ensure corporate accountability and governance;
- (b) to ensure that the remuneration package recommended to the Board is structured competitively, not excessively and should be sufficient to attract and retain executive directors and Key Senior Management of the caliber required;
- (c) to review and recommend to the Board the total individual remuneration package for the Company's executive directors and Key Senior Management including, where appropriate, salaries, bonuses, directors' fees, allowances, incentive payments, options or benefit-in-kinds within the terms of agreed remuneration policy and subject always to the constitution of the Company, based on individual contributions to the Group's overall performance and value instead of depending on short term performance to avoid any incentives for excessive risk-taking;

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- (d) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and frameworks for the remuneration of the directors and Key Senior Management;
- (e) to review the Group's policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of directors and Key Senior Management to the Board for approval;
- (f) to review the remuneration package accorded to the non-executive directors to ensure that the level of remuneration is commensurate with the experience and time demanded of the non-executive directors to discharge their duties and responsibilities;
- (g) to consider and examine such other matters as the RC considers appropriate;
- (h) to prepare a RC report at the end of the financial year for inclusion in the Company's annual report; and
- (i) to ensure fees and benefits payable to directors, and any compensation for the loss of employment of the managing director and executive directors are approved by shareholders at general meetings.

The RC shall recommend to the Board for approval, the remuneration policy and structure of the directors and Key Senior Management, drawing advice from professional consultants, if required. Remuneration packages of Key Senior Management shall amongst other criteria, be tied to the Environmental, Social and Governance (ESG) and sustainability performance targets once set by the Company, where applicable.

10. Reporting Responsibilities

The Chairman shall report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities.

The RC shall make whatever recommendations it deems appropriate on any area within its terms of reference and/or where action or improvement is needed to the Board for approval.

The RC shall report to the Board on its activities, based on this Terms of Reference.

11. Review of the Terms of Reference

The RC shall recommend any changes to its terms of reference in such manner as the RC deems appropriate to the Board for approval. The terms of reference shall be assessed, reviewed and updated as and when necessary.

This RC's terms of reference will be published on the Company's website for public information.