SKYECHIP
Accelerating Computing

SKYECHIP BERHAD

Registration No. 201901014484 (1323812-D)
(Incorporated in Malaysia)

Terms of Reference
Remuneration Committee

Revision History

Revision	Revision Description	Author	Approved by	Effective Date
00	NEW Document	Company Secretary	Board	24 October 2025
01				
02				

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1. OBJECTIVES

1.1 The primary function of the Remuneration Committee ("**RC**" or "**Committee**") of SkyeChip Berhad ("**SkyeChip**" or "**the Company**"), in line with the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia ("**MCCG**") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, is to assist the board of directors of the Company ("**Board**") in the following areas:

(a) Assess annually the performance of the executive director(s) ("**ED**"), Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") (where the CEO and CFO are not Board members) against the key performance indicators ("**KPI**") set for them.

(b) Ensure that SkyeChip and its subsidiaries ("**SkyeChip Group**" or "**Group**") has in place a remuneration policy and framework consistent with the Group's business strategy, and a competitive remuneration structure so as to link rewards with corporate and individual performance to attract and retain the right talent of the appropriate calibre, skills, experience and quality needed in the Board (which includes the ED) and the Key Senior Management ("**KSM**") in order to drive and achieve the Group's long term objectives. The remuneration policy and procedures are periodically reviewed and made available on the Company's website.

(c) Proposing to the Board the remuneration of the ED, KSM and non-executive directors ("**NED**").

2. INTERPRETATION

2.1 In these terms of reference:

"**Board**" means the Board of Directors of the Company.

"**Board Committees**" means collectively, the Audit & Risk Management Committee, Nomination Committee and the Committee.

"**Bursa Securities**" means Bursa Malaysia Securities Berhad.

"**Business**" means the business of the Group.

"**Chairman**" means the chairman of the Board.

"**CEO**" or "**Chief Executive Officer**" means the principal executive officer of the Company for the time being, by whatever name called, and who may or may not be a member of the Board.

"**CFO**" or "**Chief Financial Officer**" means the person primarily responsible for the management of the financial affairs of the Company (such as record keeping, financial planning and financial reporting), by whatever name called, and who may or may not be a member of the Board.

"**Company Secretary**" means the Board secretary(ies) or the person(s) normally exercising the functions of a Board secretary.

"**Constitution**" means the Constitution of the Company.

"**Director**" means a director of the Company.

"**Executive Director**" or "**ED**" means a Director who is also a paid employee of the Company and is involved in the day-to-day management of the Company.

"**Group Executive Director**" means a Director who is a paid employee of the Group and is involved in the day-to-day management of the Group.

"**Independent Director**" or "**ID**" is defined in accordance with Paragraph 1.01 and Practice Note 13 issued of the MMLR.

"**Key Senior Management**" or "**KSM**" refers to a person, who in the opinion of SkyeChip, is one who generally holds highest level of management responsibility and decision-making authority within the Group and must include a person who is primarily responsible for the business operations of the Company's core Business and principal subsidiaries. Essentially, KSM is a member of the C-Suite or persons as identified as KSM.

"**KPI**" refers to the Key Performance Indicator.

"**MCCG**" refers to Malaysian Code on Corporate Governance revised and updated on 28 April 2021 by the Securities Commission Malaysia.

"**MMLR**" means the Main Market Listing Requirements of Bursa Securities.

"**Management**" means the management personnel of the Company.

"**NED**" means the Non-Executive Directors of the Company.

"**RC**" or "**Committee**" means the Remuneration Committee of the Company.

"**Shareholders**" means holders of the Company's shares.

"**Secretary**" is the Company Secretary who typically serves as the secretary of the Committee or any other person as the RC may decide.

"**SkyeChip**" or "**Company**" means SkyeChip Berhad.

"**SkyeChip Group**" or "**Group**" means SkyeChip and its subsidiaries.

All terms used herein are in a gender-neutral sense.

3. COMPOSITION

3.1 The Committee shall be appointed by the Board from among the Directors. It shall consist of no less than three (3) members who are NEDs with a majority of the members comprising IDs.

3.2 The chairman of the Committee shall be an Independent Director of the Company. The chairman of the Committee shall not be the Chairman. In the absence of the chairman of the Committee, the members present shall elect one of their number to chair the meeting.

3.3 No alternate Director or Chairman shall be appointed as a member of the Committee.

3.4 In the event of any vacancy in the RC resulting in the reduction of the number of members to below three (3) or vacancy of the position of chairman of the Committee or resulting in the non-compliance of paragraph 3.1 above, the Board shall within three (3) months of the event appoint such number of new members as may be required to fill the vacancy.

3.5 Each member of the RC, including the chairman of the Committee, will hold office only so long as they serve as a NED of the Company.

4. MEETING PROCEDURES

4.1 The Committee is to meet at least once during the financial year of the Company, i.e. on annual basis, or more frequently as the need arises or if so requested by any member of the Committee or by the chairman of the Committee or the Human Resource function.

4.2 The Committee shall conduct all its meetings separately from Board meetings.

4.3 In order to form a quorum (subject to a minimum of two (2)) for the meeting, the majority of the members present must be Independent Directors. In the absence of the chairman of the Committee, the members present shall elect an acting chairman from among them present and who shall be an Independent Director.

4.4 Unless the meeting is called on a short notice basis, the Secretary, in conjunction with the chairman of the Committee, shall draw up an agenda, which shall be circulated together with the relevant support papers, at least five (5) working days prior to each meeting to the members of the Committee.

4.5 The RC meeting agenda shall be the responsibility of the chairman of the Committee with input from the RC members. Where necessary, the agenda shall include input from management or other persons deemed appropriate to participate.

4.6 The Committee may, as and when deemed necessary, invite other Board members and KSM, employees, counsels and consultants, as applicable, to attend the meetings, specific to the relevant meeting, as and when necessary.

4.7 The chairman of the Committee shall ensure the Committee's key proceedings during the year and the related significant results and findings thereof are summarised for eventual inclusion in the annual report.

4.8 The Secretary or his/her representative shall be in attendance at each RC meeting and record the proceedings of the meeting thereat.

4.9 The Committee shall record its conclusion on issues discussed during meetings and report to the Board at Board meetings. The minutes shall be circulated to members of the Board and duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. The minutes shall be kept by the Company at the registered office and shall be open for inspection by any Committee member or Board member.

4.10 The Committee 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.

4.11 The chairman of the Committee should attend the annual general meeting to answer any Shareholders' questions on the Committee's activities.

4.12 All Committee meetings may be recorded for the purpose of accurate documentation and reference. However, once the minutes of a Board meeting have been duly prepared, approved and confirmed at the subsequent Committee meeting, the meeting recordings shall be promptly deleted and permanently removed from all storage devices and systems. The deletion of the recordings shall be carried out in a secure and irreversible manner to ensure the confidentiality and privacy of Committee discussions and deliberations. This practice promotes the principle of maintaining official minutes as the authoritative record of Board meetings while safeguarding sensitive information.

5. VOTING

5.1 Subject to Item 4.1 above, in appropriate circumstances, the RC may deal with matters by way of circular reports and resolutions in lieu of convening a formal meeting. A resolution in writing signed by a majority of members in lieu of convening a formal meeting shall be as valid and effectual as it had 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 members and forwarded or otherwise delivered to and shall be recorded by the Secretary.

5.2 Each member of the RC is entitled to one (1) vote in deciding the matters deliberated in the meeting. Matters for decisions that arise at the Committee meeting will be decided by a majority vote. If the votes are equal, the chairman of the meeting has a second casting vote. However, the chairman of the meeting will not have a second casting vote where only 2 NEDs form the quorum or at which only 2 NEDs are competent to vote on the question at issue.

5.3 An RC member is required to abstain from discussions, deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation for the RC member.

6. AUTHORITY

6.1 The RC shall:

(a) have explicit authority to investigate any matter within its terms of reference;

(b) perform the activities required to discharge its responsibilities and make the relevant recommendations to the Board;

(c) have the resources which are required to perform its duties;

(d) have full and unrestricted access to any information and documents/ records/ resources pertaining to the Company and Group as well as personnel of the Company and the Group. However, the Company reserves the right to withhold dissemination of commercially sensitive information where appropriate, in line with confidentiality and governance policies;

(e) be able to obtain independent professional or other advice, at the expense of the Company wherever necessary and reasonable and in accordance with a procedure to be determined by the Board, in order to perform of its duties; and

(f) be able to secure the attendance of external advisers, subject to procedures outlined in the Board Charter and shall have the discretion to decide who else other than its own members to attend meetings, if the Committee sees fit.

6.2 The chairman of the RC shall engage on a continuous basis with the KSM, the Chairman of the Board, the Managing Director or CEO and the CFO in order to be kept informed of matters affecting the Group.

7. SECRETARY

7.1 The Secretary shall organise and provide assistance at RC meetings and have the following key responsibilities:

(a) ensure meetings are arranged and held accordingly;

(b) assist the chairman of the Committee in planning the RC's activities;

(c) draw up meeting agendas in consultation with the chairman of the Committee and maintain the minutes and draft its scheduled activities for the financial year;

(d) ensure structured communication channels between the Board and the RC;

(e) ensure proceedings of meetings are recorded and the minutes circulated in a timely manner and reviewed by the RC before disseminating them to the Board; and

(f) ensure RC recommendations presented to the Board are supported by papers that explain the rationale for the RC's recommendations.

8. FUNCTIONS & RESPONSIBILITIES

8.1 The Committee will undertake the following responsibilities and functions in fulfilment of the MCCG and report on the same to the Board.

8.2 Remuneration

(1) Review and recommend to the Board for approval the remuneration policies and procedures for the Board, Board Committees, the ED and KSM, which should be disclosed on the Company's website and in the Company's annual report where necessary. Independent professional advice may be obtained in determining the remuneration framework.

(2) Recommend to the Board, proposal on the ED's remuneration and benefits including share option and compensation payment in the event of termination of the employment/service contracts (if any) by the Company and/or the Group. The recommendation should be made based on their respective performance relative to the KPI set.

(3) Review and recommend to the Board the Directors' fees and benefits (if any) payable to the NEDs for recommendation to the Shareholders of the Company for approval.

(4) Assist the Board in discharging their responsibilities to, among others, compensation strategy, management development and other compensation arrangements.

(5) Assist the Board in developing and administrating fair and transparent procedures for setting the policy on remuneration of directors and KSM.

8.3 Others

(1) Recommend to the Board the employment of the services of such advisers as it deems necessary to fulfil the Board's responsibilities.

(2) Undertake any other responsibilities, functions or assignments as may be defined by the Board from time to time.

(3) Perform any other work that it is required or empowered to do by statutory legislation or guidelines as prepared by the relevant government authorities.

9. REPORTING

9.1 The chairman of the Committee shall, at the conclusion of each meeting, report to the Board on activities that it had undertaken and key recommendations for the Board's consideration and approval as well as follow-up status on any key recommendations from previous internal audits.

9.2 Where the Committee is of the view that a matter reported to the Board has not been satisfactorily resolved resulting in a breach of MMLR, the Committee shall promptly report such matter to Bursa Securities.

10. REVIEW OF THE COMMITTEE

10.1 The RC shall perform a self-assessment annually to assess its effectiveness in carrying out the duties as set out in these terms of reference and report the results to the Board.

10.2 All assessments shall be properly documented.

11. DISCLOSURE

11.1 The RC is required to prepare an annual Remuneration Committee Report ("**RC Report**") at the end of each financial year to be included and published in the annual report of the Company.

11.2 The Board will table resolutions on the approval of the fees and benefits payable to the Directors at the annual general meetings of the Company.

12. DEEMING PROVISION

12.1 The provisions under these terms of reference have been drafted in a manner to also incorporate the provisions under the MMLR, MCCG and other statutes, regulations and guidelines applicable to the RC. In the event the applicable provisions of the MMLR, MCCG and/or relevant governing statutes, regulations and guidelines relating to RC are from time to time amended, modified or varied, such amendments, modifications and variations shall be deemed inserted herein whereupon these Terms of Reference shall be read and construed subject to and in accordance with the amended, modified or varied MMLR, MCCG, statutes, regulations and guidelines.

13. REVISION TO THE TERMS OF REFERENCE

13.1 The terms of reference shall be reviewed by the Committee as and when required. All amendments to the terms of reference must be approved by the Board.

13.2 Upon the Board's approval, the said revision or amendment shall form part of these terms of reference and these terms of reference shall be considered duly revised or amended.

13.3 The terms of reference of the RC must be made available on the Company's website.