



# **Charter of the Nomination and Remuneration Committee**

Effective from 14 May 2025



## Contents

|  |   |
|--|---|
| 1. Objectives.....   | 3 |
| 2. Qualifications .....                                      | 3 |
| 3. Structure.....  | 4 |
| 4. Appointment, Term of Office, and Vacating of Office ..... | 4 |
| 5. Authorities and Duties .....                              | 4 |
| 6. Meetings .....  | 6 |
| 7. Reporting .....   | 7 |
| 8. Performance Evaluation .....                              | 7 |

## **Nomination and Remuneration Committee Charter**

### **1. Objectives**

The Board of Directors has appointed the Nomination and Remuneration Committee to consider and determine criteria and processes for nominating qualified individuals for appointments as directors and top executives of the Company, as well as to select directors to serve on sub-committees. The Committee is also responsible for considering the structure and criteria for remuneration of directors and for carrying out the nomination process in accordance with the established procedures, to propose such matters to the Board of Directors or the shareholders' meeting for approval as required by law.

The Board of Directors deems it appropriate to establish this Nomination and Remuneration Committee Charter to define the composition, duties, responsibilities, and operational guidelines as assigned by the Board of Directors, enabling the Committee to perform its duties fairly, appropriately, and transparently, in accordance with the principles of good corporate governance, thereby enhancing confidence and credibility among stakeholders.

### **2. Qualifications**

Members of the Nomination and Remuneration Committee shall:

- 2.1 Possess knowledge, capability, and understanding of the Company's business nature, as well as the roles, duties, and responsibilities of the Nomination and Remuneration Committee.
- 2.2 Maintain impartiality in nominating and selecting individuals proposed for appointment.
- 2.3 Understand approaches to developing the potential and skills of directors and executives to enhance overall performance effectiveness.
- 2.4 Be acquainted with individuals from diverse professions or areas of expertise to identify suitable candidates.
- 2.5 Be able to balance incentives for directors while safeguarding shareholders' interests.
- 2.6 Understand human resource management issues, particularly in motivating and retaining talented personnel within the organization.

### 3. Structure

- 3.1 The Board of Directors shall appoint the Nomination and Remuneration Committee.
- 3.2 The Committee shall consist of at least three (3) directors, of whom at least one-half must be independent directors. Members of the Committee must not be the Chairman of the Board or the Chief Executive Officer.
- 3.3 The Board of Directors shall appoint one member of the Committee as Chairman of the Nomination and Remuneration Committee. The Chairman of the Committee should be an independent director to ensure transparency and independence in performing duties.
- 3.4 The Committee may appoint one Company employee to serve as the Secretary of the Nomination and Remuneration Committee.

### 4. Appointment, Term of Office, and Vacating of Office

- 4.1 Members of the Nomination and Remuneration Committee shall be appointed by the Board of Directors, with terms corresponding to their terms as directors of the Company, which shall expire at the Annual General Meeting of Shareholders together with the expiration of their directorship.
- 4.2 In addition to vacating office upon expiration of term, a Committee member shall vacate office upon:
  - Death.
  - Resignation.
  - Cessation of being a director of the Company.
  - Lacking required qualifications or possessing prohibited characteristics as prescribed by law.
  - Removal by a resolution of the Board of Directors or the shareholders' meeting.
  - A court order requiring removal.
- 4.3 Any Committee member wishing to resign shall submit a resignation letter to the Company, which shall take effect from the date the Company receives such letter.
- 4.4 In the event of a vacancy on the Committee, the Board of Directors shall appoint a qualified person to fill the vacancy, provided that the proportion of independent directors and the minimum number of Committee members comply with the specified requirements.

### 5. Authorities and Duties

The Nomination and Remuneration Committee shall have the following authorities and duties:

- 5.1 To consider and provide opinions on the structure, size, and composition of the Board of Directors, sub-committees, and boards of subsidiaries, including the organizational structure of the Company and its subsidiaries, to ensure appropriateness with the size, nature, and complexity of the business, the Company's strategy, and changing circumstances.
- 5.2 To consider and determine criteria and processes for nominating directors (including members of sub-committees), managing directors of the Company and its subsidiaries, and senior executives, in compliance with applicable rules and/or laws and aligned with the established organizational structure, adhering to good corporate governance principles, and determining qualifications of directors by considering:
  - (1) Legal qualifications or requirements of relevant authorities;
  - (2) Education, knowledge, expertise, skills, experience, specific competencies beneficial to the Company's business, and time commitment;
  - (3) Board diversity and qualifications that are necessary or lacking on the Board
- 5.3 To consider the independence and qualifications of each independent director to ensure compliance with applicable rules and/or laws.
- 5.4 To nominate and select qualified individuals in accordance with established criteria to serve as directors, members of sub-committees, managing directors of the Company and its subsidiaries, and senior executives of the Company and its subsidiaries, in compliance with the Company's regulations and applicable laws, and to propose selected candidates to the Board of Directors for appointment
- 5.5 To encourage the Company to provide opportunities for minority shareholders to propose candidates for nomination as directors.
- 5.6 To establish policies, criteria, guidelines, and methods for determining remuneration and other benefits for the Board of Directors, sub-committees, senior executives of the Company and its subsidiaries, including the Company Secretary and secretaries of sub-committees, and to regularly review remuneration structures and criteria (whether in cash, securities, or other forms) to ensure appropriateness, fairness, and compliance with applicable laws, linking remuneration to performance evaluation, business plans, and overall Company performance, to attract and retain capable and qualified

directors and executives in comparison with industry peers, and to propose such matters to the Board of Directors for approval.

- 5.7 To consider the determination of position structures, salary structures, annual salary increase rates and budgets, and employee welfare programs
- 5.8 To establish performance evaluation guidelines and processes for the Board of Directors and senior executives, review and approve evaluation forms, and propose them to the Board of Directors for approval and implementation, using evaluation results as a basis for determining directors' remuneration
- 5.9 To consider and prepare succession plans for senior executives of the Company and its subsidiaries and propose them to the Board of Directors for approval, as well as to review such plans annually to ensure continuity of management.
- 5.10 To prepare development plans for existing directors and orientation programs for new directors, and to oversee continuous training and development for directors and senior executives of the Company and its subsidiaries
- 5.11 To consider and determine employment contract formats and benefits for senior executives of the Company and its subsidiaries
- 5.12 To consider appropriateness and conditions related to the offering of shares, warrants, or other securities to directors and employees to incentivize performance and long-term value creation for shareholders, and to retain qualified personnel, ensuring fairness to shareholders, including approving cases where newly offered securities (or warrants) to directors and employees exceed 5% of the total allocation.
- 5.13 To regularly report progress and performance results to the Board of Directors after each Committee meeting
- 5.14 To regularly review this Nomination and Remuneration Committee Charter to ensure relevance to prevailing circumstances.
- 5.15 To perform other duties as assigned by the Board of Directors.

## 6. Meetings

- 6.1 The Nomination and Remuneration Committee shall convene meetings at least twice a year, as necessary and appropriate.
- 6.2 Meeting agendas and documents shall be delivered to Committee members sufficiently in advance (e.g., not less than seven (7) business days prior to the meeting, except in urgent cases).
- 6.3 A quorum shall consist of not less than one-half of the total number of Committee members.

- 6.4 If the Chairman of the Committee is absent or unable to perform duties, the attending Committee members shall elect one member to act as Chairman of the meeting.
- 6.5 Resolutions shall be passed by a majority vote. In the event of a tie, the Chairman of the meeting shall have a casting vote. Any Committee member with an interest in the matter shall abstain from expressing opinions and voting on such matter.

## 7. Reporting

The Nomination and Remuneration Committee shall report on its performance to the Board of Directors after each meeting and prepare an annual performance report for shareholders, disclosed in the Company's annual information disclosure (Form 56-1 One Report). Such report shall be signed by the Chairman of the Nomination and Remuneration Committee and shall include:

- The number of meetings held.
- Attendance records of each Committee member.
- A report on the performance of the Nomination and Remuneration Committee.

## 8. Performance Evaluation

The Nomination and Remuneration Committee shall conduct a self-evaluation of its performance as a committee at least once a year and report the annual evaluation results to the Board of Directors for acknowledgement.