MYDCD BERHAD

Registration No.: 202501030429 (1631841-A)

TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE

1. COMPOSITION

The composition of the Nomination and Remuneration Committee ("**NRC**" or "**Committee**") of MyDCD Berhad ("**Company**") shall be appointed by the Board of Directors of the Company ("**Board**") from among its members and shall comprise exclusively of Non-Executive Directors and a majority of whom must be Independent Non-Executive Directors. An Alternate director shall not be appointed as 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 NRC.

2. CHAIRPERSON

The Committee shall elect a chairperson from amongst its members ("**Chairperson**") who shall be an Independent Non-Executive Director, and where a Senior Independent Non-Executive Director position exist, the Senior Independent Non-Executive Director shall assume the position of Chairperson of the Committee, and this appointment shall be approved by the Board.

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

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.

3. 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/her discretion.

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

In the event any issues requiring the Committee's decision arise between meetings, such issues shall be resolved through written resolution. Such written resolution shall be deemed 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.

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 NRC may participate in a meeting by means of conference telephone, conference videophone or any other audio visual or other communications equipment by means of which allows all persons participating in the meeting to hear and speak with each other. Such participation in a meeting shall constitute presence in person at such meeting and shall be entitled to vote and be counted in quorum accordingly.

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

ii. Quorum

A minimum of two (2) members present shall form the quorum, the 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 Company Secretary(ies) shall circulate the notice and minutes of the Committee to all members of the Committee.

iv. Minutes of the Committee Meeting

Every meeting of the Committee shall be minuted either by the Company Secretary(ies) or any other person approved by the Committee and such minutes shall 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 NRC and also to the other members of the Board.

4. FUNCTIONS OF THE COMMITTEE

The functions of the Committee are as follows:

<u>For Nomination</u>

i. The Committee is responsible for reviewing, assessing, and recommending suitable candidates for appointment as Directors of the Company, as well as retiring Directors seeking re-election at the annual general meeting. When making recommendations to the Board regarding directorship or re-appointment, the Committee must consider the “Fit and Proper Criteria” outlined in the Company’s Directors’ Fit and Proper Policy. These criteria include, but are not limited to:

   a. diversity in skills, knowledge, expertise, experience, age, cultural background and gender;
   b. competence and professionalism;
   c. character and integrity;

d. time and commitment;
e. any business interest or relationship that may result in a conflict of interest that could affect the execution of the role; and
f. in the case of candidates for the position of Independent Director, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Director.

ii. The Committee may seek out independent sources to identify qualified candidates for the Board. The Committee is responsible for appointing a gender-diverse Board.

iii. To evaluate the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of the Board and the Board Committees. The Committee will assess the contribution and performance of each Director to ensure the Board and the Board Committees operate effectively and efficiently.

iv. To review the size, structure, balance, and composition of the Board and the Board Committees to ensure optimal performance.

v. To identify and review the core competence, skills and other qualities including but not limited to the skills, knowledge, experience and diversity required by each of the Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of the Board.

vi. To review and evaluate the contributions made by each member of the Board, including the Independent Non-Executive Directors and the Chairperson of the Board, as well as the Chief Executive Officer and/or Executive Directors. The evaluation will consider their experience, knowledge, credibility, and credentials, and assess their effectiveness in fulfilling their duties as Board members of the Company. All assessments and evaluations conducted by the Committee in the course of its duties must be properly documented.

vii. To assess each Director's ability to contribute to the Board's decision-making process and ensure that the Board operates actively, efficiently, and effectively in all its decision-making.

viii. To conduct an annual review of the term of office and performance of the Audit and Risk Management Committee and each of its members. The review will assess whether the Audit and Risk Management Committee and its members have fulfilled their duties in accordance with their Terms of Reference.

ix. To evaluate annually the effectiveness of the Board and the Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of the Board.

x. To review and assess annually the independence of the Independent Non-Executive Directors of the Company.

xi. To review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than nine (9) years. The assessment will take into account their performance and ability to contribute to the Board, in light of the necessary knowledge, skills, and experience.

xii. To oversee the development of succession planning of the Board members, including the future Chairperson, Executive Directors, Chief Executive Officer, and key senior management of the Company.

xiii. To ensure that all Directors, including the Executive Directors, shall retire from office at least once every three (3) years but shall be eligible for re-election.

xiv. To assess and recommend the re-election of Directors who are due to retire in accordance with the Company's Constitution. The recommendation will be based on the Director's performance, contributions to the Board, and compliance with the Company's policies and procedures.

xiv. To remain up-to-date and fully informed about strategic issues and commercial changes that impact the Company and the market in which it operates.

xv. To act in line with the directions of the Board.

xvi. To carry out such other functions or assignments as may be delegated by the Board from time to time.

For Remuneration

i. Reviewing and recommending appropriate remuneration packages for all Directors, with or without professional advice.

ii. Reviewing and recommending fees and benefits payable to the Directors.

iii. Assisting 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. Ensuring that remuneration packages and benefits for Directors and key senior management 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.

v. Developing and administering 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. Implementing 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. Ensuring 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 Director or key senior management's merit, qualification, competence, and individual performance.

viii. Ensuring that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors or key senior management, and structuring remuneration packages to link rewards to individual performance.

ix. Carrying 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.

5. ADVISER

The NRC is authorised by the Board to seek appropriate professional advice, both internally and externally, at the Company's expense, whenever it deems necessary.

6. 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.

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 regularly report to the Board on its activities, based on its Terms of Reference.

7. 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.

8. 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. The Terms of Reference of the NRC must be made available on the Company's website.

This Terms of Reference (Version No. 1) was reviewed and adopted by the Board on 24 December 2025.