

# **REMUNERATION COMMITTEE**

## **POLICIES AND TERMS OF REFERENCE**

### **1. Objective**

The primary objective of the Remuneration Committee is to recommend the remuneration framework for Directors and Senior Management Personnel (SMP) as well as the remuneration packages of Executive Directors (“ED”) and SMP to the Board of Directors (“Board”).

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the Company’s website.

### **2. Composition of the Remuneration Committee**

- 2.1 Members of the Remuneration Committee shall consist only of Non-Executive Directors (“NED”), with a majority of them being Independent Directors.
- 2.2 The Committee shall be appointed by the Board from amongst its number and shall consist of not less than three (3) members.
- 2.3 The members of the Committee shall elect the Chairman amongst their members who shall be an Independent Non-Executive Director.
- 2.4 If a member of the Committee ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.
- 2.5 The Company Secretary shall be the Secretary of the Committee.

### **3. Main Duties and Responsibilities**

- 3.1 To recommend to the Board the remuneration policy and structure for the Executive Directors and SMP.
- 3.2. To ensure the remuneration packages of the Executive Directors and SMP are linked to corporate and individual performance.
- 3.3. To ensure the remuneration packages for Executive Directors and SMP are able to attract, retain and motivate Directors and SMP of the quality required to manage the business of the Company successfully.
- 3.4. To ensure the remuneration of NED is linked to individual Director’s level of responsibilities and contributions to the Board.
- 3.5. To recommend to the Board the remuneration of NED.
- 3.6. To consider other matters as referred to the Committee by the Board.

### **4. Meetings and Minutes**

- 4.1 Meetings shall be held not less than one (1) time a year and the quorum for meeting of the Committee shall be two (2).
- 4.2. The Executive Chairman and/or Chief Executive Officer and/or Executive Director shall attend and make presentations at meetings, whenever business is not related to Executive Directors’ remuneration.

- 4.3 An Agenda shall be sent to all members of the Committee and any persons that may be required to attend. Minutes of each meeting shall be kept and distributed to each member of the Committee and also the members of the Board. The Secretary to the Remuneration Committee shall be the Company Secretary.
- 4.4 A resolution in writing signed by a majority of the Committee members for the time being entitled to receive notice of meeting of the Committee, shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Committee members. Any such document may be accepted as sufficiently signed by a Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a Committee member.

## **5. Remuneration Policies for ED**

- 5.1 The Remuneration Committee will recommend the remuneration packages of Executive Directors to the Board. The Executive Directors must abstain from participation in deliberation of their own remuneration packages.
- 5.2 Remuneration packages for ED should be structured to link to corporate and individual performance and take into consideration of the remuneration packages of similar positions in comparable companies within the industry.
- 5.3 The performance of the ED is measured based on their achievement of the annual Key Performance Indicators (“KPI”). The amount of bonus will be determined by the total KPI score.
- 5.4 The Directors’ Fee payable to ED shall be approved in advance by the Company’s shareholders at a General Meeting.

## **6. Remuneration Policies for NED**

- 6.1 The Board as a whole determines the remuneration of NED with individual Directors abstaining from decisions in respect of their individual remuneration.
- 6.2 Remuneration packages for NED should be determined based on their qualification, skill and expertise, working experience, industry exposure, time commitment and level of participation in Board’s activities.
- 6.3 The Directors’ Fee payable to NED shall be approved in advance by the Company’s shareholders at a General Meeting.

## **7. Remuneration Policies for SMP other than ED**

- 7.1 Remuneration packages for SMP shall be determined by the Chief Executive Officer and ED of the Company, with reference made to remuneration packages of similar positions in comparable companies within the industry and should be structured to link to corporate and individual performance.
- 7.2 The performance of the SMP is measured based on their achievement of the annual KPI. The amount of bonus will be determined by the total KPI score.

## **8. Remuneration Framework**

The following table summarises the main elements that form the remuneration packages of ED, NED and SMP :

<b>Category</b>	<b>Description</b>	<b>Nature</b>	<b>Beneficiary</b>
Directors' Fee	A fixed amount of fee payable to the Directors on a yearly basis.	Fixed	ED, NED
Meeting Allowance	Each member of the Board and Audit Committee will be paid an allowance of RM500.00 per attendance for attending the Board and Audit Committee meetings.	Fixed	ED, NED
Basic Salaries	A monthly salary payment.	Fixed	ED, SMP
Benefits-In-Kind	Benefits provided to the ED and SMP, for examples:- company car, driver, hand phone, clubhouse membership.	Fixed	ED, SMP
Bonus	A variable sum payable to ED and SMP that is linked to the Company and individual performance for a year.	Performance-Based	ED, SMP

## **9. Review and revision of the Remuneration Policy**

The Remuneration Policy shall be reviewed by the Remuneration Committee whenever necessary to ensure the effectiveness and practicable of the policy. Any requirement for amendment to the policy shall be presented by the Remuneration Committee to the Board for approval.

The term of reference is reviewed and approved by the Board on 29 March 2023.