

# **KERJAYA PROSPEK GROUP BERHAD**

Registration No. 198401010054 (122592-U)

## **REMUNERATION POLICY & PROCEDURES**

Initial Issue Date : 19 April 2021

Custodian : Finance Department

## **Introduction**

This Remuneration Policy (“**Policy**”) is designed to provide a structural approach in attracting and retaining high caliber directors and senior management to drive the Company and its subsidiaries (“**Group**”) towards strategical and operational success.

The remuneration processes shall be fair, transparent, independent and subject to review by the Remuneration Committee from time to time.

Remuneration and rewards granted shall be taken into account the demands, complexities and performance of the company as well as skills and experience required, aligned with the Group’s objectives, shareholders’ interest and in compliance with the relevant statutory requirements.

## **Policies and Procedures**

### **1. Remuneration of Executive Directors and Senior Management**

#### Fixed Remuneration / Salaries

The remuneration of the Executive Directors and Senior Management shall be reviewed and determined by the Remuneration Committee, who make recommendation to the Board for approval whilst the remuneration of the Senior Management shall be reviewed and determined by the Managing Director.

The remuneration is set based on relevant market activities, job nature of position (including responsibility and complexity), qualifications, level of skills and experience. The salary levels for Executive Directors and Senior Management are reviewed annually and it shall take into account of the nature of role, performance of the business and the individual, and market positioning.

#### Annual Bonus

The Executive Directors and Senior Management shall be entitled to participate in the Company’s annual cash bonus. The amount of bonus of the Executive Directors shall be reviewed and determined by the Remuneration Committee, who make recommendation to the Board for approval whilst the amount of bonus for the Senior Management shall be reviewed and determined by Managing Director.

#### Other benefits

Executive Directors shall also be entitled to other benefits provided to employee of the Company and other additional benefits, if so, recommended by the Remuneration Committee to the Board for approval.

### **2. Remuneration for Non-Executive Directors**

The remuneration of non-executive directors proposed by the Remuneration Committee is determined by the Board which comprises the following:

Director Fee	Non-executive directors receive fees. The fees are to be determined and recommended by the Board and to be approved by shareholders.
--------------	--

Meeting Allowance	The non-executive directors of the Company will receive meeting allowance for attending Board Committee meetings and Board meetings. The meeting allowance is to be determined by the Board.
Other benefits	The non-executive directors of the Company are also entitled to other benefits if so proposed by the Remuneration Committee to the Board for decision.

3. The Directors may be remunerated by a fixed sum (for non-executive director) or by a percentage of profits (for executive directors) or otherwise as may be determined by the Board for the performance of extra services or to make any special exertions in going or residing away from his usual place of business or residence for any purpose of the Company or giving special attention to the business of the Company. Such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the directors. Such remuneration would be proposed by the Remuneration Committee to the Board for decision.

#### **General**

1. In the absence of the Managing Director, the above functions assumed by the Managing Director would be carried out by the Executive Directors.
2. A director shall abstain from deliberation and voting on their own remuneration at the Remuneration Committee Meeting and/or Board of Directors Meeting. He or she should also abstain from deliberation and voting on the remuneration of the other director, who is a person connected with the said director under the Companies Act 2016 ("**Person Connected**").
3. The remuneration of a senior management personnel who is a Person Connected with the Managing Director shall be decided by the other Executive Directors or at the said Executive Directors' discretion be referred to the Remuneration Committee for review and recommendation to the Board. If the proposed remuneration is escalated to the Board, the Managing Director shall abstain from deliberation and voting on the subject matter concerned.
4. The Managing Director may attend the Remuneration Committee Meeting at the invitation of Remuneration Committee's Chairman.

#### **Review of Policy**

The Policy shall be reviewed periodically in accordance with the needs of the Company and the Board's approval shall be obtained for any amendment or changes made from time to time.