

REMUNERATION POLICY

1. INTRODUCTION

Practice 7.1 of the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) recommends that the Board should establish a policy formalizing its approach to determine the remuneration package which takes into account the demands, complexities and performance as well as skills and experience of the directors and senior management. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management.

Fair remuneration is critical to attract, retain and motivate directors and senior management. The remuneration package should take into account the complexity of the company’s business and the individual’s responsibilities. In addition, the remuneration should also be aligned with the business strategy and long-term objectives of the company.

In determining the appropriate level of remuneration for directors and senior management, the board should also take into consideration the company’s performance in managing material sustainability risks and opportunities. The remuneration and incentives for independent directors should not conflict with their obligation in bringing objectivity and independent judgment on matters discussed.

2. OBJECTIVES

The Policy is designed with the aim to support the Cabnet Holdings Berhad’s (“Cabnet” or “the Company”) key strategies and create a strong performance-oriented environment, and be able to attract, motivate and retain talent. The Remuneration Policy shall adhere to the following key principles:-

- total remuneration shall be set at levels that are competitive with the relevant market and industry.
- Executive Directors’ and senior management yearly bonus and/or incentive bonus shall be performance-based.
- incentive plans, performance measures and targets shall be aligned with shareholders’ interest in mind.
- provide an appropriate level of transparency to ensure the policy underlying Executive Directors’, Non-Executive Directors’s and Senior Management’s remuneration is understood by investors.
- ensure a level of equity and consistency.
- The Company’s performance in managing material sustainability risks and opportunities.

3. REMUNERATION COMPONENTS

a) Fixed Remuneration for Executive Directors

The fixed salary is determined according to:-

- The scope of the duty and responsibilities;
- The conditions and experiences required;
- The ethical values, internal balances and strategic targets of the Company;

- The corporate and individual performance; and
- Current market rate within the industry and in comparable companies.

b) Bonus/Performance Incentives for Executive Directors and Senior Management

The bonus/performance incentives in the case of Executives Directors and Senior Management is designed to reward, retain and motivate the individual and depend on the outstanding performance as well as the personal contribution to the Group. The bonus/performance incentives is granted to reflect the Executive Directors' and Senior Management performance as well as Group results. A discretionary assessment is made to ensure that all factors which include measurable and not directly measurable are considered.

c) Fixed Fee for Members of Board of Directors (in particular, Non-Executive Directors)

Fees payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. The fixed fee is determined according to:-

- Be on par with the rest of the market;
- Reflect the qualifications and contribution required in view of the Group's complexity;
- The extent of the duty and responsibilities; and
- The number of Board meetings and Board committees' meetings

d) Fixed Remuneration for Senior Management

The fixed salary is determined according to:-

- The scope of the duty and responsibilities;
- The conditions and experiences required;
- The corporate and individual performance;
- Individual's overall contribution to the Company's strategy and operation; and
- Current market rate within the industry and in comparable companies.

e) Other Benefits and Allowances

The benefits and allowances which should be decided by the Board as a whole upon the recommendation of the Remuneration Committee include: -

- Chairman's allowance including Chairmanship and memberships of Board Committees;
- Meeting allowance;
- Expenses incurred in the course of their duties as Directors; and
- Benefit in kind such as insurance, motor vehicle, petrol, driver and accommodation and such other benefits deemed appropriate and in line with industry standards.

4. MONITORING AND REPORTING

On an annual basis, the Remuneration Committee shall discuss and agree on all measurable objectives for offering fair remuneration packages for Executive Directors, Non-Executive Directors and Senior Management and recommend them to the Board for adoption. No Director shall participate or vote on the deliberations and decisions concerning his/her own remuneration.

The Board is free to seek to improve one or more aspects of the remuneration packages and measure progress accordingly. On this, the Board may seek professional advice from outside sources to assist the Board in formulating an attractive compensation and benefits package that aims to attract, retain and motivate talents.

Disclosure of Directors' and Senior Management's remuneration shall be made in the corporate governance report/corporate governance overview statement in the Company's annual report. Such report/statement shall include details of the Directors' and Senior Management's remuneration in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad.

5. REVIEW OF POLICY

The Remuneration Committee should conduct a periodic review of the criteria to be used in recommending the remuneration package. Any requirement for amendment shall be deliberated by the Remuneration Committee, and any recommendation for revisions shall be presented to the Board for approval.

This Remuneration Policy was approved and adopted by the Board on 23 February 2018.

This Remuneration Policy was last reviewed and revised on 28 April 2025.