

REMUNERATION POLICY

1. INTRODUCTION

Practice 6.1 of the Malaysian Code on Corporate Governance 2017 (“MCCG 2017”) 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.

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.
- EDs’ remuneration 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 EDs’, NED’s and Senior Management’s remuneration is understood by investors.
- ensure a level of equity and consistency.

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

The bonus in the case of Executives Directors and Senior Management is designed to reward outstanding performance. The bonus 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

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

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; 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 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 EDs, NEDs and Senior Management and recommend them to the Board for adoption.

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 and 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 by the Board on 25 February 2019.