



(Registration No. 196701000055 (7029-H))

**REMUNERATION POLICY AND PROCEDURES  
FOR DIRECTORS AND  
KEY SENIOR MANAGEMENT**

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("Policy & Procedures")**

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**A. Objective**

The objectives of this Policy & Procedures are to:

- (i) structure the component parts of remuneration packages for Directors (Executive and Non-Executive) and Key Senior Management of I-Berhad and its subsidiaries (collectively the "**Group**") in attracting, retaining and motivating the Directors and Key Senior Management for delivering its strategic objectives and ensuring business sustainability and growth;
- (ii) provide a formal, fair and transparent approach to determine the remuneration package of the Board and Key Senior Management based on their respective roles and responsibilities and comparable with their peers in the industry;
- (iii) attract, develop and retain competent, experienced and quality talents of high calibre to oversee and manage the Group's business and continuing growth;
- (iv) provide basis to determine equitable and market-competitive remuneration packages that support the performance culture and enable the achievement of strategic business goals of the Group; and
- (v) encourage prudent risk taking in decision making in undertaking the business activities of the Group in line with the risk appetite determined by the Board.

**B. General Policy Statements**

The remuneration of the Directors will be reviewed periodically by the Board as a whole at the recommendation of the Remuneration Committee. In accordance with the provisions of the Companies Act 2016, the Board shall recommend the payment of Directors' fees and other benefits payable to the Executive and Non-Executive Directors for shareholders' approval at each Annual General Meeting of the Company.

No Director shall participate in the deliberations or voting on the decisions concerning his or her own remuneration. Directors who are shareholders of the Company shall abstain from voting at general meetings in relation to the approval of their respective fees and other benefits.

The level of remuneration shall be aligned with the complexity of the Company's business, the individual's responsibilities and the Company's long-term sustainable success.

**C. Remuneration Structure**

The remuneration for the Directors and Key Senior Management of the Company shall be determined based on the following bases and principles:-

**(i) Executive Directors**

The remuneration packages accorded to the Executive Directors shall be determined based on their respective roles and responsibilities, individual performance, contribution and commitment devoted to the Company as well as the financial performance of the Group.

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The remuneration payable to Executive Directors shall not include any commission on or percentage of turnover or revenue.

Bonus to Executive Directors shall be performance based and shall not be guaranteed, reflecting the individual's performance, the performance of the business/function department/division as well as the Group's operating results.

Periodic benchmarking of remuneration will be undertaken to ascertain the competitiveness of the Company's remuneration packages with other comparable companies, whether in size and/or industry in which the Company operates.

The Executive Directors are eligible for work-related benefits as may be provided for in the Group's Employee Handbook.

The Remuneration Committee shall carry out an annual review on the remuneration packages of the Executive Directors to determine if the provisions under this policy are adhered to. On the recommendation of the Remuneration Committee, the Board may consider making adjustments, if thought fit, to the remuneration packages accorded to the Executive Directors.

The remuneration (or any adjustment thereof) of the Executive Directors (including fees, salaries, bonuses, benefits and any compensation for loss of employment) shall be deliberated by the Remuneration Committee before being escalated to the Board for deliberation and approval. The affected Director shall abstain from deliberating on and approving his or her own / person(s) connected to the affected Director's remuneration/fees/benefits at the relevant Board meeting approving the same.

The director's fees, if payable or benefits given to the Executive Directors, if any, shall be subject to the approval of shareholders of the Company by an ordinary resolution of the Company in a general meeting. If the Director is also a shareholder, whether direct or indirect, he/she shall abstain and procure any person deemed connected to him/her to abstain from voting on the resolution approving his/her fee and benefits paid by the Company.

Salaries and other emoluments (including bonuses, benefits and any other elements) payable to Executive Directors in the Company pursuant to a contract of service need not be determined by the Company in general meeting, provided that such salaries and emoluments shall not include any commission on or percentage of turnover.

**(ii) Non-Executive Directors**

Non-Executive Directors' remuneration packages shall be determined based on their qualification, experience and competence, having regard to their responsibilities, time commitment and annual evaluation as undertaken by the Nomination Committee.

Non-Executive Directors shall receive remuneration for their services in the form of Directors' fees, which shall be a fixed sum, and not by a commission on or percentage of profits or turnover.

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Remuneration for the services of Non-Executive Directors shall be aligned with market terms, taking into consideration remuneration paid to Non-Executive Directors of other comparable companies, whether in size and/or industry, the individual's experience, performance and responsibility assumed.

The Board should also ensure that the remuneration for Non-Executive Directors do not conflict with their obligations to bring objectivity and independent judgment on matters discussed at Board meetings.

The effectiveness and contribution of the Non-Executive Directors shall be reviewed by the Nomination Committee on an annual basis and escalated to the Board for deliberation and endorsement.

The Directors' fees and benefits (or any adjustment thereof) of the Non-Executive Directors shall be deliberated by the Remuneration Committee before being escalated to the Board for deliberation and approval. The Non-Executive Directors shall abstain from deliberating on and approving his/her own fee or benefits at the relevant Board meetings approving the same.

The fees of the Non-Executive Directors and any benefits payable to them shall be subject to the approval of shareholders of the Company by an ordinary resolution of the Company in a general meeting. If the Director is also a shareholder, whether direct or indirect, he/she shall abstain and procure any person deemed connected to him/her to abstain from voting on the resolution approving his/her fee and benefits paid by the Company.

**(iii) Key Senior Management**

The remuneration packages accorded to the Key Senior Management shall be determined by the Chief Executive Officer ("**CEO**") based on their respective roles and responsibilities, individual performance, contribution and commitment devoted to the Company as well as the financial performance of the Company and/or companies in which they are employed.

Performance evaluations of the Key Senior Management include a review of the performance of the Key Senior Management in addressing the Company's material sustainability risks and opportunities and their performance shall be evaluated by the CEO against agreed Key Performance Indicators (KPIs).

The remuneration of the Key Senior Management should be structured to have an appropriate balance of fixed and variable rewards, which include both short-term and long-term incentives, and is weighted towards performance-related elements that take into account individual, Division, the Group's performance and the Group's long term strategic plans.

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Fixed Component - Base Salary

Base salary constitutes the major element of the remuneration package to attract, retain and incentivize talent in a competitive market. It is determined based on the particular job responsibilities, duties and scope of each position. The Group's policy is to pay a competitive base salary that is in alignment with the market median, and for key positions, it is benchmarked against the upper quartile.

Variable Component - Performance Bonus

The Group's bonus scheme is designed to relate employees' reward to the Group's performance which is measured against a number of pre-determined factors including both financial and non-financial factors such as the Group's financial and non-financial performance, strategic initiatives, sustainability targets, organizational development and market positioning. It is awarded on a discretionary basis and is differentiated based on the Company, Division and individual performance rating.

The Key Senior Management's rewards are differentiated based on a performance rating scale. A performance management process shall be put in place to set performance objectives and development of required competencies of the Key Senior Management.

The performance of the Key Senior Management shall be reviewed and appraised on an annual basis by the Chief Executive Officer ("**CEO**") of the Company by way of evaluating on the achievement of each of the agreed KPIs.

Any recommendation for promotion, salary adjustment and bonus payment shall be determined and approved by the CEO.

The Board shall delegate the review of the Key Senior Management's remuneration to the CEO.

**D. Governance & Oversight**

The Remuneration Committee shall assist the Board in overseeing the implementation of this Policy & Procedures.

The Remuneration Committee shall comprise only Non-Executive Directors to avoid any potential conflict of interest situations involving the Executive Directors.

**E. Review of Policy**

This Policy & Procedures shall be reviewed by the Remuneration Committee as and when the need arises to ensure compliance with prevailing rules, guidelines and best practices.

This Policy & Procedures has been adopted by the Board on 11 October 2023.