



PMB TECHNOLOGY BERHAD
Registration No. 200201016594 (584257-X)

Directors' and Senior Management's Remuneration Policy

1. Introduction

This policy sets out the criteria to be used in recommending the remuneration package of Directors, Chief Executive Officer (“**CEO**”) and senior management of PMB Technology Berhad (“**PMBT**” or the “**Company**”) and is in line with the best practice provisions of the Malaysian Code on Corporate Governance.

2. Objectives

2.1. This policy is designed to:

- 2.1.1. Determine the level of remuneration package of the Directors, CEO and senior management whereas, the remuneration of Non-Executive Directors also operate as the same basis, except it requires shareholders' approval;
- 2.1.2. Attract, develop and retain high performing and motivated Directors, CEO and senior management with a competitive remuneration package;
- 2.1.3. Provide a remuneration such that the Directors, CEO and senior management are paid a remuneration commensurate with the responsibilities of their positions, reflecting their contributions for the year and which are competitive and consistent with its culture and strategy;
- 2.1.4. Encourage of value creation for the Company and its stakeholders;
- 2.1.5. To ensure the level of remuneration of Non-Executive Directors are linked to their level of responsibilities undertaken and contributions to the Board; and
- 2.1.6. The Remuneration Committee (“**RC**”) is empowered to make qualitative and quantitative assessment of performance in reaching its recommendations. The RC is also empowered to provide appropriate disclosure of their assessment, if required, so that shareholders can understand the basis of its recommendation.

3. Remuneration Components

3.1. Fixed Remuneration for CEO, Executive Directors and senior management

3.1.1. 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;
- Current market rate within the industry and in comparable companies; and
- The scale and complexity of both the business and the role.

Executive Directors are entitled to receive those benefits available to the Company. The said benefits include group insurance coverage, medical benefits, motor vehicle related benefits and annual leave. Executive Directors may receive other benefits that are considered to be appropriate in terms of the individual's role, for example annual leave passage and security services.

3.2. Bonus

The bonus in the case of CEO, Executives Directors and senior management is designed to reward outstanding performance. The bonus is granted to reflect the CEO, Executive Directors' and senior management's performance against annual measures and targets set at the start of the year as well as Group results. A discretionary assessment is made to ensure that all factors which include measurable and qualitative criteria are considered.

3.3. Fixed Fee for Non-Executive Directors

3.3.1. The fixed fee is determined according to:

- 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
- The number of Board meetings; and
- The corporate and individual performance.

3.4. Other Benefits and Allowances

The benefits and allowances which should be decided by the Board as a whole include:

3.4.1. Chairman's allowance;

3.4.2. Meeting allowance;

3.4.3. Expenses incurred in the course of their duties as Directors;

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- 3.4.4. Benefit in kind such as motor vehicle, petrol, driver, medical benefits, use of mobile phone and accommodation; and
- 3.4.5. Any other expenses as proposed to and approved by the Board.

4. Remuneration Procedures

- 4.1 The RC reviews and approves the annual salaries, incentive arrangements, service arrangements and other employment conditions for the Executive Directors and senior management.
- 4.2 Senior Management who report to the CEO are evaluated annually, based on annual measurements and targets set. Thereafter, the CEO recommend the remuneration of Senior Management to the RC for consideration and subsequent recommendation to the Board for approval.
- 4.3 The determination of the remuneration for Non-Executive Directors is a matter for the Board as a whole. The Executive Directors are not present when matters affecting their own remuneration arrangements are considered.
- 4.4 The policy of the RC is in line with the Group's overall practice on compensation and benefits, which is to reward employees competitively, taking into account performance, market comparisons and competitive pressures in the industry. Whilst not seeking to maintain a strict market position, it takes into account comparable roles in similar organisations.
- 4.5 The RC shall, when necessary, engage with any independent agency to perform market survey, analysis and comparison on the competency of remuneration packages periodically and recommend to the Board on any adjustment for the Directors and Senior Management to support the objectives of this policy.

5. Periodic Review and Disclosure

- 5.1. The RC should review periodically on the criteria to be used in recommending the remuneration packages of the Directors and Senior Management. The RC should promptly communicate the new changes or amendments of the criteria to the Board and individual Directors.
- 5.2. The Board should disclose this policy in the Company's website.

This Policy is reviewed and approved by the Board of Directors on 27 May 2022.