



**REMUNERATION POLICY & PROCEDURES OF DIRECTORS
AND/OR SENIOR MANAGEMENT**

1. Introduction

This policy sets out the criteria to be used in recommending the remuneration package of Directors and/or senior management of Eastern & Oriental Berhad (“the Company”).

2. Objectives

2.1. This policy is designed to:

- 2.1.1. Determine the level of remuneration package of Directors and/or senior management
- 2.1.2. Attract, develop and retain high performing and motivated Directors and/or senior management with a competitive remuneration package;
- 2.1.3. Provide remuneration such that the Directors and/or senior management are paid remuneration which commensurate with the responsibilities of their position;
- 2.1.4. Encourage value creation for the Company and its stakeholders.

3. Remuneration Components

3.1. Fixed Remuneration for Managing Director (“MD”), Executive Directors and/or senior management

3.1.1. The fixed salary is determined according to:

- The scope, demand and complexities 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;
- The benchmark based on current market rate in the industry or against comparable companies in similar industry or size; and
- The scale, complexity and accountability of both the business and the roles.

3.2. Bonus

The bonus in the case of MD, Executives Directors and/or senior management is designed to reward outstanding performance. The bonus is granted to reflect the MD, Executive Directors’ and/or senior management’s performance against annual measures and targets set as well as Group results.

3.3. Fixed Fee for Non-Executive Directors

3.3.1. The fixed fee is determined in alignment to:

- Or on par with the rest of the market; and
- The extent of the duty and responsibilities.

3.4. Other Benefits and Allowances

The benefits and allowances which should be decided by the Board as a whole, subject to shareholders’ approval where required under the Companies Act 2016 including the following:

- 3.4.1. Expenses incurred in the course of their duties as Directors and/or senior management; and
- 3.4.2. Benefit in kind such as motor vehicle, petrol, driver, medical benefits, use of mobile phone and accommodation.

4. Procedure

4.1. The non-executive directors’ remuneration is a matter to be decided by the Board as a whole with the director concerned abstained from deliberations and voting on decision in respect of his individual remuneration. The Board reviews the non-executive directors’ remuneration annually having regard to recommendations from the Nomination, Remuneration and Scheme Committee.

4.2. The authority of taking a decision on the remuneration package of Senior Management other than Executive Directors is delegated to the Executive Deputy Chairman and/or Managing Director.

5. Review

The Nomination, Remuneration and Scheme Committee shall conduct periodic review on the criteria to be used in recommending the remuneration package of Directors and/or senior management and shall communicate any new changes or amendments on the criteria to the Board.