

JAYA TIASA HOLDINGS BERHAD

POLICIES AND PROCEDURES FOR THE REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT ("Remuneration Policies and Procedures")

1. OBJECTIVES

- 1.1 The Remuneration Policies and Procedures set out pertinent remuneration principles and review process for members of the Board of Directors (comprising Executive Directors and Non-Executive Directors) of Jaya Tiasa Holdings Berhad (the "Company") and Senior Management (defined as personnel in the position of General Manager and above) of the Company and its subsidiaries ("JTH Group" or the "Group").
- 1.2 The Remuneration Policies and Procedures are designed to:
- create a remuneration structure that is competitive to attract, reward, motivate and retain Directors and Senior Management who lead the Group towards realizing its corporate strategies and long-term objectives; and
 - provide transparency, clarity and an independent process on compensating Executive Directors and Senior Management, taking into account their experience, skill set, extent of responsibility, individual performance and performance of the Group; and
 - provide a basis in determining the remuneration of Non-Executive Directors which is commensurate with their responsibilities, including their involvement and contribution in the Board and Board Committees, and attendance at meetings.

2 REMUNERATION PRINCIPLES

The Remuneration Policies and Procedures are structured based on the following key principles:

- remuneration shall be set at levels that are competitive with the relevant market and industry with the aim of attracting and retaining talents as part of the Group's succession plan;
- performance measures and targets shall be aligned with shareholders' interest in mind; and
- ensure a level of fairness and consistency in remuneration.

3. REMUNERATION FOR NON-EXECUTIVE DIRECTORS (“NEDs”)

- 3.1 The Board reviews and recommends the quantum and structure of NEDs’ remuneration subject to the approval by the Company’s shareholders in accordance with the Companies Act 2016, Listing Requirements of Bursa Malaysia Securities Berhad and the Company’s Constitution. The NEDs shall abstain from deliberation and voting on their own remuneration at Board and general meetings.
- 3.2 The remuneration of NEDs comprises fees and allowances (including meeting attendance allowances). The remuneration of an NED shall not be based on commission, the percentage of profits, or turnover.
- 3.3 The fees for NEDs shall be reviewed once in every two (2) years.

4. REMUNERATION FOR EXECUTIVE DIRECTORS (EDs) AND SENIOR MANAGEMENT

- 4.1 The EDs and Senior Management are paid a remuneration consisting of basic salary, bonus, defined contribution plan, personal accident insurance and medical benefits (including spouse and dependent children).
- 4.2 Bonus payable to EDs includes contractual bonus fixed in the contracts of service and variable bonus which is based on performance against annual targets of the annual business plan, whereas the bonus of Senior Management is based on individual performance.
- 4.3 The Remuneration Committee shall evaluate and review the remuneration packages of EDs annually and recommend to the Board for approval. The EDs shall abstain from deliberation and voting on their own remuneration at Board meeting.
- 4.4 Remuneration of Senior Management is normally reviewed annually. The designated Executive Director shall evaluate and determine the remuneration package of the Senior Management.

5. REVIEW OF THE REMUNERATION POLICIES AND PROCEDURES

The Remuneration Committee shall review and assess the adequacy, effectiveness and continued relevance of the Remuneration Policies and Procedures as and when required.

6. REVISION TO THE REMUNERATION POLICIES AND PROCEDURES

Any requirement for amendment shall be deliberated by the Remuneration Committee, and any recommendation for revisions shall be presented to the Board for approval.

These Remuneration Policies and Procedures are approved by the Board on 29 August 2018.