

ANNUM BERHAD

(fka CYMAO HOLDINGS BERHAD)
[Registration No. 199701030432 (445931-U)]
Incorporated in Malaysia

REMUNERATION COMMITTEE

REMUNERATION POLICY FOR EXECUTIVE DIRECTORS

A. Objective

To structure the component parts of remuneration so as to link rewards to corporate and individual performance of the executive directors.

B. Policy

- The remuneration of Executive Directors shall be the ultimate responsibility of the full Board after considering the recommendations of the Remuneration Committee.
- Executive Directors are not to participate in discussion on their own remuneration.
- Remuneration of the Executive Directors will be reviewed annually by the Board after taking independent advice of the Remuneration Committee.
- Remuneration Committee shall have access to professional advice on remuneration matters both within the Group and from external specialists in this field.
- Level of remuneration should be sufficient to attract and retain the Executive Directors needed to run the Group successfully.
- Summary of the remuneration should appear in the Annual Report with the need for transparency and accountability in the setting of Directors' pay, benefits and remuneration having regard to the interests of all parties, the Company, the Directors and the shareholders.
- Executive Directors shall be provided with a competitive compensation package that reflects market value, sustained individual performance, job responsibilities and the group's performance against financial objectives. The remuneration package shall consist of short term rewards (base salary, benefits and performance payments) together with a significant proportion of longer term benefits provided by share options, a long term incentive plan and pension arrangements.
- Employment/service contracts of Executive Directors should incorporate guidelines on termination benefits; which in general should not exceed three (3) times the monthly gross salaries and allowances. This does not include retirement benefits arising from a separate approved retirement or provident fund. This is to ensure that termination benefits are not exhaustive.