



## 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, Group Managing Director (“**Group MD**”) and senior management of MY E.G. Services Berhad (“**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:

- Determine the level of remuneration packages of the Executive Directors, Group MD and senior management, whereas, the remuneration package of Non-Executive Directors that operates on the same basis, requires shareholders' approval;
- Attract, develop and retain high performing and motivated Executive Directors, Group MD and senior management with a competitive remuneration package;
- Provide a remuneration such that the Executive Directors, Group MD and senior management are remunerated accordingly with the responsibilities of their position; and
- 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 Executive Directors, Group MD 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.

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3.1.2. Executive Directors and Group MD are entitled to receive benefits available to the Company. The said benefits include group insurance coverage, medical benefits, motor vehicle related benefits and annual leave. Executive Directors and Group MD may receive other benefits that are 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 Executives Directors, Group MD and senior management is designed to reward outstanding performance. The bonus is granted to reflect the Executive Directors, Group MD 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 not directly measurable 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 contributions required in view of the Group' 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:

- Meeting allowance; and
- Expenses incurred in the course of their duties as Directors.

**4. Remuneration Procedures**

4.1 The Remuneration Committee reviews and approves the annual salaries, incentive arrangements, service arrangements and other employment conditions for the Executive Directors, Group MD and senior management.

4.2 The determination of the remuneration for Non-Executive Directors is a matter for the Board as a whole. The Non-Executive Directors are not present when matters affecting their own remuneration arrangements are being considered.

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- 4.3 The policy of the Remuneration Committee is in line with the Group's overall practice on compensation and benefits, which is to reward employees competitively, taking into account of 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.

**5. Periodic Review and Disclosure**

- 5.1. The Remuneration Committee should conduct a review on an annual basis of the criteria to be used in the recommending the remuneration packages of Executive Directors, Group MD and senior management. The Remuneration Committee should promptly communicate the new changes or amendments of the criteria to the Board and individual Directors.
- 5.2. This policy shall be reviewed by the Remuneration Committee annually.
- 5.3 The Board should disclose this policy in the Company's website.

This policy is dated 27 February 2020