

REMUNERATION POLICY AND PROCEDURES



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Purpose and Scope

The objective of this Policy is to assist Axteria Group Berhad (“AGB” or the “Company”) in attracting, retaining and motivating its directors and key senior management. The remuneration shall be based on conditions that are market competitive and at the same time aligned with shareholders’ interests.

The Company’s remuneration policy is approved by the Board of Directors (the “Board”), on the recommendation by the Remuneration Committee (“RC” or the “Committee”). On an annual basis, the RC recommends to the Board the remuneration packages of Executive Directors, Non-Executive Directors and key senior management. It is the responsibility of the Board to approve the remuneration packages, except that director’s fees and benefits shall be approved by the shareholders at general meetings. No director shall participate or vote on the deliberations and decisions concerning his or her own remuneration.

Remuneration Policy and Procedures

The responsibilities for developing the remuneration policy and determining the remuneration of directors lie with the RC. Nevertheless, it is the ultimate responsibility of the Board to approve the remuneration of these directors. Directors are offered an appropriate level of remuneration which reflects the level of risks, responsibilities, experiences as well as the performance of the individual director concerned.

(i) Remuneration Procedures

Executive Directors

The remuneration of the Managing Director and Executive Directors comprises basic salary, fees, allowances and bonuses, determined based on factors including the nature of job, level of skills, experience and scope of responsibilities of the individual, as well as their overall contribution to Company’s strategy and operation, prevailing market and industry rate.

In formulating the remuneration levels of Managing Director and Executive Directors, the Committee considers the Group’s overall performance and their individual performance. Additionally, the Committee shall also take into consideration remuneration paid to directors of other similar companies, whether in size or industry, to ensure it is commensurate with the scope of responsibilities held.

Non-Executive Directors

The remuneration of the Non-Executive Directors consists of directors’ fees and meeting allowances. The level of remuneration for the Non-Executive Directors should reflect their experiences, level of responsibility and time commitment.

Remuneration for the services of Non-Executive Directors shall be aligned with market terms, taking into consideration factors such as remuneration paid to directors of other similar companies, whether in size or industry, the individual's performance and responsibility, and market competitiveness.

Key Senior Management

The remuneration of the Key Senior Management comprises basic salary, bonus, etc. and are set according to the nature of job, level of skills, qualification, experience and scope of responsibilities of individual, as well as their overall contribution to Company's strategy and operation and the market and industry rate.

Remuneration of the Key Senior Management shall be aligned with the overall Group's performance and individual performance. The Committee shall also consider remuneration paid to them of other similar companies, whether in size or industry, the individual's scope of responsibility and market competitiveness.

(ii) Remuneration Approval Process

Executive Directors and Key Senior Management who report to the Managing Director are evaluated annually by the Managing Director, based on the individual performance and overall contribution to Group's strategy and operation. Thereafter, the Managing Director recommends remuneration levels for Executive Directors and Key Senior Management to the RC for consideration.

The RC operates under the delegation of the Board to oversee of the Company's remuneration and compensation plans on behalf of the Board. It reviews the Company's remunerations strategy and plans, comparing them with community and industry standards and, where possible, verifies the appropriateness of the strategy and plans by referencing external information and advice.

Review of the Policy

On a periodic basis, the RC shall review and assess the effectiveness and continued relevance of this Policy.

Revision to the Policy

Any proposed amendments shall be deliberated by the RC, and recommendation for revisions shall be presented to the Board for approval.