

# Remuneration Policy

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<b>Prepared by:</b>	Corporate Governance Committee

**1.0 PURPOSE**

Guan Chong Berhad (“the Company”) has established a remuneration policy for the Directors and Senior Management to support and drive business strategy and long term objectives of the Company and its subsidiaries (“the Group”).

The Policy is designed with the key objective of attracting and retaining suitable and qualified Board of Directors (“the Board”) and Senior Management in line with the values and long term interests of the Company.

**2.0 SCOPE**

The Policy applies to Executive Directors, Non-Executive Directors and Senior Management of Guan Chong Berhad.

**3.0 RESPONSIBILITY AND AUTHORITY**

The Remuneration Committee is responsible for:

- Reviewing and recommending to the Board the remuneration packages for Executive Directors based on the outcome of performance review;
- Reviewing and recommending to the Board the remuneration packages for key Senior Management based on the outcome of performance review;
- Determining the remuneration packages needed to attract, retain and motivate Executive Directors and Senior Management to manage the business of the Group;

**4.0 POLICY**

**4.1 Policy Statement**

The Committee is guided by the following principles and criteria in determining the remuneration package for Directors and Senior Management:

- o Roles, responsibilities, skills and expertise of an individual;
- o Industry benchmarks against similar companies;
- o Performance of the Group; and
- o Market practice.

**4.2 Remuneration Policy for Executive Directors**

Executive Directors are entitled to fixed monthly salary, annual director fee, benefits-in-kind such as group insurance coverage, medical benefits and motor vehicle related benefits, and EPF and SOCSO. Annual bonus and performance incentive are distributed to all Executive Directors depending on the financial and operational performance of the company.

**4.3 Remuneration Policy for Non-Executive Directors**

Non-Executive Directors are entitled to fixed monthly director fee and meeting attendance allowance for each Board of Director meeting attended.

Directors’ fee is presented to the shareholders at the Annual General Meeting for their approval.

**4.4 Remuneration Policy for Senior Management**

Senior Management is entitled to fixed monthly salary, annual bonus and benefits in kind. Chief Executive Officer and Chief Financial Officer are responsible for determining the Senior Management’s remuneration package to ensure the same remains competitive, appropriate and in alignment with the prevalent market practices.

**5 REVIEWING AND MONITORING**

The Remuneration Committee is responsible to review and monitor the implementation of this Policy on a regular basis to reflect current best practices. The Committee shall further discuss any amendments to this Policy that may be required and will submit the amendments for Board approval.

This Remuneration Policy of Directors and Senior Management has been adopted by the Board.

**6 RELEVANT DOCUMENTATION**

6.1 Remuneration Committee TOR

**7 VERSION HISTORY**

Version	Author	Date	Changes