

## **Directors' Remuneration Policy**

### **1. Introduction**

This policy sets out the criteria to be used in recommending the remuneration package of Directors and senior management of PCCS Group Berhad ("**PCCS**" or "**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:-

- 2.1.1. Determine the level of remuneration package of Directors and senior management;
- 2.1.2. Attract, develop and retain high performing and motivated Directors and senior management with a competitive remuneration package;
- 2.1.3. Provide a remuneration such that the Directors and senior management are paid a remuneration commensurate with the responsibilities of their position; and
- 2.1.4. Encourage value creation for the Company and its Stakeholders.

### **3. Remuneration Components**

3.1. Fixed Remuneration for Executive Directors and senior management

3.1.1. The fixed salary is determined according to:-

- The scope of the duties and responsibilities;
- The merit, qualification, competence and experiences required;
- The ethical values, internal balances, business strategy and long-term objectives of the Company;
- The Company's operating results and individual performance including managing material sustainability risks and opportunities; and
- Current market rate within the industry and in comparable companies.

3.2. Bonus

The bonus in the case of Executives Directors is designed to reward outstanding performance. The bonus is granted to reflect the Executive Directors' performance as well as Group results. A discretionary assessment is made to ensure that all factors which include measurable and not directly measurable are considered.

**PCCS GROUP BERHAD**

[Registration No. 199301026191 (280929-K)]  
(Incorporated in Malaysia)

3.3. Fixed Fee for Members of Board of Directors

3.3.1. The fixed fee is determined according to:-

- On par with the rest of the market;
- Reflect the qualifications and contribution required in view of the Group's complexity;
- The extent of the duties and responsibilities; and
- The number of Board meetings

3.4. Other Benefits and Allowances

The benefits and allowances which should be decided by the Board as a whole upon the recommendation of the Remuneration Committee include:-

- 3.4.1. Chairman's allowance;
- 3.4.2. Meeting allowance;
- 3.4.3. Expenses incurred in the course of their duties as Directors; and
- 3.4.4. Benefit-in-kind such as motor vehicle, petrol, driver and accommodation.

**4. Periodic Review and Disclosure**

4.1. The Remuneration Committee should conduct a periodic review of the criteria to be used in the recommending the remuneration package of Directors and senior management. The Remuneration Committee should promptly communicate the new changes or amendments of the criteria to the Board and individual Directors.

4.2. The Board should disclose this policy in the annual report.

**5. Review of Policy**

The Director Remuneration Policy is to be regularly reviewed by the Board as and when required.

This Policy has been approved by the Board of Directors for adoption with effect from 27 May 2016.

**History**

<b>Date</b>	<b>Description</b>
27 May 2016	Establishment
28 June 2022	Revision