

**REMUNERATION
POLICY AND PROCEDURE
FOR
DIRECTORS AND
SENIOR MANAGEMENT**

**FOR
MTAG GROUP BERHAD**

(Company No. 1262041-V)

REMUNERATION POLICY AND PROCEDURE FOR DIRECTORS AND SENIOR MANAGEMENT

1. Objectives

The primary objectives of this policy and procedure are:

- (a) To provide an overall remuneration package for directors and senior management which is able to attract, engage and retain the right talent and to motivate them to drive the Company's long-term goals and to ensure business sustainability and growth; and
- (b) To ensure that appropriate level of remuneration for directors and senior management is aligned with the Company's strategic goals and corporate value and would not give rise to any conflict of interest between the Company and individual directors and senior management.

2. Approach

- (a) In accordance with the Terms of Reference of the Remuneration Committee("RC"), remuneration matters fall under the purview of the Committee.
- (b) RC is guided by the following policy and procedure in recommending to the Board the remuneration for directors and senior management.

3. Policy on Remuneration

RC shall assist the Board to set up and implement the Remuneration Policy and Procedures by developing and administering fair and transparent procedures relating to determining, reviewing, assessing and recommending remuneration packages for directors and senior management.

3.1 Non-Executive Directors (including Independent Non-Executive Directors)

MTAG's remuneration policy for Non-Executive Directors is to develop a remuneration structure that is commensurate with the Non-Executive Directors responsibilities at both the Board and Board Committee levels and is sufficient to attract, motivate and retain quality Non-Executive Directors.

Non-Executive Directors shall be paid fixed fees and meeting allowances. As for meeting allowance, no distinction shall be made between participation in person and participation by video, teleconference or other electronic mode that permits Non-Executive Directors to participate.

3.2 Executive Directors and Senior Management

MTAG's policy for Executive Directors' and Senior Management's remuneration is to ensure that the level of remuneration is generally set to provide market competitiveness to attract, reward, retain and motivate Executives of the highest calibre to competently manage the Group.

- (a) The framework of remuneration of Executive Directors and Senior Management covers the components below:
 - (i) Directors' fees;
 - (ii) Salaries;
 - (iii) Bonuses;
 - (iv) Other emoluments (EPF, SOCSO, Employment Insurance System "EIS")
 - (v) Benefits in kind; and
 - (vi) Such other incentives as may be determined from time to time.

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(b) Executive Directors shall not participate in any way in determining their individual remuneration and the individual director concerned shall abstain from discussion of and voting on his or her own remuneration.

4. Procedure on determining remuneration of Directors and Senior Management

4.1 The Board together with RC shall:

a) take into consideration factors such as qualifications, skills, competency and experience of the directors and senior management, the demands and complexities of the Company's businesses, performance of the Company, market competitiveness and market benchmark in deciding the remuneration of directors and senior management. This is to ensure that remuneration is commensurate with individual performance and contribution and also in line with the Company's strategic goals;

b) consider factors such as the directors' contributions, effort and time spent, attendance at meetings and the frequency of meetings. The respective responsibilities of the directors including the board committees on which they serve and market practices in determining the remuneration of non-executive directors;

c) link certain components of the remuneration to rewards with regard to corporate and individual performance based on key performance indicators set annually;

d) review the remuneration levels for directors and senior management annually;

e) consider specific adjustments and/or reward payment, if any, reflecting individual contributions and performance for the year and which are competitive and consistent with the Company's culture and strategic goals; and

f) regularly review the remuneration procedure to ensure that it remains aligned with the Company's business needs and corporate objectives and is appropriately positioned relative to the market.

4.2 The Board has the final authority and responsibility in implementing the Company's remuneration policy and approval of remuneration package for directors and senior management.

4.3 Directors' fees and any benefits proposed by the Board to be payable to the directors each year are subject to the shareholders' approval at the Annual General Meeting.

4.4 The Board shall review the Remuneration Policy and Procedure to ensure its effectiveness from time to time.

Date: 24 November 2021