

OCB BERHAD

Incorporated in Malaysia
Registration No. 195901000114 (3465-H)
("the Company")

REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

1. Introduction

1.1. This Policy sets out the criteria to be used in recommending the remuneration package of the Directors, Directors holding executive office or position and Senior Management of the Company.

2. Objectives

2.1. This policy is designed with the aim to support the key strategies of the Company and create a strong performance-oriented environment, and be able to attract, develop and retain talent. This Policy shall adhere to the following key principles:

- Total remuneration shall be set at levels that are competitive with the relevant prevailing market practice and industry taking into consideration the overall performance of the Company and its subsidiaries, and the general economic situation.
- The level of remuneration package for Directors and Directors holding executive office or position [including but not limited to Executive Director and Chief Operating Officer ("COO")] and the Senior Management [C-suite member and General Managers or equivalent] shall be performance based.
- Encourage value creation for the Company and its stakeholders.

3. Scope and Application

3.1. This Policy should be read together with the relevant enumerations encapsulated in the following legislations:

- (a) Companies Act 2016;
- (b) Capital Markets and Services Act 2007 (Amendment 2012); and
- (c) Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

3.2. Where there is a conflict between the contents of this Policy and the aforementioned legislations, the relevant enumerations contained in the said legislations shall prevail.

3.3. This Policy is also developed in alignment with the Malaysian Code on Corporate Governance 2021 ("MCCG"). Where paragraphs in this Policy make reference to provisions in legislations or other corporate governance promulgations (e.g. MCCG), they are indicated accordingly in italics.

3.4. This Policy will be reviewed periodically by the Remuneration Committee ("RC"). Any amendment to this Policy shall be deliberated by the RC and recommendation for amendment shall be made to the Board of Directors of the Company ("Board") for its approval.

4. Remuneration Components

4.1. Remuneration for Directors holding an executive office or position

4.1.1. The remuneration is made up of fixed salary, allowances, annual bonus and fringe benefits.

4.1.2. The fixed salary is determined according to:

- The scope of the duties, responsibilities and accountability;
- The level of skills and experiences;
- The ethical values, internal balances and strategic targets of the Company;
- The corporate and individual performance; and
- Prevailing market rate within the industry and in comparable companies.

and shall not include a commission on or percentage of turnover.

4.1.3. The bonus is designed to reward outstanding performance. The bonus is granted to reflect the performance of the Director holding an executive office or position as well as the Group's results. A discretionary assessment is made to ensure that all factors which include qualitative and quantitative targets are considered.

4.1.4. The Company may provide competitive benefits such as allowances, a fully expensed car and fuel expenses.

4.2. Fixed Fee for Non-Executive Directors (“NEDs”)

4.2.1. All NEDs are paid fixed annual Directors' fees.

4.2.2. The fee payable shall be by a fixed sum determined according to:

- prevailing market rate within the industry and in comparable companies;
- reflect the qualifications and contribution required in view of the Group's complexity; and
- the extent of the duties and responsibilities.

and shall not be by a commission on or percentage of profits of profits or turnover.

4.3. Other Benefits and Allowances

4.3.1. The benefits and allowances which should be decided by the Board as a whole include:

- meeting attendance allowance; and
- reimbursable/claimable expenses incurred in the course of their duties as Directors of the Company.

4.4. Remuneration for Senior Management

4.4.1. The remuneration of Senior Management staff is made up of fixed salary, bonus, allowances and other benefits, where applicable, as determined by the COO cum Executive Director or Directors of the subsidiary company concerned, from time to time.

5. Approval of Directors' fees and benefits payable

5.1. The fees of the Directors, and any benefits payable to the Directors including any compensation for loss of employment of a Director or former Director of the Company and its subsidiaries shall be approved at a general meeting.

5.2. Approval of Directors' fees and benefits payable may be sought in a prospective or retrospective manner.

5.3. Directors who are shareholders shall abstain from voting at General Meetings of the Company to approve their fees.

6. Periodic Review and Disclosure

6.1. The Remuneration Committee shall conduct periodic review of the criteria to be used in the recommending the remuneration package for Directors and the Directors holding an executive office or position. The Remuneration Committee should promptly communicate the new changes or amendments of the criteria to the Board and individual Directors.

7. Board Review

7.1. The Board shall, from time to time and at any time that it deems necessary, review this Policy to ensure that it continues to remain relevant and appropriate.

History

Date	Description
22 November 2018	Establishment
29 November 2021	Revision