



**MARINE & GENERAL**  
BERHAD

**BOARD REMUNERATION POLICY**

## **1.0 BOARD REMUNERATION POLICY (“Policy”)**

### **1.1 Statement of the Policy**

- 1.1.1 The Board Remuneration Policy (“the Policy”) sets out to attract and retain Directors of such calibre to provide necessary skills and experience as required and commensurate the Board of Directors’ (“the Board”) responsibilities, expertise and complexity of the Company activities for the effective management and operations of its businesses.
- 1.1.2 The Company practices a competitive remuneration policy to attract, motivate talent from within and outside the industry, and where appropriate, internationally. In line with the culture, the Company applies a simple and straightforward approach to remuneration, while bearing in mind key business strategies, long term goals and building a culture of high performance.
- 1.1.3 The Company maintains two (2) core elements to the remuneration packages; Fixed components being Base Salary, Fixed Allowance, Employee Provident Funds and the Variable component being Performance Bonus for Executive Directors.
- 1.1.4 Fixed components, where appropriate, will be determined by benchmarking exercises while Variable components will be determined by company performance and individual performance. Where applicable, the approval of the Nomination and Remuneration Committee (“the Committee”) and the Board will need to be obtained.

### **1.2 Procedures**

- 1.2.1 The Committee recommends for the Board’s approval, the framework of executive remuneration of the Executive Directors’ remuneration package.
- 1.2.2 Non-Executive Directors’ fees are determined by the Board as a whole with the Director concerned abstaining from deliberations and voting decisions in respect of his fees.
- 1.2.3 The travelling and accommodation expenses allowed to be claimed by the Directors and Committee Member to attend Board and Committee meetings respectively would be based on the terms and conditions approved by the Board from time-to -time.
- 1.2.4 The fees payable to Directors of the Company are subject to the approval of shareholders.
- 1.2.5 The Committee carries out the following consultative and advisory functions towards the Board:

- a) Submit to the Board for its approval, the Remuneration Report to be presented to the Shareholders' Meeting called to approve the year's financial statements, pursuant to applicable law.
- b) Evaluates the adequacy of the adopted Policy periodically and formulating proposals to the Board on the subject.
- c) Presents the proposals for the remuneration of the members of the Committees and Directors established by the Board.
- d) Examine Executive Director evaluations, proposes the general criteria for the compensation of Managers with strategic responsibilities, annual and long-term incentive plans, including equity-based plans, defining the performance objectives and assessing the Company performance results related to the determination of the variable part of the remuneration of Directors with delegated powers and to the implementation of incentive plans.

### **1.3 Review of the Policy**

- 1.3.1 The Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy.
- 1.3.2 The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

The Policy has been approved by the Board of Directors on 29 November 2017.