

GUAN CHONG BERHAD (646226-K)

REMUNERATION POLICY

Overview

Guan Chong Berhad (“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 Policy is designed with the key objective of attracting and retaining experienced and qualified members of the Board of Directors (“the Board”) and also the expertise of Senior Management to drive the values and long term interests of the Company.

Approach

Remuneration Committee is responsible to implement the policies and procedures on the remuneration for both Executive and Non-Executive Directors.

The Committee is guided by the following principles and criteria in determining the remuneration package:

- The role and responsibilities, skills and expertise of an individual;
- Industry benchmarks against similar companies;
- The performance of the company; and
- Market practice.

Non-Executive Directors are paid fixed directors’ fees on monthly basis and meeting attendance allowance for each Board of Director meeting attended. 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. Annual bonus will be distributed to all directors depending on the financial and operational performance of the company. Directors’ fee is presented to the shareholders at the Annual General Meeting for their approval.

Remuneration package of key senior management consist of fixed monthly salary, annual bonus and benefits in kind. Chief Executive Officer and Chief Financial Officer are responsible for determining senior management’s remuneration package to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices.

Review and Monitoring

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 was adopted by the Board.