

GROUP DIRECTORS REMUNERATION POLICY

OBJECTIVES

The purpose of drawing up a formal remuneration policy of Pertama Digital Berhad (“**Company**”) and its subsidiaries (“**Group**”) is to put in place a proper structure of guidelines for determining remuneration of the Group’s directors. The remuneration policy is drawn up to provide a systematic and documented set of procedures as guidelines by the Board Remuneration Committee (“**Committee**”) in determining the remuneration packages of Board members.

The Committee recognises the fact that there is a need to be fair in rewarding the executive and non-executive directors (“**Directors**”) in order to attract, retain and motivate talents. The Committee’s role is to set remuneration levels which ensure that the directors are fairly and adequately rewarded for their performance of roles and duties.

FACTORS TO DETERMINE THE REMUNERATION OF DIRECTORS

- a) Scope of responsibilities of Directors in accordance with their roles assumed in the Group and the degree of complexity of these duties;
- b) Expertise, professional/industrial background of Directors;
- c) Urgency to fill the directorship vacancies;
- d) Management experience of Directors;
- e) Availability of similar talents as prospective candidates for directorship;
- f) Performance and contribution of the Directors towards achievement of the Group;
- g) Market rates of Directors’ remuneration;
- h) Market practices of other benefits such as payment of allowances and bonuses; and
- i) Financial performance of the Group.

REMUNERATION STRUCTURE OF DIRECTORS

a) EXECUTIVE DIRECTORS

- i) All executive directors (“**ED**”) are paid a fixed basic salary that commensurate with their expertise, professional/industrial background that have entailed their appointment as Directors; and
- ii) All EDs are entitled to and will be paid meeting allowances for their attendance in meetings of the Board and/or Board Committees.

The EDs shall abstain themselves from the discussion of their remuneration packages, but may attend the meeting of the Committee by invitation.

b) NON-EXECUTIVE DIRECTORS

- i) Non-executive directors (“**NED**”) are paid a fixed amount of director’s fee, without participation in any long term provident plans or pension schemes. The quantum of fee is varied between a more senior NED who also assumes the role as Chairman of the board of Directors (“**Board**”), and other ordinary NEDs who sit in the Board.
- ii) All NEDs are entitled to and will be paid meeting allowances for their attendance in meetings of the Board and/or Board Committees.

The remuneration of NEDs is determined by the Board as a whole, based on recommendations tabled to the Board by the Committee. Similarly, the NED concerned shall abstain from discussion of his remuneration package.

The Committee reckons that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of stretching corporate performance targets. Nevertheless, the Group has yet to implement a performance-based remuneration policy. The Committee shall contemplate this when the timing is right. The Committee reviews the remuneration packages of Directors on an annual basis to ensure they are in line with the Group’s policy and market practice.

REVIEW OF THIS POLICY

The Board may review this policy from time to time to ensure its relevance to the prevailing conditions and circumstances.

DISCLOSURE OF REMUNERATION POLICY

The Company discloses the remuneration policy to its shareholders and the public on the corporate website www.pertamadigital.com.