



## **KUMPULAN JETSON BERHAD**

*(Company No. 34134-H)*

### **DIRECTORS AND SENIOR MANAGEMENT REMUNERATION POLICY**

#### **1. OBJECTIVES**

- 1.1 This Policy is to ensure that the Directors and Senior Management of Kumpulan Jetson Berhad (“the Company”) are governed by comprehensive remuneration criteria, that is based on their level of responsibility of the position occupied, the competencies required and valuable contribution made by them towards the success of the Company.
- 1.2 This Policy also aims to ensure that the remuneration offered by the Company remains competitive, adequate (but not excessive) and in line with the current market practices to attract, retain, motivate and reward individuals of the necessary calibre and quality that is required to run the Company successfully.
- 1.3 This Policy is developed by the Management and adopted by the Board of Directors (“Board”) based on the recommendation of the Remuneration Committee.
- 1.4 This Policy was previously known as “Board Remuneration Policy”. It has been renamed as “Directors and Senior Management Remuneration Policy” in line with the Malaysian Code of Corporate Governance released by Securities Commission in April 2017.

#### **2. APPLICABILITY**

- 2.1 This Policy applies to the following personnel:
  - a. Executive Directors and Non-Executive Directors; and
  - b. Senior Management.
- 2.2 Senior Management in this Policy is referring to ~~the Chief Executive Officer who is not Director of the Company.~~ a person who is the key senior management of the group and primarily responsible for the business operations of the Company’s core business and principal subsidiaries and fall under the category of top 5 highest paid Senior Management of the Group.

### **3. REMUNERATION COMPONENTS**

3.1 The remuneration components comprise of fixed and variable components that assure the internal and external equity are balanced in line with the current market prevailing practices.

3.2 The components of remuneration for Executive Director (where applicable) are:

- a. basic salary;
- b. benefits-in-kind such as provision of motor vehicle, driver and personal expenses that are made available to the Executive Directors in accordance with the policies of the Company;
- c. emoluments such as bonuses, retirement benefits, provision for leave, fixed allowances, statutory contributions and incentives in the form of shares/option in shares of the Company's shares scheme;
- d. annual fee for acting as:
  - i) member of the Board of the Company;
  - ii) member of the Board Committee of the Company; and
  - iii) member of the Board of the subsidiary of the Company; and
- e. fixed meeting allowances.

3.3 The components of remuneration for Non-Executive Director are:

- a. annual fee for acting as:
  - i) member of the Board of the Company;
  - ii) member of the Board Committee of the Company; and
  - iii) member of the Board of the subsidiary of the Company; and
- b. fixed meeting allowances.

An independent director shall not be entitled to any shares/option in shares and may receive remuneration only by way of fees and fixed meeting allowances or reimbursement of expenses for participation in the meetings or performing his/her duty as independent director.

3.4 The components of remuneration for Senior Management (where applicable) are:

- a. basic salary;
- b. benefits-in-kind such as a provision of motor vehicle, petrol card, handphone and office parking that are made available in accordance with the job grades of Senior Management of the Company;
- c. emoluments such as bonuses based on achievement of key performance indicators, retirement benefits, provision for leave, fixed allowances, statutory contributions and incentives in the form of shares/option in shares of the Company's shares scheme; and
- d. annual fees for acting as member of the Board of subsidiary of the Company.

#### **4. ANNUAL REVIEW AND BENCHMARKING**

- 4.1 The Company shall conduct an annual review of remuneration. The Management shall prepare a Remuneration Report using the benchmarking information, presenting to the Remuneration Committee to consider and make decision on remuneration of Directors and Senior Management for recommendations to the Board.
- 4.2 The Company shall participate in Total Rewards Survey exercises organized by different research/rewards organizations to obtain up-to-date information of the prevailing pay pattern and situations in the market and industry specific.
- 4.3 In reviewing the annual fee for Directors, the Remuneration Committee shall take into account of fee levels and trends for similar positions in the market and time commitment required from the Director. Such review may take into consideration any additional responsibilities undertaken such as a director acting as chairman of a board committee or as the senior independent non-executive director.

#### **5. AUTHORITY, CONFIDENTIALITY AND RESPONSIBILITY**

- 5.1 The Remuneration Committee is entrusted with the role of reviewing the remuneration of the Directors (Executive Director and Non-Executive Director) and Senior Management.
- 5.2 Remuneration of an Executive Director
- The Remuneration Committee recommends to the Board the remuneration of an Executive Director and it is the responsibility of the Board as a whole to approve the remuneration of an Executive Director.
  - The Director concerned shall abstain from deliberation and voting on his individual remuneration.
  - The Remuneration Committee shall review the remuneration of Executive Directors on annual basis and upon the new appointment.

#### **5.3 Annual fee of the Company for Directors**

The annual fee of the Company for Directors comprises the fees for the members of the Board of the Company and Board Committees of the Company are proposed by the Remuneration Committee for recommendation by the Board for the approval by shareholders of the Company at the Annual General Meeting.

#### **5.4 Remuneration of Senior Management**

- The remuneration of Senior Management is based on accountability, problem solving and competency (knowledge and experience) of the job. In addition, the

degree of mastery of the job and Senior Management's performance are also taken into consideration.

- In this way, Senior Management job can be positioned within job grade defined locally in each industry and benchmark against general market.
- The Remuneration Committee shall review the remuneration of Senior Management on annual basis and upon the new appointment.