

JOHAN HOLDINGS BERHAD

(Company No. 314-K)

REMUNERATION POLICY

1. Objective

This Policy is designed to attract, motivate, retain and reward Directors and senior management of Johan Holdings Berhad (“Company”) and its subsidiaries (“Group”) through a competitive remuneration package, and to ensure the remuneration is commensurate with the relevant experience, expertise, reflects the level of responsibilities undertaken, and contributions made by the Directors and senior management in order to manage the business effectively.

2. Remuneration Policy and Procedures

2.1 Executive Directors

The remuneration of Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively. Executive Directors who are full time employees of the Group shall receive no additional compensation for services as a Director.

The remuneration components of Executive Directors shall consist of basic salary, performance based bonus, benefits-in-kind and other incentives (where applicable). The remuneration package for Executive Directors is structured so as to link reward to individual and corporate performance.

The remuneration packages of the Executive Directors are reviewed by the Remuneration Committee annually. The Executive Directors shall not participate in the decision of their own remuneration but may attend the Remuneration Committee meetings at the invitation of the Chairman of the Remuneration Committee, if their presence is required.

2.2 Non-Executive Directors

Non-Executive Directors receive remuneration in the form of Directors’ fees and meeting allowances. Additional meeting allowance is payable for Audit Committee Chairman to reflect the complexity and amount of preparation required in attending the meeting.

The level of remuneration for Non-Executive Directors shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned. The remuneration of the Non-Executive Directors shall not be based on commission or percentage of profits or turnover.

The remuneration packages of the Non-Executive Directors are reviewed by the Remuneration Committee annually. The determination of fees and benefits payable to Non-Executive Directors will be a matter for the Board as a whole, and a Director shall not participate in the decision on their own remuneration packages. The Board will then recommend the payment of the Directors’ fees and other benefits payable to Non-Executive Directors to the Shareholders for approval at each Annual General

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Meeting of the Company in accordance with Section 230(1) of the Companies Act, 2016.

2.3 Senior Management

The remuneration components of senior management shall consist of basic salary, performance based bonus, benefits-in-kind and other incentives (where applicable). The remuneration of senior management is determined at a level which enables the Group to attract, develop and retain high performing and talented individual with the relevant experience and expertise. The remuneration package for senior management is structured so as to link reward to individual and corporate performance.

The remuneration packages of the senior management are reviewed by the Remuneration Committee annually.

3. Review of Policy

This Policy shall be reviewed periodically by the Remuneration Committee, as and when appropriate, to reflect the current market practices.

Date: 24 April 2019