



## **TASHIN HOLDINGS BERHAD**

Registration No. 201701028709 (1242878-H)

(Incorporated in Malaysia)

## **REMUNERATION POLICY**

**(Adopted on 22 APRIL 2020)**

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

#### **1. Introduction**

This Remuneration Policy (“Policy”) has been drafted in accordance with the Malaysia Code on Corporate Governance 2017 (“MCCG”). It’s intended to provide guidance for the Board and the Remuneration Committee of the Board in determining the remuneration of individual Directors and Senior Management (“SM”).

This policy is intended to support the Company’s key strategies and create a strong performance-orientated environment, and to attract, motivate and retain experienced, qualified and high calibre members of the Board of Directors and also the right calibre SM.

#### **2. Remuneration Objectives**

The remuneration practices of the Group should comply with the following objectives:

- Encourage behaviours that are in accordance with the Group’s core values
- Be aligned with the business strategy and long-term objectives of the Group
- Be based on clear, definable and measurable key performance indicators (“KPI”)
- Give due consideration towards context, to avoid penalizing or unjust rewarding performance due to external factors which are out of the individual’s control
- Be comparable to the market rate of remuneration

### 3. Executive Directors (“EDs”) and SM

In the case of EDs and SM, the component parts of remuneration shall be structured so as to link rewards to corporate and individual performance. Fixed remuneration for EDs including Group Managing Director and SM are determined based on the following criteria:

- The scope of duties and responsibilities;
- The conditions and experiences required;
- The ethical values, internal balances and strategic targets of the Company;
- The individual performance;
- The current market rate within the industry and also comparable companies; and
- The overall performance of the Company and its subsidiaries (“the Group”) and tracked against the target.

The main component that shall form remuneration package of the EDs and SM are set out below:-

Component	Description
Salary & fixed allowances	Monthly payment which form basic remuneration
Bonus & performance based incentives	Bonus is given at a discretionary manner where assessment is made to ensure that all factors including measurable and indirect measurable factors are considered.  Performance-based incentive payments, may use to reward for their outstanding performance in business contributions.
Benefits-in-kind & other benefits	Fringe benefits that are provided as part of their employment, which may include use of company vehicles, medical & personal accident insurance and other allowances.  Other benefits or allowances are reimbursable for the business expenses incurred such as petrol, entertainment and travel expenses.
Fees	Fixed retainer payment for Directors for their service.
Meeting / travelling allowance	Payment for each Board Meeting that they attend during the financial year.

#### **4. Non-Executive Directors (“NEDs”)**

In the case of NEDs, the level of remuneration shall be linked to their experience, time commitment and the level of responsibilities undertaken.

Fixed fees for NEDs are determined based on the following:

- Compatible with other companies within the same industry in the market;
- Reflect the experiences, qualifications and contributions required in view of the Group’s business complexity; and
- The extent of the duties and responsibilities.

NEDs received remuneration in the form of Director’s fees and benefits payable, including meeting attendance and travelling allowances, as the compensation for their services rendered to the Company and also reimbursement of expenses incurred, if any, in the course of performing their services.

The remuneration of NEDs shall not be based on commission or percentage of profits or turnover of the Group and NEDs are not entitled for performance-based incentive to ensure objectivity and independent judgement for the matter discussed in the Board of Directors’ Meeting.

The annual Directors’ fees payable to the Directors and benefit payable (i.e. meeting attendance allowance) to the NEDs are presented to the shareholders for approval at every Annual General Meeting of the Company.

#### **5. Review of Remuneration**

The RC reviews the remuneration of EDs and SM on an annual basis and make recommendations to the Board of Directors for the specific adjustments to the remuneration and/or reward payments that reflect the contributions made by the respective EDs and SM for the financial year which are competitive and are in tandem with the Company’s corporate objectives, culture and strategy.

The RC may from time to time, seeks independent advice and/or making cross reference market study on remuneration of the EDs and SM.

This Policy is made available on the Company’s website in accordance with the Malaysian Code on Corporate Governance.

#### **6. Review of Policy**

This Policy is to be reviewed by the RC on a periodic basis and any requirement for amendments to the aforesaid Policy shall be deliberated by the RC and thereafter, present the proposed revisions to the Board of Directors for approval.