



KHEE SAN BERHAD

Registration No: 199401018697
(304376-A)

GROUP OF COMPANIES

DIRECTORS' REMUNERATION POLICY

1. INTRODUCTION

This policy sets out the criteria to be used in recommending remuneration package of Directors of Khee San Berhad (“Company”). This policy aims to support the corporate strategies and visions of the Company whilst it strives to provide adequate motivation for individual Directors of the Company to pursue the long-term growth and success of the Company.

2. OBJECTIVES

This policy is designed to:

- Remunerate individual Directors appropriately in accordance with their respective level of competencies, scope of work and responsibilities undertaken.
- Attract, develop and retain high performing Directors.
- Encourage value creation for the Company and its Stakeholders.

3. SCOPE

This policy shall apply to all the Directors of the Company.

4. REMUNERATION COMPONENTS

4.1 Fixed Remuneration for Executive Directors

The Executive Directors receive monthly fixed salaries. The fixed salary is determined based on the following:

- Their executive position and function.
- Their scope of the duty and responsibilities.
- Their level of competencies.
- Prevailing market trend for comparable position within the industry and in comparable companies.

4.2 Bonuses for Executive Directors

The bonuses for Executives Directors are designed to reward outstanding performance. The bonuses are granted to reflect:

- Individual Executive Directors’ performance associated with their scope of work within the Company and/or its subsidiaries/departments/divisions.
- The annual performance of the Company and its subsidiaries as a group.
- A discretionary assessment is also made to consider other relevant factors that are measurable and not directly measurable.

4.3 Statutory Contribution

Statutory contribution such as the Employees Provident Funds (“EPF”) are paid in relation to fixed salaries and bonuses of the Directors in accordance with the EPF Act, 1991.

4.4 Fixed Fee for Non-Executive Directors

The fixed fees for Non-Executive Directors are determined based on:

- Comparable market rate.
- Qualifications and contribution required in view of the Group’s complexity.
- The extent of the duty and responsibilities undertaken according to requirements by relevant regulators.
- The number of Chairmanship held in respect of the Board and its Committees.
- The number of memberships in Board Committees.

4.5 Other Personal Benefits and Allowances

The Executive Directors are entitled the following benefits:

- Company car comes with and personal driver and petrol
- Medical benefits

The Non-Executive Directors are entitled to daily meeting allowances which are determined based on the number of days attended.

All the Directors are covered by the Company’s Directors and Officers Liability insurance.

5. **ROLES AND RESPONSIBILITIES**

The Remuneration Committee shall recommend to the Board the remuneration of the Executive Directors, while the Board as a whole determine the remuneration of the Non-Executive Directors, and individual Directors concerned should be abstained from discussion of their own remuneration during deliberation.

6. **PERIODIC REVIEW AND DISCLOSURE**

The Board, through its Remuneration Committee, shall review this Policy at least once every two years. The Remuneration Committee shall promptly communicate any proposed amendments to this Policy to all Directors and the amendments must be approved by the Board.

7. ADMINISTRATION

The Remuneration Committee is responsible for the administration, revision, interpretation, and application of this Policy.

**This Directors' Remuneration Policy is approved and adopted by the
Board of Directors of Khee San Berhad on 17 October 2023**
