



Remuneration Policy

United Malacca Berhad's Remuneration Policy ("the Policy") sets the remuneration principles and guidelines for its Directors and Key Senior Management.

The Policy aims to attract and retain the best talents by ensuring a fair, transparent, and equitable remuneration to employees and Directors, based, among other things, on individual job requirements, responsibilities, commensurate qualifications of individuals, experience, the performance of the Company, and the performance/contribution of the individual employee. The Policy enables a framework for fair rewards for achieving key deliverables in line with industry and Group practice.

Directors

The Directors receive a fixed annual fee for their directorship. An additional annual fee is payable to any director who serves as a Board committee member. The Chairperson of the Board and Chairman of the respective Board Committee shall be remunerated with a higher annual fixed fee to reflect their additional responsibilities. The Directors also receive meeting allowances for attendance at the Board or Committee meetings.

The Directors are provided with Group Personal Accident insurance coverage and are entitled to other reimbursable/claimable expenses incurred during their duties as Directors.

The Group provides the Chairperson of the Board with a Company car and driver.

The Directors are accorded the Directors and Officers Liability Insurance in respect of any liability (civil or criminal) arising in the course of discharging their duties as Directors of the Company, provided that such liabilities were occasioned in good faith and not as a result of negligence, default or breach of duty. The Company bears the Directors' and Officers' Liability Insurance premium. This benefit is not part of the benefits awarded to Directors as part of their remuneration packages.

The fees payable are determined based on the level of expertise, experience, responsibilities undertaken, and time commitment required of the Directors. The Board, through the Nomination and Remuneration Committee (NRC), annually

reviews the quantum of fees to ensure the reasonableness and competitiveness of the directors' fee against other comparable companies within the industry, as well as taking into consideration the level of qualification, experience, and scope of duty and responsibilities of the individual Director.

The Board, as a whole, determines the quantum of fees and other remuneration/benefits payable to the Directors, subject to shareholders' approval at the Company's Annual General Meeting.

Executive Director and Chief Executive Officer

The remuneration components of the Executive Director and the Chief Executive Officer shall consist of basic salary, performance-based bonus, benefits-in-kind, and other incentives to reflect his role and responsibilities, but does not include a commission on or percentage of turnover.

The remuneration package for the Executive Director and Chief Executive Officer is structured to link rewards to individual and corporate performance.

The Board determines and approves the remuneration package of the Executive Director and the Chief Executive Officer based on the recommendations of the NRC. The Executive Director plays no part in the decision-making for his remuneration package.

Key Senior Management

The key senior management team is the C-suites employees who are not directors within UMB Group.

The remuneration components for key senior management shall consist of a basic salary, performance-based bonus, benefits-in-kind, and other incentives considered appropriate in terms of the individual's role and responsibilities.

The remuneration package for key senior management aims to attract, develop and retain high-performing and talented individuals with relevant experience and expertise. It is structured to link rewards to individual and corporate performance.

The NRC reviews the remuneration package for the Key Senior Management annually and makes its recommendations for the Board's approval.

Review of the Policy

This Policy shall be reviewed periodically by the NRC, as and when appropriate, to reflect the current market practices and the requirements of the regulators.

Enforcement of the Policy

This Policy has been reviewed and approved by the Board of Directors for adoption effective 28 June 2023.