

# MARCO HOLDINGS BERHAD

(Company No. 8985-P) (Incorporated in Malaysia)

## REMUNERATION POLICY

### **Introduction**

In line with the recommendation of the Malaysian Code on Corporate Governance 2017, the Board should establish formal and transparent remuneration policies and procedures to attract and retain directors. The remuneration package should be aligned with the business strategy and long-term objectives of the Company. Remuneration of the Board should reflect the Board's responsibilities, expertise and complexity of the Company's activities.

The Remuneration Policy of Marco Holdings Berhad ("Marco" or "Company") sets out to provide remuneration principles and guidelines for the Executive Directors and Non-Executive Directors of the Company.

### **Objectives**

The Remuneration Policy is designed to:-

- a) determine the level of remuneration package of Directors.
- b) attract, develop and retain high performing and motivated Directors.
- c) provide remuneration to Directors that commensurate with their responsibilities and competitive with the relevant market and industry practice.
- d) align the incentive plans, performance measures and targets for Directors with the long term interest of the shareholders.

### **Directors' Remuneration**

The Remuneration Committee of the Company shall on annual basis review the remuneration packages for Executive Directors (including Senior Management) and Non-Executive Directors and recommend the same to the Board for adoption.

The Board may seek professional advice to assist the Board in formulating an attractive compensation and benefits package that aims to attract, retain and motivate talents.

#### **i) Executive Directors**

The remuneration of Executive Directors (including Senior Management) of the Group is made up of fixed salaries and performance-based incentive components. The remuneration levels are structured to enable the Group to attract and retain highly qualified executives.

The remuneration packages and benefits accorded are determined based on their scope of duties and responsibilities, individual performance, contribution and commitment as well as the financial performance of the Group. The Remuneration Committee of the Company is assigned to carry out its annual review on executives' remuneration packages and benefits.

**ii) Non-Executive Directors**

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

Non-Executive Directors receive remuneration in the form of Directors' fees for their services and reimbursement of expenses incurred, if any, in the course of performing their services. Such remuneration are reviewed by the Remuneration Committee annually. Based on the recommendation of the Remuneration Committee, the Board will review and propose any adjustments in fees, for approval by the shareholders of the Company at the annual general meeting.

**Review of Policy**

The Remuneration Policy is subject to periodical review by the Marco Board and will be amended as appropriate to reflect the current best practices.