



# **Remuneration for Executive Directors and Senior Managers**

Date: 1/7/2019

**Innity Corporation Berhad**

*(Company No. 200701006554 (764555-D))*

## 1.0 Objective

This Remuneration Policy is developed in alignment with the Malaysian Code on Corporate Governance (“MCCG”). It is intended to provide guidance for the Board of Directors (“Board”) and the Remuneration Committee (“RC”) to administer the remuneration of its Executive Directors and Senior Manager, taking into account the demands, complexities and performance of the Company and its subsidiaries (collectively referred to as the “Group”) as well as skills and experience required.

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

- 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 unjustly rewarding performance due to external factors which are out of the individual’s control; and
- be comparable to the market rate of remuneration.

## 2.0 Policy

- This Policy shall apply to the Company Executive Directors and Senior Managers.
- The main components that shall form the remuneration are set out below:

| Component | Description   |
|-----------|---|
| Salary    | Monthly payment which forms basic remuneration  |
| Bonus     | A performance based sum (paid via cash, shares or stock options) may be awarded to Executive Directors and Senior Management personnel for attaining or exceeding their assigned key performance indicators (“KPIs”). |
| Benefits  | In addition to statutory contributions, Executive Directors and Senior Managers may be provided with benefits such as travelling allowance, leave passage, medical benefits and insurance coverage.                   |
| Fees      | A fixed sum provided for their ongoing contribution to the Board, if applicable.  |

- In addition, expenses (e.g. entertainment and travel expenses) incurred by the Executive Directors and Senior Managers in the course of discharging their duties, shall be reimbursed accordingly. All reimbursements must be accompanied by a legible receipt and shall be submitted to the Office Administration Department for processing on a timely basis.

- The evaluation of remuneration packages shall be conducted annually.
- The Remuneration Committee, with the support of the Human Resources Manager, shall ensure that the provisions of this Policy and Procedures continue to comply with the legal requirements and corporate governance requirements and, if necessary, shall suggest amendments to this Policy and Procedures for consideration by the Board.
- It is the responsibility of the RC to review and propose the remuneration for Executive Directors and Senior Managers.

### 3.0 Procedure

- The RC is tasked with reviewing and recommending to the Board the remuneration packages for Executive Directors and Senior Managers.
- In this regard, the Remuneration Committee:
  - shall consist of minimum five members including three members from the Board of Directors or Non-Executive Directors, Corporate Strategy Director and Human Resources Manager.
  - takes into consideration the individual's responsibilities, contributions and performances, comparing actual KPIs against pre-assigned benchmarks to determine performance.
  - considers market conditions during the financial period and evaluates the market rate for similar positions in comparable companies.
  - may resort to external advice where necessary, at the Company's expense.
- The remuneration package is reflective of the individual experience and level of responsibilities and it is structured to link to corporate and individual performance. The Executive Directors and Senior Managers however, do not participate in the Board's deliberation on their respective remuneration.
- The Remuneration Committee shall present the findings of its evaluation to the Board and recommends remuneration packages for the Board's endorsement.