



ECM LIBRA GROUP BERHAD

Registration No. 200501031433 (713570-K)

**REMUNERATION POLICY FOR DIRECTORS
AND KEY SENIOR MANAGEMENT OFFICERS**

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1. INTRODUCTION

The Remuneration Policy for Directors and key senior management officers ("**Policy**") outlines the remuneration framework and procedures to determine the remuneration of the Directors and key senior management officers of ECM Libra Group Berhad ("**ECMLG**" or "**Company**") and its subsidiaries (collectively referred to "**Group**").

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("**NRC**") is responsible for assessing and recommending to the Board of Directors of ECMLG ("**Board**") the remuneration of Directors and key senior management officers, and the payment of performance bonus and salary increments for employees of the Group. The Directors abstain in the discussion and voting on decisions regarding their own remuneration.

3. OBJECTIVES

This Policy is designed with the aim to inculcate a performance-orientated environment, and be able to attract, motivate and retain talent, and to align interests with the long term interest of the shareholders.

4. EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT OFFICERS

Key senior management officers refer to the Chief Executive Officer of the Company and/or its subsidiaries, as well as any other key senior management officers as may be determined by the NRC, from time to time.

ECMLG has an established framework that entails annual performance review against Key Performance Indicator (KPI) to evaluate performance and determine reward for executive Directors ("**EDs**") and key senior management officers under the Bonus, Increment and Promotion ("**BIP**") Exercise which is carried out annually.

The discretionary bonus award is designed to reward superior work performance. It is meant to inculcate financial management excellence as well as to reward EDs and key senior management officers based on value added contributions to the business.

EDs and key senior management officers may also be awarded salary increment to commensurate with their role and performance as well as market practices.

Under the BIP, the following factors will be taken in account in determining the quantum of bonus and salary increment:

1. Profit after tax achieved by the Group;
2. Performance of the individual business division in meeting financial and/or non-financial targets set for the division;
3. Individual's contribution towards achieving business objectives; and
4. Market and industry practices on remuneration of comparable positions.

Besides the above quantifiable parameters, EDs and key senior management officers will also be assessed on their core management competencies and leadership capabilities expected of their role, encompassing the following:

1. Human Resource Management;
2. Strategic Planning and Execution;
3. Decision making;
4. Negotiation skills;
5. Evaluation and Problem Solving; and
6. Vitality and passion.

On an annual basis, the NRC will review and evaluate the performance of EDs and key senior management officers pursuant to the BIP and recommend accordingly to the Board for approval. The Board shall determine the remuneration of EDs and key senior management officers taking into consideration the recommendation of the NRC.

The remuneration of EDs and key senior management officers can be made up of basic salaries, defined contribution plan, monetary incentives, and fringe benefits. Salaries for EDs and key senior management officers may consist of both fixed (i.e. base salary) and variable (performance-based bonus/incentive) remuneration components.

5. NON-EXECUTIVE DIRECTORS

For non-executive Directors (“**NEDs**”), the level of remuneration shall commensurate with the experience and level of responsibilities undertaken by them. The remuneration of NEDs comprises annual Directors’ fees, an allowance for every Board and Board Committee meeting attended, medical coverage and other benefits. The remuneration of NEDs shall not be based on commission, the percentage of profits, or turnover. NEDs may be reimbursed expenses they incurred, if any, in the course of performing their services. Any fee paid by the Group to an alternate Director shall be deducted from the remuneration of the non-executive Director who appointed the alternate Director.

The remuneration of NEDs shall be reviewed annually by the NRC and the Board and subject to approval of shareholders at the annual general meeting. The NRC and the Board shall ensure that the remuneration is fair and reasonable compared to other companies of similar size in the relevant market and industry.

6. MONITORING AND REPORTING

The disclosure of Directors’ remuneration in the Annual Report shall be made in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

7. REVIEW AND UPDATING OF THE POLICY

The NRC shall review this policy periodically and update this Policy whenever necessary to ensure that it continues to remain appropriate and fit for its purpose.

8. REVISION TO THE POLICY

Any revision to the Policy shall be deliberated by the NRC, and any recommendation for revisions shall be presented to the Board for approval. A copy of the latest Policy shall be made available on the website of the Company.