



UEM SUNRISE BERHAD

Registration No.: 200801028815 (830144-W)

REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

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UEM SUNRISE BERHAD

REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

1.0 INTRODUCTION

- 1.1 The Board of Directors (“Board”) of UEM Sunrise Berhad (“UEM Sunrise” or “the Company”) has delegated to the Nominations and Remuneration Committee (“NRC”) the responsibility to review and recommend matters relating to the remuneration of Directors and Senior Management. The policy reflects the Company’s commitment to attract and retain Directors and Senior Management of high calibre to contribute in providing stewardship to the Board and to management towards enhancing the objectives of the Company and its subsidiaries (“Group”) which should take into account the demands, complexities and performance of the Company.

2.0 OBJECTIVE AND GUIDING PRINCIPLES

- 2.1 The Company’s remuneration policy is designed to meet the following objectives:
- i. To attract, motivate and retain talented and well-qualified Directors and Senior Management needed to enhance long-term value creation for the shareholders.
 - ii. To provide clear and guiding principles for determining the remuneration that would reasonably reflect the time commitment and risks and, to commensurate with the duties and responsibilities for Directors and Senior Management.
- 2.2 The remuneration policy is guided by the following key principles:
- i. Performance measures and targets to be aligned with the Company’s corporate strategy and shareholders’ interest.
 - ii. The component of the remuneration for Executive Directors and Senior Management is structured to pay-for-performance philosophy to link rewards to individual and the Company’s overall performance and affordability to build high-performance culture.
 - iii. To ensure total remuneration packages remain competitive with the relevant market and industry via periodic or appropriate market benchmarking exercises.
- 2.3 In determining the appropriate level of remuneration for Directors and Senior Management, the Board also takes into consideration the Company’s performance in managing material sustainability risks and opportunities.

3.0 REMUNERATION STRUCTURE FOR NON-EXECUTIVE DIRECTORS

- 3.1 Remuneration policies and decisions are made through a transparent and independent process, acknowledging that the complexities and performance of the Company as well as skills and experience required from the Non-Executive Directors to align with the Company’s long-term business sustainability.

- 3.2 Non-Executive Directors shall be paid via fixed fees, meeting allowances and other benefits as follows:
- i. A fixed fee for the Chairman and members of the Board and Board Committees (not by a commission or on percentage of profits or turnover as consideration for their Board duties).
 - ii. Allowance for site/business visit and/or meeting allowance for ad-hoc or temporary Board Committee established for a specific purpose.
 - iii. Chairman's benefits which comprise car allowance, fuel and maintenance claims.
 - iv. Property discount (which is the same policy applied for UEM Sunrise's employees).
 - v. Group insurance coverage such as medical and hospitalisation and Directors' & Officers' Liability insurance.
 - vi. Reimbursement of expenses properly incurred by them in connection with the business of the Company.
- 3.3 Non-Executive Directors will not be eligible for share options, bonuses, long-term incentives, pensions or performance-related remuneration.
- 3.4 The remuneration and incentives for Independent Directors should not conflict with their obligation in bringing objectivity and independent judgment on matters discussed.
- 3.5 The payment of the Directors' fees and other benefits payable for the Non-Executive Directors are subject to annual shareholders' approval at the annual general meeting of the Company.

4.0 REMUNERATION STRUCTURE FOR EXECUTIVE DIRECTORS AND SENIOR MANAGEMENT

- 4.1 Executive Directors are full time employees of the Company and shall not be paid additional compensation for services as a Director. Senior Management shall refer to those individual(s) who generally holds the highest level of management responsibility and decision-making authority within the Company.
- 4.2 The remuneration policy for Executive Directors and Senior Management is in line with the business strategy, objectives, values, long-term goals and interests of the Company guided by the Company's affordability.
- 4.3 The remuneration of Executive Directors and Senior Management is made up of basic salary, allowances and bonus and other benefits. The fixed and variable remuneration varies with level of responsibility, complexity of the role and typical market practice which enables the Company to attract, develop and retain high performing and talented individual with the relevant experience, level of expertise, level of responsibilities to ensure that the linkage between pay and performance is robust.

5.0 REMUNERATION POLICIES AND PROCEDURES

- 5.1 The NRC shall recommend and review matters relating to the remuneration and entitlement for Directors and Senior Management in implementing its policies and procedures.
- 5.2 In recommending the remuneration and entitlements for Directors and Senior Management, the NRC takes into account of the following:
- i. the demands and business and operating complexities of UEM Sunrise;
 - ii. the level of duty, responsibility and contribution expected of the Directors and Senior Management;
 - iii. the knowledge, skills, expertise and experience required; and
 - iv. industry benchmarks and local market practice.
- 5.3 The remuneration and entitlement for Directors and Senior Management will be decided by the Board as a whole, with the Director concerned abstaining from deliberation and voting on decisions in respect of his/her individual remuneration.
- 5.4 The NRC periodically reviews the remuneration framework of the Directors and Senior Management and thereafter makes their recommendation to the Board. As necessary, the Committee may engage the services of an independent professional advisor to facilitate the conduct of the review.

6.0 REVIEW OF THIS POLICY

- 6.1 This policy is subject to regular review by the NRC to assess the effectiveness and continued relevance to align with the current market practices and requirements of the Malaysian Code on Corporate Governance (“MCCG”) and any other new requirements.
- 6.2 Any revisions to the Policy as recommended by the NRC will be submitted to the Board for consideration and approval.