



REMUNERATION POLICY

OBJECTIVE :

JHM Consolidation Berhad ("JHM or the Company") has established a remuneration policy for the Directors and Key Senior Management to support and drive business strategy to achieve its long-term goals and enhance shareholders' value.

SCOPE :

This remuneration policy which govern the remuneration of the employees including Directors and Key Senior Management of the Company to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices and that the Company attracts, retains and motivates the Executive Directors and Key Senior Management who are with strong credentials, high caliber and astute insights to run the business successfully.

APPROACH :

(A) Executive Directors ("EDs") & Key Senior Management ("KSM")

The remuneration is made up of basic salaries, allowances, annual bonus & etc. and are set according to: –

- (i) the demands, complexities of activities and performance of the Company;
- (ii) the nature of job;
- (iii) the level of skills, expertise, experience and scope of responsibilities of individual;
- (iv) the individual performance indicators ("KPI") in the job;
- (v) the individual overall contribution to Group's strategy and operation; and
- (vi) industry benchmarks against companies of similar size and industry.

EDs and KSM who report to the Chief Executive Director ("CEO") are evaluated annually by the CEO premised on annual measurements and targets set.

Thereafter, the CEO recommends the remuneration levels for EDs and the KSM to the Remuneration Committee for approval. The Remuneration Committee operates under the delegation of the Board to provide an oversight of the JHM's remuneration and compensation plans on behalf of the Board.

(B) Non-Executive Directors (includes Independent Directors) ("Non-EDs")

The remuneration of the Non-EDs consists of fixed annual directors' fees and meeting allowances.

In relation to the remuneration of Non-EDs, the Remuneration Committee is further guided by the following:

- (i) a suitable balance of fees between annual Board and Board Committee fees and meeting allowances. The principle is to ensure recognition of workload and responsibilities for the Non-EDs who sit on various Board Committees, ensuring a balance is struck between compensating for time spent, frequency of meetings and also as a reflection of the continued responsibilities for all Non-EDs;
- (ii) the remuneration should not conflict with the Non-EDs' obligation to bring objectivity and independent judgment;
- (iii) the remuneration must not place an inappropriate burden on JHM's finances; and
- (iv) the Remuneration Committee undertakes a review of the remuneration packages of the Non-EDs at least once in every three (3) years and thereafter makes its recommendation to the Board.

All remuneration to be paid/payable to the Non-EDs must be tabled to the shareholders of JHM for approval pursuant to the provision of the Companies Act 2016.