



KUMPULAN PERANGSANG SELANGOR BERHAD

Registration No:197501002218 (23737-K)

DIRECTORS' REMUNERATION POLICY VERSION 4/2024

APPROVED BY
SHAREHOLDERS ON

27 MAY 2024

<u>CONTENTS</u>	<u>PAGE</u>
<u>POLICY</u>	
1. Introduction	1 - 2
2. Objectives of the DR Policy	3
3. Statement of Policy	3 - 6
4. Procedure on review of Directors' Remuneration	6
5. Monitoring and Reporting	6
6. Exceptions	6
7. Appendix	7

1.0 INTRODUCTION

The Directors' Remuneration Policy ("DR Policy" or "Policy") is set out to provide a formal and transparent guideline to the Director with regards to Directors' remuneration benefits for Board and Board Committees ("BC") of Kumpulan Perangsang Selangor Berhad ("KPS Berhad" or "the Company") and its subsidiaries and/or associates ("KPS Berhad Group") in line with the best practice of the Malaysian Code on Corporate Governance ("MCCG") issued by the Securities Commission Malaysia ("SC") and Corporate Governance Guide (4th Edition) ("CG Guide") issued by Bursa Malaysia Berhad ("Bursa Malaysia").

1.1 Scope

The DR Policy shall apply to the Board of Directors KPS Berhad Group.

1.2 Responsibility

It is the responsibility of the Company Secretary to monitor the relevancy and adequacy of the DR Policy taking into consideration KPS Berhad Group's operations and changes in the prevailing rules/regulations/laws.

1.3 Approving Authority

The Board of KPS Berhad is the approving authority of this Policy document.

1.4 Date of Implementation

The Policy will be implemented immediately upon approval of KPS Berhad Board and/or shareholders.

1.5 Review Frequency

The Policy will be reviewed once every three (3) years, at a minimum to ensure that it remains consistent with the overall objectives of the KPS Berhad Group and the Company and with current changes and updates on relevant rules & legislation.

1.6 Reference

In determining the remuneration of the directors (Non-Executive Directors or "NED") the Nomination and Remuneration Committee ("NRC") of the Company is guided by the following references:

No.	Provisions	Details
1.	Section 230(1)(b) of the Companies Act, 2016 ("CA2016")	➤ Approvals for fees of directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.
2.	Section 340(1)(c) of CA2016	➤ Directors' fee is one of the ordinary business (agenda) in the annual general meeting ("AGM").
3.	Clause 93 (1)(2)(3)(4) of the Company's Constitution	➤ Non-Executive Directors Remuneration.

KUMPULAN PERANGSANG SELANGOR BERHAD
DIRECTORS' REMUNERATION POLICY ("DR POLICY")

No.	Provisions	Details
3.	Clause 84 of the Company's Constitution	➤ <i>Managing Director ("MD")/Executive Director ("ED") Remuneration.</i>
4.	Paragraph 7.23 of Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities")	➤ <i>Fees payable to NED shall be a fixed sum and not by a commission on or percentage of profit or turnover.</i>
5.	Paragraph 7.24 of MMLR of Bursa Securities	<ul style="list-style-type: none"> ➤ <i>Fees of directors and any benefits shall be subject to shareholders' approval at the general meeting.</i> ➤ <i>Fees payable to directors shall not be increased except pursuant to a resolution passed at a general meeting.</i>
6.	Practice 7.1 of MCCG	<ul style="list-style-type: none"> ➤ <i>The Board has in place policies and procedures to determine remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required.</i> ➤ <i>The remuneration policies and practices should appropriately reflect the different roles and responsibilities of NED, ED and senior management.</i> ➤ <i>The policies and procedures are periodically reviewed and made available on the company's website.</i>
7.	Practice 7.2 of MCCG	<ul style="list-style-type: none"> ➤ <i>The Board has the Remuneration Committee ("RC") to implement its remuneration policies and procedures on remuneration of Board and Senior Management.</i> ➤ <i>The RC has the relevant Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.</i>
8.	Existing Policies of the Company	<ul style="list-style-type: none"> ➤ <i>Policy for Board Representative in KPS Berhad Subsidiary and Associate Companies</i> ➤ <i>Senior Management Remuneration Policy</i>

1.7 Definition

The key terms and acronyms that appeared in this document shall be defined as Appendix I.

2.0 OBJECTIVES

2.1 The DR Policy is designed to support the Company's key strategies and create a robust performance-oriented environment and be able to attract, motivate and retain talents as well as promote business sustainability and growth of the Company.

2.2 The DR Policy shall adhere to the following key principles:

- i) the Company's desire to attract talents as well as nurture and retain high calibre directors on the board to drive the Company's long-term objectives;
- ii) considers the demands, complexities and performance of the Company as well as the skills and experience required;
- iii) the remuneration should also be aligned with the business strategy and long-term objectives of the Company;
- iv) incentive plans, performance measures and targets shall be aligned with shareholders' interest in mind; and
- v) total remuneration shall be set at levels that are set at competitive level with the relevant market and industry.
- vi) remuneration policies and decisions are made through a transparent and independent process.

3.0 STATEMENT OF POLICY

NO.	DETAILS																							
A)	<p><u>REMUNERATION OF BOARD AT KPS BERHAD</u></p> <p>1. FOR NED</p> <p>i) KPS Berhad NED shall be entitled and remunerated in the following manner:</p> <p>a) <u>Directors' Fees</u></p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="background-color: #d9e1f2;"></th> <th style="background-color: #d9e1f2;">Directors' Fee Quantum per annum (RM)</th> </tr> </thead> <tbody> <tr> <td>As Chairman</td> <td>150,000</td> </tr> <tr> <td>As Senior Independent Director</td> <td>132,000</td> </tr> <tr> <td>As Member</td> <td>120,000</td> </tr> </tbody> </table> <p>b) <u>Meeting Allowance</u></p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th rowspan="2" style="background-color: #d9e1f2;"></th> <th colspan="3" style="background-color: #d9e1f2;">Meeting Allowance (RM)</th> </tr> <tr> <th style="background-color: #d9e1f2;">Board</th> <th style="background-color: #d9e1f2;">*BAC</th> <th style="background-color: #d9e1f2;">*NRC,BGRC, BIRC AND SBC</th> </tr> </thead> <tbody> <tr> <td>Chairman of Board/Chairman of BC</td> <td>3,500</td> <td>3,000</td> <td>2,000</td> </tr> <tr> <td>Member</td> <td>2,500</td> <td>2,000</td> <td>1,500</td> </tr> </tbody> </table> <p><i>*Board Audit Committee ("BAC"), Nomination and Remuneration Committee ("NRC"), Board Governance and Risk Committee ("BGRC"), Board Investment Review Committee ("BIRC") and Sustainability Board Committee ("SBC")</i></p>		Directors' Fee Quantum per annum (RM)	As Chairman	150,000	As Senior Independent Director	132,000	As Member	120,000		Meeting Allowance (RM)			Board	*BAC	*NRC,BGRC, BIRC AND SBC	Chairman of Board/Chairman of BC	3,500	3,000	2,000	Member	2,500	2,000	1,500
	Directors' Fee Quantum per annum (RM)																							
As Chairman	150,000																							
As Senior Independent Director	132,000																							
As Member	120,000																							
	Meeting Allowance (RM)																							
	Board	*BAC	*NRC,BGRC, BIRC AND SBC																					
Chairman of Board/Chairman of BC	3,500	3,000	2,000																					
Member	2,500	2,000	1,500																					

NO.	DETAILS								
	<p>c) <u>Benefits in Kind</u></p> <ul style="list-style-type: none"> ➤ Group Hospitalisation & Surgical** [for Self & Dependent (Spouse & Children age up to 23 years, still studying)] ➤ Group Term Takaful ➤ Group Personal Accident ➤ Medical Outpatient Benefits [for Self & Dependent (Spouse and children age up to 21 years, still studying)] <p><i>**For over age Director i.e., 65 years onwards, the hospitalisation scheme is subject to general guidelines issued by Bank Negara Malaysia.</i></p> <p>d) <u>Other Benefits</u></p> <ul style="list-style-type: none"> ➤ NED shall also be entitled to be repaid all travelling and hotel expenses properly incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from meetings of Directors or any BC or General Meetings of the Company or in connection with the business of the Company: <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="background-color: #d9e1f2;">ASEAN Countries (per day)</th> <th style="background-color: #d9e1f2;">Malaysia (per day)</th> <th style="background-color: #d9e1f2;">Asia Countries (per day)</th> <th style="background-color: #d9e1f2;">Rest of the world (per day)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">RM160</td> <td style="text-align: center;">RM80</td> <td style="text-align: center;">USD100</td> <td style="text-align: center;">USD150</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ➤ Other expenses properly incurred by the Directors arising from the requirements imposed by the authorities to enable the Directors to effectively discharge their duties. ➤ NEDs have the benefit of Directors & Officers ("D&O") Insurance in respect of any liabilities arising from such act committed in their capacity as Director of the Company. However, the said insurance policy does not indemnify a Director if he/she is proven to have acted negligently, fraudulently, or dishonestly, or in breach of his/her duty or trust. The Directors are required to contribute jointly with the Company towards the premium of the said policy. <p>ii) The fee payable to NEDs shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.</p> <p>iii) The fees and any benefits payable to NEDs shall be subjected to annual shareholders' approval at a general meeting.</p> <p>iv) Any proposed revision of Directors' Remuneration shall be deliberated and recommended by the NRC and concurred by the Board before tabling the same to shareholders at the general meeting for approval.</p> <p>v) NEDs are not entitled to receive performance-based bonuses.</p> <p>vi) The Company may extend the participation of Share Issuance Scheme or any other short-term and/or long-term incentive plans to NEDs subject to provisions set out in MMLR of Bursa Securities.</p>	ASEAN Countries (per day)	Malaysia (per day)	Asia Countries (per day)	Rest of the world (per day)	RM160	RM80	USD100	USD150
ASEAN Countries (per day)	Malaysia (per day)	Asia Countries (per day)	Rest of the world (per day)						
RM160	RM80	USD100	USD150						

NO.	DETAILS									
	<p>2. FOR MD/ED (If any)</p> <p>i) A MD or an ED shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, bonus, commission, or participation in profits, or partly in one way and partly in another and other benefits) as the Board of Directors may determine.</p> <p>ii) The NRC shall deliberate and recommend the MD/ED's remuneration, which will be approved by the Board.</p>									
<p>B)</p>	<p>REMUNERATION OF BOARD REPRESENTATIVE AT SUBSIDIARIES AND ASSOCIATES</p> <p>1) FOR NED</p> <p>i) If the subsidiaries and/or associates have remuneration package, the NEDs will be remunerated based on the subsidiaries and/or associates remuneration package.</p> <p>ii) If none, KPS Berhad shall remunerate the NEDs fairly having regard to their skills, responsibilities, expertise and guidance commensurate to the services rendered to the subsidiaries and/or associates.</p> <p>iii) KPS Berhad Board may decide to pay additional fees for subsidiaries and/or associates board appointments as the case may be, if remuneration benefits paid by the subsidiaries and/or associates are deemed as not equitable with their contribution to the subsidiaries and/or associates.</p> <p>iv) Recommended minimum quantum of directors' fees and meeting allowance for subsidiaries and/or associates (subject to the approval of the respective subsidiaries/associates board):</p> <table border="1" data-bbox="368 1415 1375 1832"> <thead> <tr> <th></th> <th>Directors' Fee per annum (RM)</th> <th>Meeting Allowance per meeting (RM)</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>20,000 (Minimum – subject to affordability of subsidiary and/or associate)</td> <td>1,000 (Minimum - subject to affordability of subsidiary and/or associate)</td> </tr> <tr> <td>Members</td> <td>12,000 to 15,000 (Minimum – subject to affordability of subsidiary and/or associate)</td> <td>700.00 (Minimum – subject to affordability of subsidiary and/or associate)</td> </tr> </tbody> </table> <p>2) FOR MD/ED</p> <p>i) In accordance with the Senior Management Remuneration Policy of KPS Berhad, the Management of KPS Berhad who have been appointed as Director on the board of subsidiaries and/or associates shall not be entitled to the remuneration benefits accorded to the Directors of the subsidiary and associate companies.</p>		Directors' Fee per annum (RM)	Meeting Allowance per meeting (RM)	Chairman	20,000 (Minimum – subject to affordability of subsidiary and/or associate)	1,000 (Minimum - subject to affordability of subsidiary and/or associate)	Members	12,000 to 15,000 (Minimum – subject to affordability of subsidiary and/or associate)	700.00 (Minimum – subject to affordability of subsidiary and/or associate)
	Directors' Fee per annum (RM)	Meeting Allowance per meeting (RM)								
Chairman	20,000 (Minimum – subject to affordability of subsidiary and/or associate)	1,000 (Minimum - subject to affordability of subsidiary and/or associate)								
Members	12,000 to 15,000 (Minimum – subject to affordability of subsidiary and/or associate)	700.00 (Minimum – subject to affordability of subsidiary and/or associate)								

NO.	DETAILS
	ii) The payment of such remuneration benefits shall be paid to KPS Berhad.

4.0 PROCEDURE ON REVIEW OF DIRECTORS' REMUNERATION

4.1 As and when the need arises, the NRC upon recommendation from Management of KPS Berhad shall review the Directors' Remuneration for offering fair remuneration packages for NEDs and MD/EDs (if any) based on market benchmarks, level of responsibility, individual's experience, expertise and performance as well as the Company's performance and thereafter recommend them to the Board for concurrence.

4.2 Nevertheless, the Board may suggest improvement of one or more aspects of the remuneration packages as and when the need arises. On this, the Board may seek professional advice from outside sources to assist the Board in formulating an attractive compensation and benefits package that aims to attract, retain and motivate talents.

5.0 MONITORING AND REPORTING

Disclosure of Directors' Remuneration and Senior Management shall be made in the Corporate Governance Report ("CG Report") announced to Bursa Securities. These disclosures are in accordance with Paragraph 15.25(2) of MMLR of Bursa Securities and MCCG.

6.0 EXCEPTIONS

Any exception to the Policy shall require approval of the Board unless it is deemed as operational in nature.

APPENDIX 1: DEFINITION

Terms	Definition
Policy	<ul style="list-style-type: none">• A principle of action adopted and has been agreed officially by the management of KPS Berhad detailing the general requirements of the stated frameworks.• It will be translated into systems, resources or process to operate the business via supporting documents including guidelines and standard operating procedures.
Guideline	<ul style="list-style-type: none">• An indication or outline of policy to determine a course of action.• It outlines the details of practical aspects of a policy to facilitate structured execution or implementation of process.• Guideline provides a set of parameters to guide users to effectively implement the policies that had been agreed and approved.
Procedure	<ul style="list-style-type: none">• It details steps required to perform an activity within a process to help individual in KPS Berhad carry out routine operation in step-by-step instruction.• It aims to achieve efficiency, quality output and uniformity of performance, while reducing miscommunication and failure to comply to industry regulations.