

CYL CORPORATION BERHAD (516143 V)
(Incorporated in Malaysia)

REMUNERATION POLICY

A INTRODUCTION

This objective of this Policy is to establish a formal and transparent procedure for developing the Company's policy and structure for the remuneration of Directors and Senior Management, such that the remuneration packages offered by the Company can be competitive, adequate (but not excessive) and in line with current market practices to attract, retain, motivate and reward the Directors and Senior Management of a calibre that meets the Company's needs to achieve its corporate goals and objectives.

With this Policy, the Company endeavours to assure internal and external equity and long-term value creation for its shareholders.

B. PROCEDURE FOR DEVELOPING REMUNERATION POLICY

This Policy is adopted by the Board based on the recommendation of the Remuneration Committee.

C. REMUNERATION STRUCTURE

Executive Directors and Senior Management

The remuneration of Executive Directors and Senior Management is made up of fixed salaries and performance-based incentive components. The remuneration levels of Executive Directors are structured to enable the Company to attract and retain highly qualified executive Board members Senior Management.

- (i) Base Salary is determined on the basis of the expectation of the Executive Directors and Senior Management, job scope of the position, including responsibility, complexity, the remuneration packages offered by companies comparable with the Company and other market conditions.
- (ii) Performance-based remuneration may include performance bonus which is awarded on a discretionary basis to motivate and reward high performers. Its exact amount is decided by reference to the Company's performance as well as the individual performance of the Director or member of the Senior Management involved.

To stay competitive, the Company provides a range of fringe benefits to the Executive Directors and the Senior Management such as medical insurance, company car & related benefits and hand phone related benefits.

Non-Executive Directors

Non-Executive Directors may be remunerated by way of Director's fee, fee for additional roles and responsibilities arising from being a member of board committees and meeting attendance allowances.

D. BENCHMARKING AND ANNUAL REVIEW

The Company endeavours to benchmark the remuneration packages of offered to Directors and Senior Management against companies which are comparable to the Company in order to remain relevant and competitive.

The Remuneration Committee shall conduct an annual review on the remuneration packages of Directors and Senior Management and make recommendations to the Board on the same.

E. REVIEW OF THIS POLICY

The Remuneration Committee shall review or, if necessary, further develop this Policy from time to time to ensure that it is in line with current market practices and requirements of the Malaysian Code on Corporate Governance.

Any amendments to this Policy shall be subject to the Board's approval.

This Policy was adopted by the Board on 13 May 2019.