

Criteria for Determination of Remuneration for Executives of the Company

The Company has established criteria and policy on payment of remuneration for executives of the Company which shall be reasonable and in line with the Company's operational results, together with the burden of duties and responsibilities of executives according to their performance. There are prime considerations which are taken into account, as follows:

1. The Nomination and Remuneration Committee shall consider determining remuneration for Managing Director for submission of the same to the Board of Directors' meeting for consideration and approval;

2. The Managing Director shall consider determining remuneration for Deputy Managing Directors under the conditions as assigned by the Executive Committee and determine remuneration for Assistant Managing Directors in accordance with the criteria specified by the Company for submission of the same to the Executive Committee's meeting for consideration and approval;

3. The Company's annual salary increments for staff and executives shall be proposed to the Executive Committee for consideration and approval, with such consideration based on the results of individual performance assessment and performance efficiency. In this regard, such increments shall be in accordance with the criteria specified by the Company.

The Company has the remuneration policy applicable to staff at various levels as follows:

Monetary remuneration: comprising salary and annual reward (bonus), of which the Company's policy on consideration is as follows:

- Remuneration for Managing Director shall be considered from the short-term remuneration by applying the Key Performance Indicator ("KPIs"), consisting of Performance Appraisal and Management Competency, as criteria for performance assessment; and the long-term remuneration by taking into consideration the Company's operational results together with the attainment of the Company's specified vision, mission and strategies.
- Remuneration for executives at all levels shall be based on KPIs, consisting of Performance Appraisal and Management Competency, as specified by the Managing Director, whereby there are performance indicators for executives in each position in line with his/her roles.

Furthermore, the Company considers such remuneration comparable with that offered by other companies in the same industry and on similar scale for determining appropriate remuneration as sufficient to attract and retain professional and competent executives to work for the Company.

Other remuneration and benefits: The Company provides a provident fund for saving of all executives and staff, whereby executives and staff can choose to contribute savings at a rate from 5 to 15 percent of their respective salaries and the Company will then make the contribution at the rate of five percent to the fund.