



**SNS NETWORK TECHNOLOGY BERHAD**  
[201601002835 (1173761-W)]  
(Incorporated in Malaysia)

# REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

UPDATED AS AT 5 JULY 2022

## REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

### 1.0 INTRODUCTION

- 1.1 SNS Network Technology Berhad (“**SNS**” or “**the Company**”) has formulated a policy called “**Remuneration Policy**” to support and drive business strategy and long-term objectives of the Company and its subsidiaries.
- 1.2 The Remuneration Policy also provides an overall approach for the development of independent and transparent framework for determining the remuneration of Directors and Key Senior Management of the Group.

### 2.0 KEY PRINCIPLES OF THE REMUNERATION POLICY

- 2.1 The Company adopts the following key principles in consideration of the remuneration of the Executive Directors and Key Senior Management:
1. The overall performance of the Company and its subsidiaries tracked against targets;
  2. General economic situation;
  3. Prevailing market practice;
  4. Salary position against market;
  5. Skills and experience; and
  6. Individual performance

### 3.0 DEFINITION

- 3.1 In this Policy:
- “**Act**” means the Companies Act 2016 and any amendments made thereto from time to time.
- “**AMLR**” means the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
- “**Board Committees**” means the Audit and Risk Management Committee, Executive Committee, Nomination Committee and Remuneration Committee, collectively.
- “**Chairman**” means Chairman of the Board and / or Chairman of Board Committees, as applicable.

“**Director**” means all Directors of the Company and will include executive director and non-executive directors.

“**Executive Director**” or “**ED**” means a director who is also a paid employee of the Company and is involved in the day-to-day management of the Company.

“**Independent Director**” means the Independent Non-Executive Director as defined in accordance with Paragraph 1.01 and Practice Note 13 issued of the AMLR. Such a person is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgment or ability to act in the best interests of the Company.

“**Non-Executive Director**” means to a director who does not assume management responsibilities in SNS but contributes by providing leadership, expert advice and guidance in steering the strategic direction of the Group. A Non-Executive Director may be an Independent Director or a Non-Independent Director.

“**Remuneration**” means to all forms of consideration rendered to Directors and Senior Management in exchange for their services. This includes but not limited to fees, meeting allowances, base salary, bonus, benefits and other emoluments (eg. Share based payments).

“**Key Senior Management**” means a person, who in the opinion of SNS, is one who generally holds highest level of management responsibility and decision-making authority within the Group and must include a person who is primarily responsible for the business operations of the Company’s core business and principal subsidiaries. Essentially, KSM is a member of the C-Suite or persons as identified as KSM.

All terms used herein are in a gender-neutral sense.

## 4.0 OBJECTIVE

4.1 The purpose and objectives of the policy are

1. To determine remuneration based on the Company’s business outlook, financial position, growth and trends and practices on remuneration prevailing in competitive compensation
2. To align reward and recognition mechanism directly to the effort, performance, dedication and achievement relating to the Company’s operations
3. To attract, retain, motivate and promote talent and to ensure long term sustainability of talented, strong credentials, high caliber and astute insights to run the business successfully.
4. To ‘Pay for Performance’ i.e. the remuneration shall be linked to the

performance and to strike the right balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the goals of the company

5. To ensure compliances and maintain high standards to governance.

## 5.0 SCOPE AND AUTHORITY

5.1 Remuneration Committee is responsible to implement the policies and procedures on the remuneration for the Executive Directors whilst the Board is responsible for approving the policies and procedures which govern the remuneration of the employees including Executive Directors and Key Senior Management of the Company.

5.2 The remuneration package is reflective of the individual Director's and Key Senior Management's experience and level of responsibilities and it is structured to link to corporate and individual performance. The Remuneration Committee is responsible for determining the level and make up of Executive Directors' remuneration and approved by the Board, with the presence of a majority of non-executive directors. The Executive Directors however, do not participate in any way when determining their respective remuneration package.

## 6.0 REMUNERATION STRUCTURE FOR EXECUTIVE DIRECTORS, NON-EXECUTIVE DIRECTORS & KEY SENIOR MANAGEMENT

6.1 Key components of the remuneration for Directors and Key Senior Management is as tabulated:

Component	Description	Nature	Applicable Level
(1) Base salary	Monthly payment to Executive Directors and Key Senior Management for performing their daily job of managing the business and operations of the Group.	Fixed	<ul style="list-style-type: none"> <li>• Executive Director</li> <li>Key Senior Management</li> </ul>

Component	Description	Nature	Applicable Level
(2) Director's Fee	Base fixed retainer sum given to the Directors for their contribution to the Board.	Fixed	<ul style="list-style-type: none"> <li>Executive Director</li> <li>Non-Executive Director</li> </ul>
(2) Director's Fee	Base fixed retainer sum from subsidiaries where Key Senior Management personnel serves as director [of a subsidiary of the Company].	Fixed	<ul style="list-style-type: none"> <li>Key Senior Management</li> </ul>
(3) Meeting Allowance	A payment provided with a condition that attendance is a prerequisite for entitlement	Fixed	<ul style="list-style-type: none"> <li>Non-Executive Director</li> </ul>
(4) Benefits	These benefits-in-kind encompass, among others, travelling allowance, leave passage, driver, vehicle expenses, utilities benefits, medical benefits, liability indemnity and hospitalisation insurance.	Fixed	<ul style="list-style-type: none"> <li>Executive Directors</li> <li>Key Senior Management</li> </ul>
(5) Benefits	Insurance coverage for liability indemnity.	Fixed	<ul style="list-style-type: none"> <li>Non-Executive Directors</li> </ul>
(6) Bonus	Bonus is designed to reward Executive Directors and Key Senior Management based on their annual performance.	Variable	<ul style="list-style-type: none"> <li>Executive Directors</li> <li>Key Senior Management</li> </ul>

6.2 Reimbursements shall be made in accordance with the Company's Authority Matrix.

## **7.0 ELEMENTS**

- 7.1 All Directors shall be granted with fixed annual directors' fees and for Non-Executive Directors who are chairman or members of the board committees, meeting attendance allowance is paid for meeting attended. The determination of the annual directors' fee for Directors and Non-Executive Directors' remuneration is a matter for the Board as a whole, depending on any additional responsibilities taken. The annual directors' fees payable to Directors, meeting and travelling allowances payable to Non-Executive Directors are presented to the shareholders at the Annual General Meeting for their approval.

## **8.0 REVIEW OF THE POLICY**

- 8.1 The Remuneration Committee will review and assess the effectiveness of the Policy as and when required. Any requirement for amendment shall be deliberated by the Remuneration Committee, and any recommendation for revisions shall be presented to the Board for approval. Based on recommendations from the Remuneration Committee, the Board will submit any adjustments in fees to the general meeting for approval.

## **9.0 DISCLOSURE**

- 9.1 Disclosure on the Directors' and Key Senior Management's remuneration will be made in the corporate governance report and/or overview statement of the Company's Annual Report. Such report will include a summary of this Remuneration Policy and details of the Directors' Remuneration in accordance with the AMLR

## **10.0 IMPLEMENTATION**

- 10.1 This Remuneration Policy of Directors and Senior Management has been approved and adopted by the Board and subject to revision as and when deemed necessary.

*This Remuneration Policy for Directors and Senior Management has been approved and adopted by the Board on 5 July 2022.*

### Fees and benefits payable for Executive and Non-Executive Directors

Directors	RM		
	Directors' Fees Per Executive and Non-Executive Director	Meeting Allowances Per Non-Executive Director	Travelling Allowances Per Non- Executive Director
1. Chairman of the Board and 2. Chairman of the Audit and Risk Management Committee	45,000 per Director per year	800 per Director per day	300 per trip (2 ways)
1. Other Board Members and 2. Board Committee Members	35,000 per Director per year	800 per Director per day	300 per trip (2 ways)