

**TALIWORKS CORPORATION BERHAD**  
**REMUNERATION POLICY FOR SENIOR MANAGEMENT STAFF**

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**POLICY STATEMENT**

The purpose of this policy is to establish a formal and transparent procedure for developing the policy and structure for the remuneration of senior management staff of the Company and of its subsidiaries (“Group”), such that the remuneration packages offered by the Group can be competitive, adequate and in line with current market practices to attract, retain, motivate and reward our senior management staff. The remuneration policy forms an integral part of the Group’s strategy and maintains a sustainable balance between short-term and long-term value creation, taking into account the interest of all the stakeholders.

This policy is established by the Executive Committee and adopted by the Board based on the recommendation of the Remuneration Committee.

**APPLICATION**

This policy shall apply to employees who have been identified as senior management staff of the Group. The senior management staff are those primarily responsible for managing the business operations and corporate divisions.

**REMUNERATION PACKAGE**

The remuneration package for senior management staff consists of two main components:

- Annual base salary
- Annual variable performance based payment

The base salary is determined based on the experience of the incumbent, the nature of the position, job responsibility, complexity and the expectation of the senior management staff; and in line with other market conditions.

Performance is measured during a one-year performance period (January to December) with reference to individual achievement and contribution, and the financial and non-financial performance indicators. The performance criteria are aligned to long-term value creation for all stakeholders by containing strategic development, risk appetite, financial goals and operational development.

Performance-based payment such as bonus is awarded on a discretionary basis to motivate and reward high performers. The actual quantum is decided by reference to the Company’s performance (or the financial performance of the operating subsidiaries, as the case may be, for senior management staff managing the business operations) as well as the individual performance of the senior management staff. The performance criteria are linked to three targets. The weighting of the all elements is equal:

- Achieving the budget:  
This target is determined every year based on two quantitative criteria; return on equity and an efficiency ratio.
- Strategic progress:

This target is determined every year based on a number of quantitative and qualitative criteria. These are related to the sustainable development of the market position and progress in the areas of risk management, administrative organisation, client satisfaction, etc.

- **Operational progress:**

This target is determined every year based on a number of quantitative and qualitative criteria. These are related to the operational development and progress in the areas of employee satisfaction, operational efficiency, compliance with regulatory requirements etc.

To ensure that the remuneration packages remain relevant and competitive, the Group shall from time to time, benchmark against the remuneration packages of companies which are comparable to the Group.

### **LONG-TERM INCENTIVE SCHEME**

The Group may consider other long-term incentives in the future such as share options to motivate, recognise, reward and retain key and high performers.

### **CONFIDENTIALITY**

It is the Group's policy that remuneration information is strictly confidential and restricted only to authorised personnel of the Group.

### **REVIEW OF POLICY**

The Company through 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 of Corporate Governance. Any amendment to this Policy will be submitted to the Board for approval.