



REMUNERATION POLICY AND PROCEDURES

SCOPE AND OBJECTIVES

- A. The objective of this Policy is to assist United U-LI Corporation Berhad (“ULICORP”) in attracting, retaining and motivating its directors and key Management personnel that are responsible for the continued success of the Group. The remuneration shall be based on conditions that are market competitive and at the same time aligned with shareholders’ interests.
- B. ULICORP’s remuneration policy is approved by the Board of Directors, on the recommendation by the Nomination & Remuneration Committee (“NRC”). On an annual basis, the NRC recommends to the Board the remuneration packages of Executive and Non-Executive Directors and it is the responsibility of the Board as a whole to approve the remuneration packages, except that Director’s Fees shall be approved by the shareholders at annual general meetings.
- C. No Director shall participate or vote on the deliberations and decisions concerning his or her own remuneration.

REMUNERATION POLICY

The responsibilities for developing the remuneration policy and determining the remuneration of Directors lie with the NRC comprising non-executive directors and majority must be independent directors. Nevertheless, it is the ultimate responsibility of the Board to approve the remuneration of these Directors. The Directors are offered an appropriate level of remuneration based on the individual Director’s qualifications, skills and experience and which reflect the level of commitment, risks and responsibilities undertaken.

The CEO/Group Managing Director and Executive Director, Operations will have primary responsibility to develop and implement the remuneration policy for Senior Management, with oversight provided by the NRC.

The Board may seek professional advice to assist the Board in formulating an attractive compensation and benefits package that aims to attract, retain and motivate appropriate talents.

REMUNERATION COMPONENTS

1. Executive Directors

The remuneration levels of the CEO/Group Managing Director and Executive Directors are structured to enable the Company to attract and retain highly qualified executive board members. The remuneration packages and benefits accorded to the CEO/Group Managing Director and Executive Directors are based on their scope of duties and responsibilities, individual performance, contribution and commitment devoted to the Company as well as the financial performance of the Group.

Elements of the remuneration for CEO/Group Managing Director and Executive Directors include basic salary, allowances, annual profit and performance linked bonuses and other benefits in kind such as company cars, drivers, healthcare, insurance and/or club membership.

The NRC of the Company is assigned to carry out its annual review of the CEO/Group Managing Director and Executive Directors' remuneration packages and benefits.

2. **Independent and Non-Independent Non-Executive Directors**

The remuneration of Independent and Non-Independent Non-Executive Directors consists of directors' fees and meeting allowances. The level of remuneration for such Directors shall reflect the experiences, level of responsibilities and time commitment undertaken by the Non-Executive Directors concerned.

Remuneration for the services of Independent and Non-Independent Non-Executive Directors shall be aligned with market terms, taking into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual's performance and responsibility, market competitiveness as well as ULICORP's overall performance.

The remuneration of Independent and Non-Independent Non-Executive Directors shall not be based on commission, percentage of profits or turnover.

The determination of remuneration packages of Independent and Non-Independent Non-Executive Directors is a matter for the Board as a whole. The determination of Directors' fee shall be a matter for the Board as a whole subject to shareholders' approval at the company's Annual General Meeting.

3. **Senior Management**

For all intents and purposes, Senior Management refers to Executive Directors, Chief Financial Officer and General Manager, Corporate Affairs/HR.

The remuneration of Senior Management is made up of basic salaries, allowances, performance linked annual bonuses, insurance and other benefits such as company cars are set according to:

- the nature of job;
- the level of skills, experience and scope of responsibilities of individual;
- the individual's overall contribution to Company's strategy and operation; and
- market and industry's rate.

Remuneration of Senior Management shall be structured to link rewards to corporate and individual performance and shall take into consideration the individual's performance and responsibility, market competitiveness as well as ULICORP's overall performance.

REMUNERATION APPROVAL PROCESS

Senior Management as defined above are evaluated annually by the CEO/Group Managing Director and Executive Director, Operations. The NRC reviews and approve Senior Management's remuneration package as recommended by the CEO/Group Managing Director and Executive Director, Operations.

Review of Policy

The Remuneration Policy is subject to periodical review by the Board and will be amended as appropriate to reflect the current best practices.

This Remuneration Policy and Procedures is reviewed by the Board on 8 December 2022.