

## **REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT**

### **1. Introduction**

This policy sets out the criteria to be used in recommending the remuneration package of Directors (including Non-Executive Directors), Chief Executive Officer (“CEO”) and Senior Management of Tien Wah Press Holdings Berhad (“TWPH” or the “Company”) and is in line with the best practice provisions of the Malaysian Code on Corporate Governance (“MCCG”).

### **2. Objectives**

This policy is designed to:

- 2.1. Determine the level of remuneration package of Directors, CEO and Senior Management;
- 2.2. Attract, develop and retain high performing and motivated Directors, CEO and Senior Management with a competitive remuneration package;
- 2.3. Provide a remuneration such that the Directors, CEO and Senior Management are paid a remuneration commensurate with the responsibilities of their position; and
- 2.4. The remuneration shall be based on conditions that are market competitive and at the same time aligned with shareholders’ interests. Hence, encourage of value creation for the Company and its Stakeholders

### **3. Remuneration Components**

- 3.1. Fixed Remuneration for CEO, Executive Directors and Senior Management.

The fixed salary is determined according to:

- The scope of the duty and responsibilities;
- The conditions and experiences required;
- The ethical values, internal balances and strategic targets of the Company;
- The corporate and individual performance; and
- Current market rate within the industry and in comparable companies.

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3.2. Bonus

The bonus in the case of CEO, Executive Directors and Senior Management is designed to reward outstanding performance. The bonus is granted to reflect the CEO, Executive Directors and Senior Management's performance as well as Group results. A discretionary assessment is made to ensure that all factors which include measurable and not directly measurable are considered.

3.3. Fixed Fee for Members of Board of Directors (“**Board**”)

The fixed fee is determined according to:

- On par with the rest of the market;
- Reflect the qualifications and contribution required in view of the Group's complexity;
- The extent of the duty and responsibilities;
- The number of Board meetings; and
- The corporate and individual performance

3.4. Other Benefits and Allowances

The benefits and allowances which should be decided by the Board as a whole include:

- Chairman's allowance;
- Meeting allowance;
- Expenses incurred in the course of their duties as Directors;
- Benefit in kind such as motor vehicle, petrol, driver, medical benefits, use of mobile phone and accommodation; and
- Any other expenses as proposed to and approved by the Board.

**4. Remuneration Procedures**

4.1 The Remuneration Committee reviews and approves the annual salaries, incentive arrangements, service arrangements and other employment conditions for the Executive Directors and Senior Management.

4.2 Senior Management who report to the Executive Director/CEO are evaluated annually by the Executive Director/CEO premised on annual measurements and targets set. Thereafter, the Executive Director/CEO recommends the remuneration levels for the Senior Management to the Remuneration Committee for consideration and subsequent recommendation to the Board for approval.

4.3 The Remuneration Committee shall, when necessary, engage with any independent agency to perform market survey, analysis and comparison on the competency of remuneration packages periodically and recommend to

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the Board on any adjustment for the Directors and Senior Management to support the objectives of this policy.

- 4.4 The determination of the remuneration for Non-Executive Directors is a matter for the Board as a whole. The Executive Directors are not present when matters affecting their own remuneration arrangements are considered.
- 4.5 This policy is in line with the Group's overall practice on compensation and benefits, which is to reward employees competitively, taking into account performance, market comparisons and competitive pressures in the industry. Whilst not seeking to maintain a strict market position, it takes into account comparable roles in similar organisations.
- 4.6 The Remuneration Committee ensures that the Remuneration Policy supports the Company's objectives and shareholder value and is consistent with the Company's culture and strategy.

## **5. Periodic Review and Disclosure**

This policy shall be reviewed by the Remuneration Committee as and whenever necessary. The Board should disclose this policy in the annual report published on the Company's website. Revisions, amendments and alterations to this Policy can only be implemented with the approval of the Board.

This Policy is reviewed and approved by the Board of Directors on 23 November 2022.