

MALAYSIAN BULK CARRIERS BERHAD REMUNERATION POLICY

Introduction

The Company recognised that appropriate levels of remuneration and compensation are essential to attract and retain the right talent to lead and manage the Company and to enhance the interests of the stakeholders and shareholders.

Purpose

This remuneration policy is to establish a framework for remuneration that is designed to:

- (a) determine the level of remuneration packages of the Directors and Senior Management;
- (b) reward Directors and Senior Management commensurate with the contribution, experiences and level of responsibilities undertaken by them; and
- (c) attract and retain the right talent in the Board and Senior Management in order to drive the Company's long-term objectives.

The Nomination & Remuneration Committee (NRC) is responsible for assisting the Board to determine the appropriate remuneration for Directors and Senior Management.

Remuneration Package and Procedures

- Board of Directors

The remuneration of Directors includes annual Board and Board Committee fees and meeting allowances. On yearly basis, the NRC shall review the remuneration package of Directors and makes its recommendation to the Board for approval. Upon reviewing the proposal, the Board to propose the Directors' remuneration to be tabled to the shareholders of the Company for approval.

No Director shall participate or vote on the deliberations and decisions concerning his or her own remuneration.

To ensure that the remuneration is fair and reasonable, the NRC shall at least once in every three (3) years, benchmark the remuneration of Directors against the remuneration paid by other companies of similar industry, size and complexity.

- Senior Management

The remuneration of Senior Management consists of basic salaries, bonus and other benefits, and are set according to:

- (a) nature of job;
- (b) level of skills, experience and scope of responsibilities of individual;
- (c) individual's performance indicators in the job; and
- (d) market and industry's rate

The NRC shall review the remuneration of the Senior Management on annual basis and makes its recommendation to the Board for approval. In reviewing the remuneration, the NRC shall take into consideration remuneration paid by other similar companies, in terms of industry and size, individual's performance and the Group's performance.

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