

MSB GLOBAL GROUP BERHAD
[Registration No. 202101037864 (1438164-U)]
(Incorporated in Malaysia)

DIRECTORS' REMUNERATION POLICY

1) Introduction

Practice 6.1 of the Malaysian Code on Corporate Governance (“MCCG”) stipulates that the Board should have in place policies and procedures to determine the remuneration of Directors, which takes into account the demands, complexities and performance of the MSB Global Group Berhad and its subsidiaries (**the “Group”**) as well as skills and experience required.

The Directors’ Remuneration Policy’s principle is to ensure the remuneration commensurate with the relevant experience and expertise, reflecting the level of responsibilities undertaken and contributions made by the respective Director in order to manage the business effectively.

The Remuneration Committee (“RC”) is empowered to make quantitative and qualitative performance assessments to reach its recommendations. The RC is also responsible for providing appropriate disclosure of the use of its discretion, if required, so that shareholders can understand the basis of its recommendation.

2) Scope

The Policy applies to Executive Directors (“ED”) and Non-Executive Directors (“NED”) of MSB Global Group Berhad.

3) Responsibility

- i. The remuneration of all Directors is set by the Board based on the recommendation from the RC..
- ii. The RC is empowered to make quantitative and qualitative performance assessments to reach its recommendations. The RC is also responsible for providing appropriate disclosure of the use of its discretion, if required, so that shareholders can understand the basis of its recommendation.
- iii. Each director shall abstain from deliberations and voting on decisions with respect to his/her individual remuneration.

4) Remuneration Policy & Procedures

4.1 For Executive Director

The remuneration of an ED is made up of salary, bonus and benefits.

(a) Salary

The salary is determined according to:

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

(b) Bonus

The bonus is granted to reflect the ED's performance as well as the Group's results. A discretionary assessment is made to ensure that all factors, which include measurable and not directly measurable, are considered.

(c) Other benefits

The Group may provide competitive benefits to the ED, such as allowances, a fully expensed car or cash alternative in lieu of car, company driver, fuel expenses, private medical insurance, and any other short-term and/or long-term incentive plans.

The RC and Managing Director/Chief Executive Officer shall review the performances of the Executive Directors annually based on their responsibilities and contributions.

The RC is responsible for recommending the respective ED's remuneration packages to the Board for their consideration and approval.

The respective ED shall abstain from deliberations and voting on decisions with respect to his/her own remuneration package.

The Board will then recommend the Directors' fees and other benefits payable to EDs on a yearly basis to the shareholders for approval at the Annual General Meeting of the Company following Section 230 (1) of the Companies Act, 2016.

4.2 For Non-Executive Director

The remuneration of the NED is made up of fees and other benefits such as meeting allowances, if any, as compensation for his/her services plus the reimbursement of expenses incurred, if any, in the course of performing his/her services.

The remuneration of an NED should commensurate with his/her contribution and level of responsibilities but shall not include commission, percentage of profits, or turnover.

The RC is responsible to review each NED's remuneration package annually and recommend them to the Board for their consideration and adoption.

The respective Director shall abstain from deliberations and voting on decisions with respect to his/her own remuneration package.

The Board will then recommend the Directors' fees and other benefits payable to NEDs on a yearly basis to the shareholders for approval at the Annual General Meeting of the Company following Section 230 (1) of the Companies Act, 2016.

4.3 Review of This Policy

This policy is subject to regular review by the RC. It will be amended as appropriate to align with the current market practices and requirements of the MCCG and any other new requirements. Amendment to this policy must be submitted to the Board for approval.

Disclosure of Directors' remuneration shall be made available via the corporate governance statement of the Company's Annual Report. Such report shall include details of the Directors' remuneration in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board adopted the Policy on 19 July 2024.