



IQ GROUP HOLDINGS BERHAD

(Company No. 636944-U)

(Incorporated in Malaysia under the Companies Act, 1965)

Remuneration Policy and Procedure

1. Objective

This Policy is designed to provide an overall remuneration package for executive director, non-executive director and the senior management (“DSM”) with the objective of attracting, retaining, motivating and reward our DSM as to drive the Company’s corporate objectives.

2. Policy and Procedure

The Remuneration Committee is responsible to review the remuneration framework and packages of Directors and Senior Management before tabling to the Board of Directors for approval.

Directors’ fees and any benefits proposed by the Board to be payable to Directors each year are subject to shareholders’ approval at the Company’s Annual General Meeting.

The remuneration package for Directors and Senior Management are dependent on the operating results of the Company after taking into account the level of responsibilities, expertise, experience, market practice, individual’s contribution, commitment and performance in achieving targets set.

The remuneration package of Directors and Senior Management comprises fixed components, variable components and others benefits as follows:-

- a) Fixed Component which includes base salaries, directors’ fees, monthly allowance and contractual bonus.

The fixed components of the remuneration package is determined based on the following criteria:

- the scope of responsibilities;
- the nature and complexity of job;
- the level of qualifications, skills and experiences;

- b) Variable Component which includes employee performance reward and retention bonus.

The variable components of the remuneration package is determined based on the following criteria:

- Business modifier - the level of business performance for the respective fiscal year;
- Role modifier - the seniority & complexity of the roles one accountable;
- Performance modifier - performance rating of the individual employee;

The variable components shall be structured to link rewards to corporate and individual performance and shall take into consideration of market pricing i.e. the individual's performance and responsibility, market competitiveness as well as IQ's overall performance

- c) Other benefits including but not limited to provision of company car, employee provident fund, pension cost, SOCSO, medical insurance, business travel insurance, travel, communication and other claimable benefits.

3. Confidentiality

It is the company's policy that the remuneration information is strictly confidential and restricted to authorized personnel of the Company.

4. Policy Review

The Remuneration Committee and the Board will review this policy and procedure periodically as to ensure that it is in line with the current market practices.