



**DELEUM**

**REMUNERATION FRAMEWORK  
(For Executive Directors & Key Senior  
Management)**

**Date: 28 November 2023**

Approved by the Board of Directors of Deleum Berhad  
on 28 November 2023

# **DELEUM BERHAD**

## **REMUNERATION FRAMEWORK FOR EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT**

Deleum Berhad (“Deleum” or “Company”) believes that to drive a sustainable business, the Company must be able to attract, motivate and retain the right leaders within the Company and its subsidiaries (collectively, “Group”).

The purpose of this Remuneration Framework is to provide guiding principles for determining the remuneration of Executive Directors of the Company and Key Senior Management of the Group and to align their interests with the interests of the Group’s stakeholders and with the Group’s strategies.

This Remuneration Framework has been updated and approved by the Company’s Board of Directors (“Board”) on 28 November 2023.

### **1.0 SCOPE**

This Remuneration Framework applies to Executive Directors of the Company and Key Senior Management of the Group, being the persons having authority and responsibility for planning, directing and controlling the activities of Deleum. Key Senior Management includes the following roles:

- a) Group Chief Executive Officer;
- b) Group Chief Financial Officer;
- c) Group Chief Operating Officer;
- d) Chief Executive Officer of business segments / subsidiaries;
- e) Senior General Manager – Group Corporate Services / Company Secretary; and
- f) Any other role of equivalent level of authority as approved by the Board.

### **2.0 REMUNERATION STRUCTURE**

Remuneration for Executive Directors and Key Senior Management varies in accordance with their respective skill, qualification, and experience, level of responsibilities and accountabilities, capabilities, performance, and scope of business / operations over which they are responsible and level of complexity of the same.

The components of remuneration include:

- a) Fixed remuneration which includes basic salary, allowances and benefits based on job grade; and
- b) Variable remuneration dependent on the performance of the Group and the individual’s respective performance against targets set.

### **3.0 REMUNERATION REVIEW**

The total remuneration for Executive Directors and Key Senior Management shall be determined and recommended by the Joint Remuneration and Nomination Committee (“JRNC”) to the Board.

Annual and periodic review and recommendations for the remuneration of Executive Directors and Key Senior Management, are presented to JRNC for the necessary recommendations to the Board. The individuals concerned shall abstain from discussing their own remuneration package.

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### **REMUNERATION FRAMEWORK FOR EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT**

JRNC shall seek to ensure fair remuneration to the Executive Directors and Key Senior Management, which, while set in the context of what the Company can reasonably afford whilst recognizing the following principles:

- (a) The remuneration must be aligned with the Group's and individual's performance, and appropriate to their respective scale of responsibilities and accountabilities, and their performance against agreed targets;
- (b) Performance targets are established not only on the basis of delivering financial returns but also non-financial factors (including environmental, social and governance) which reflect the Group's stakeholders' interests, long term objectives, as well as good corporate governance;
- (c) The remuneration package offered to Executive Directors and Key Senior Management should be sufficiently competitive to attract, motivate and retain Executive Directors and Key Senior Management of the necessary caliber to manage and lead the Group successfully.

#### **2.0 EMPLOYMENT AGREEMENT**

The remuneration and other terms of employment for the Executive Directors and Key Senior Management are formalized in their employment agreements.

The material terms of the employment agreements for the Executive Directors and Key Senior Management are summarized below:

- i. Type of employment
- ii. Duration of contract/employment
- iii. Fixed remuneration
- iv. Benefits specific to the role and responsibilities
- v. Notice of termination
- vi. Confidentiality

#### **3.0 REGULATORY COMPLIANCE**

In determining and executing the various components of the remuneration package to the Executive Directors and Key Senior Management, the Company ensures compliance to local and prevailing regulatory requirements.

#### **4.0 REVIEW OF REMUNERATION FRAMEWORK**

JRNC shall review this Remuneration Framework periodically or at least once in every three (3) years to ensure its effectiveness and that this Remuneration Framework remains relevant and appropriate to the Company. Any changes identified by JRNC will be recommended to the Board for approval.