

DC HEALTHCARE HOLDINGS BERHAD
[Registration No. 202201014036 (1459733-P)]
(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 Company as well as skills and experience required.

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

The remuneration of Executive Directors is set by the Board based on the recommendation from the Remuneration Committee ("RC"), whereas, the remuneration of Non-Executive Directors also operates on the same basis, except it requires shareholders' approval.

The RC is empowered to make quantitative and qualitative assessment of performance in reaching its recommendations. The RC is also responsible to provide appropriate disclosure of the use of discretion, if required, so that shareholders can understand the basis of its recommendation.

2) Scope

The Policy applies to Executive Directors and Non-Executive Directors of DC Healthcare.

3) Responsibility

- i. The remuneration of Executive Directors is set by the Board based on the recommendation from the Remuneration Committee, whereas, the fees of Non-Executive Directors also operates on the same basis, except it requires shareholders' approval.
- ii. The Remuneration Committee is empowered to make quantitative and qualitative assessment of performance in reaching its recommendations. The Remuneration Committee is also responsible to provide appropriate disclosure of the use of discretion, if required, so that shareholders can understand the basis of its recommendation.

iii. Each director shall abstain from deliberations and voting on decisions in respect of his/her individual remuneration.

4) Remuneration Policy & Procedures

4.1 For Executive Director (“ED”)

The remuneration of 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 Company’s result. A discretionary assessment is made to ensure that all factors which include measurable and not directly measurable are considered.

(c) Other benefits

The Company may provide competitive benefits to 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 Company also rewards the ED with options under the Share Issuance Scheme (“SIS”) as long term incentive.

The ED concerned plays no part in the decision of his/her own remuneration but may attend the Committee meetings as the invitation of the Chairman of the RC, if his/her presence is required.

4.2 For Non-Executive Director (“NED”)

The remuneration of NED is made up of Directors’ fees and other benefits such as meeting allowances (“collectively, known as “**emoluments**”) as compensation for their services plus the reimbursement of expenses incurred, if any, in the course of performing their services.

The emoluments of the NED are reviewed by the RC annually. Based on recommendations from the RC, the Board shall review and recommend all NED’s emoluments to shareholders for approval at a General Meeting.

NED remuneration commensurate with the contribution and level of responsibilities. The remuneration of a NED shall not include commission, percentage of profits, or turnover.

The RC is responsible to review NEDs’ remuneration packages and recommend to the Board for their consideration and adoption. The respective Directors shall abstain from deliberations and voting on decisions in respect of their own remuneration packages. 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 (AGM) of the Company in accordance with Section 230 (1) of the Companies Act, 2016.

4.3 Remuneration Approval Process

The performance of the Executive Directors are reviewed annually by the Chairman of the RC and Managing Director/ Chief Executive Officer respectively based on responsibilities and contributions in order to determine the recommendation on their remuneration levels.

4.4 Review of This Policy

This policy is subject to regular review by the RC and will be amended as appropriate to align with the current market practices and requirements of the MCGG 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 Listing Requirements of Bursa Malaysia Securities Berhad.

The Board has adopted the Policy on 25 November 2022.