



# REMUNERATION POLICY FOR BOARD MEMBERS AND SENIOR MANAGEMENT

Name of policy: Remuneration Policy for Board Members and Senior Management

Version: 1

Prepared by:

Group Human Resources & Administration

Address: Suite 8.02, Level 8, Intan Millennium Square 2,  
88, Jalan Batai Laut 4, Taman Intan, Klang,  
41300, Selangor Darul Ehsan.

Tel: 03-3341 3388

Fax: 03-3343 3387

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## 1. Introduction

This Policy is adopted by the board (“Board”) of directors (“Directors”) of Swift Haulage Berhad (Swift Haulage Berhad or “the Company”) to establish a formal and transparent procedure for developing the Company’s policy and structure for the remuneration of all Directors and senior management, such that the remuneration packages offered by the Company can be competitive, adequate (but not excessive) and in line with current market practices to attract, retain, motivate and reward our Directors and senior management, thereby having sufficient, experienced and competent manpower on board to achieve the Company’s corporate goals and objectives.

With this Policy, the Company endeavours to assure internal and external equity and long-term value creation for our shareholders.

## 2. Remuneration Objectives

The remuneration practices of the Group fulfil the following objectives:

- (a) Encourage behaviours that are in accordance with the Group’s core values;
- (b) Be aligned with the business strategy and long-term objectives of the Group;
- (c) Be based on clear, definable and measurable key performance indicators (“KPIs”);
- (d) Give due consideration to context to avoid penalising or unjustly rewarding performance due to external factors which are out of the individual’s control; and
- (e) Be comparable to the market rate of remuneration.

## REMUNERATION OF DIRECTORS

### 1. Remuneration of Executive Directors

The remuneration of Executive Directors is determined on the basis of responsibilities shouldered by the individual, complexity, skills, experience required and other market conditions with reference to the terms and conditions of the employment.

The remuneration of the Executive Directors shall be proposed by Nomination & Remuneration Committee (NRC) for the consideration and approval of the Board.

- **Increment and Bonus**

The Executive Directors shall be entitled to increment and participate in the Company’s annual cash bonus. The criteria and quantum of increment and bonus shall be proposed by the Management to the Nomination & Remuneration Committee (NRC) for the consideration and to be approved by the Board.

- **Other benefits**

Executive Directors shall also be entitled to other benefits provided to employee of the Company and other additional benefits proposed by the Nomination & Remuneration Committee (NRC) for the consideration and approval of the Board.

## 2. **Remuneration for Non-Executive Directors**

The remuneration for the Non-Executive Directors reflects the experiences, level of responsibilities and time commitment taken by them.

- The remuneration of non-executive directors comprises the following:

Director's Fee	Non-executive directors shall receive a fixed fee. The fee is to be determined and recommended by the Board for the approval of shareholders.
Meeting Allowance	Non-executive directors of the Company shall receive meeting allowance for attending Board and Board Committee meetings. The meeting allowance is to be determined by the Board.
Other benefits	Non-executive directors of the Company shall be entitled to other benefits proposed and approved by the Board.

- The Company ensures that the remuneration and incentives for Independent Directors do not conflict with their obligation to bring objectivity and independent judgement on matters discussed at board meetings.
- **Extra Services/Special Exertions**  
The Directors may be remunerated by a fixed sum (for non-executive director) or by a percentage of profits (for executive directors) or otherwise as may be determined by the Board for the performance of extra services or to make any special exertions in going or residing away from his usual place of business or residence for any purpose of the Company or giving special attention to the business of the Company. Such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the directors.

Such remuneration would be proposed by the Nomination & Remuneration Committee (NRC) for the consideration and approval of the Board.

### 3. **Remuneration Package of Group Chief Executive Officer**

The remuneration of Group Chief Executive Officer reflects the experiences, level of responsibilities and time commitment.

**The fixed salary is determined according to:**

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

**Increment and Bonus**

The Group CEO shall be entitled to increment and participate in the Company's annual cash bonus. The criteria and quantum of the increment and bonus shall be fixed by the Board based on the performance of the Company and achievement of their KPIs

**Other benefits**

The Group CEO shall also be entitled to other benefits provided to employees of the Company and other additional benefits proposed by the Nomination & Remuneration Committee (NRC) for the consideration and approval of the Board.

### 4. **Benchmarking**

The Company endeavours to obtain up-to-date information of the prevailing pay pattern and situations in the market. The remuneration packages of companies which are comparable to the Company will be used as a benchmark to ensure that the remuneration packages offered to Directors and Senior Management remain appropriate and competitive.

### 5. **Confidentiality**

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

### 6. **Remuneration Procedures**

According to its Terms of Reference, the Nomination & Remuneration Committee (NRC) is tasked with reviewing and recommending to the Board the remuneration packages for Directors. In carrying out its duties, the Remuneration Committee takes into consideration the individual's responsibilities, contributions and performance, comparing actual KPIs against pre-assigned benchmarks to determine performance. The Nomination & Remuneration Committee (NRC) also considers market conditions during the financial period and evaluates the market rate for similar positions in comparable companies. The evaluation of remuneration packages shall be conducted annually. The Nomination & Remuneration Committee (NRC) may resort to external advice where necessary, at the Company's expense.

**7. Reporting and Monitoring**

The Nomination & Remuneration Committee (NRC) presents the findings of its evaluation to the Board and recommends remuneration packages for the Board's endorsement. The Chairman and the Group Chief Executive Officer shall not participate in the Board's deliberation on their remuneration at the Board meeting. It is the ultimate responsibility of the Board as a whole to decide the remuneration of the Directors. Fees for the Non-Executive Directors are submitted to the shareholders for approval at the Annual General Meeting ("AGM") of the Company. Directors who are shareholders shall abstain from voting at the AGM to approve their own remuneration.

**8. Disclosure**

The Board shall make appropriate disclosures in the Company's Annual Report of the remuneration of Directors in accordance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The disclosure of Directors' remuneration includes fees, salaries, bonus, benefits in-kind and other emoluments

Pursuant to Practice 7.2 of the MCGG, the Board shall also disclose on a named basis the remuneration (in components) of Group CEO including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

**9. Review of Policy**

The Remuneration Policy for Directors and Senior Management will be periodically reviewed, updated in accordance with the needs of the Company and new regulations and made available in company's website.

***Date: 6<sup>th</sup> April 2022***