



DIRECTORS' REMUNERATION POLICY

1. INTRODUCTION

The Nomination and Remuneration Committee ("NRC") of Talam Transform Berhad ("the Company") reviews the remuneration of the Directors and Group Chief Executive Officer ("CEO") annually and submits its recommendations to the Board of Directors ("the Board") on specific adjustments and/or reward payments that reflect their respective contributions throughout the year, and are also competitive and are in tandem with the Group's corporate objectives, culture and strategy.

2. POLICY

The NRC and the Board would ensure that the remuneration policy for the Directors and Group CEO ("the Policy") remains competitive to attract and retain Directors and Group CEO of such calibre to provide the necessary skills and experience and shall commensurate with the responsibilities of an effective Board.

The remuneration packages for Executive Directors and Group CEO should involve a balance between fixed and performance-linked elements. The relative weightage of fixed and variable remuneration for target performance varies with level of responsibility, complexity of the role and typical market practice. The executive remuneration should be set at a competitive level for similar roles within comparable markets to recruit and retain high quality senior executives. Individual pay levels should reflect the performance, skills and experience of the Director and Group CEO as well as responsibility undertaken and is structured so as to link the short and long-term rewards to both corporate and individual performance.

For Non-Executive Directors, the review of the Directors' remuneration should take into account the trends for similar positions in the market and the time commitment required from the director.

3. REMUNERATION CRITERIA

The following criteria are to be considered by the NRC in developing the remuneration package:

- (a) Determine the Company's performance indicators via revenue, profit before tax, profit after tax, earnings per share, return on equity, etc.;
- (b) In reviewing the remuneration package, to take into account the complexity of the Group's business and the individual's responsibilities and ensure the package should also be aligned with the business strategy and long term objectives of the Company. The remuneration and incentives for Independent Directors should not conflict with their obligation to bring objective and independent judgment on matters discussed at Board meetings;
- (c) Review the NRC's annual assessment on each Director and the Group CEO and develop the remuneration package taking into consideration the performance, achievement and time commitment of each Director and the Group CEO; and
- (d) Propose the recommendation of the remuneration package to the Board for approval.

4. **REVIEW OF THE POLICY**

The NRC will review the Policy periodically, and discuss any changes that may be required and recommend any such changes to the Board for consideration and approval.

5. **DISCLOSURE**

The Policy will be published on the Company's website at www.ttransform.com.my for stakeholders' information.