

REMUNERATION POLICY

REMUNERATION GUIDELINES

- A. The objective of this Policy is aim to support the Company's key strategies and create a strong performance-oriented environment, and be able to attract, motivate and retain talent.
- B. The Remuneration Committee recommends to the Board the remuneration packages of Executive, Non-Executive Directors and key senior management and it is the responsibility of the Board as a whole to approve the remuneration packages.
- C. No Director shall participate or vote on the deliberations and decisions concerning his or her own remuneration.

REMUNERATION POLICY AND PROCEDURES

The responsibilities for developing the remuneration policy and determining the remuneration of Directors lie with the Remuneration Committee. Nevertheless, it is the ultimate responsibility of the Board to approve the remuneration of these Directors. The Directors are offered an appropriate level of remuneration which reflects the level of risks, responsibilities, experiences as well as the performance of the Company undertaken by the individual Director concerned.

Remuneration Procedures

1. Executive Directors

The remuneration of the Managing Director is made up of basic salaries, directors' fees, allowances, and annual bonus and is structured to link rewards to corporate and individual performance and shall take into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual's performance and responsibility, market competitiveness as well as SDB group's overall performance.

2. Non-Executive Directors

The remuneration of the Non-Executive Directors consists of directors' fees and meeting allowances, with the Chairman receiving higher amount in recognition of his additional responsibilities. An additional fee is also paid to Non-Executive Directors sitting on Board Committees.

3. Key Senior Management

The remuneration of the Key Senior Management is made up of basic salaries, annual bonus & directors fees (if applicable) and allowances and are set according to:

the nature of job;
the level of skills, experience and scope of responsibilities of individual;
the individual's overall contribution to Company's strategy and operation; and
market and industry's rate.

Remuneration Approval Process

Managing Director and Key Senior Management are evaluated semiannually by Remuneration Committee. Remuneration Committee will recommend to the Board for approval of increment and annual bonus.

