



L&P Global Berhad

Registration No. 202101028085 (1428385-M)
(Incorporated in Malaysia)

REMUNERATION POLICY

Revision History

Version	Description	Prepared by:	Reviewed by:	Approved by:	Effective Date
000	Approval of Policy	Ow CK	Executive Directors	Board of Directors	20/12/22
001	Para 2.0- Amendment on fully expensed car	Ow CK	Executive Directors	Board of Directors	08/05/24

REMUNERATION POLICY

OBJECTIVE

The Remuneration Policy (“**Policy**”) set out to provide remuneration principles, guidelines and procedures for the Board of Directors (“**Board**”) and key senior management of L&P Global Berhad (“**L&P**” or “**the Company**”) and its subsidiaries (“**L&P Group**” or “**the Group**”). Key senior management consist of Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”), Chief Operating Officer (“**COO**”) and certain Senior Managers of the Group identified by the Board.

The Policy is designed with the key objective of attracting and retaining experienced, qualified and high calibre members of the Board and key senior management to drive the business strategy, objectives, values and long-term interest of the Group.

This Policy seeks to set out an overarching framework for the development and administration of a fair and transparent framework for the remuneration of Directors and key senior management of L&P Group.

APPLICABILITY OF THE POLICY

The Policy applies to the Board of Directors and key senior management of the Group.

1.0 REMUNERATION PRINCIPLES

L&P Group is guided by the following principles in remunerating its Directors and key senior management:

- (a) Fees payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover (Paragraph 7.23 of Main Market Listing Requirements (“**Main LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”));
- (b) Salaries payable to Executive Directors shall not include a commission on or percentage of turnover (Paragraph 7.23 of Main LR);
- (c) The maxim “pay for performance” is adopted in remunerating Executive Directors and key senior management to promote the long-term success of L&P Group. Performance is measured based on a holistic balanced scorecard approach comprising both financial and non-financial key performance indicators (“**KPIs**”);
- (d) Independent Directors generally shall not be remunerated with shares or stock-options. If exceptionally granted, the quantum granted shall not amount to an extent that it would result in the Independent Director becoming a major shareholder (Paragraph 1.01 of Main LR);
- (e) Share options, if granted to Directors and key senior management, shall not vest immediately. The vesting period of share options shall reflect the time horizon of risks and take account of the potential for risks to crystallise over a longer period of time;
- (f) Bonuses to Executive Directors and key senior management shall not be guaranteed, except in the context of sign-on bonuses;

- (g) Periodic benchmarking of remuneration will be undertaken to ascertain the competitiveness of the Group's remuneration packages vis-à-vis other companies. However, such comparisons will be utilised with caution, in view of the risk of an upward ratchet of remuneration levels with no corresponding improvement in corporate and individual performance, and to avoid paying more than is necessary.

2.0 FOR EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT

2.1 Policy on Remuneration

The remuneration of Executive Directors and key senior management is made up of basic salaries, monetary incentives and fringe benefits including (but not limited to) car allowance. Salaries for Executive Directors and key senior management may consist of both fixed (i.e. base salary) and variable (performance based incentive) remuneration components. The remuneration levels of Executive Directors and key senior management are structured to enable the Group to attract and retain the most qualified Executive Board members and key management personnel respectively.

Variable remuneration may contain any or all of the followings:-
Incentive payments to reward Executive Directors and key senior management for outstanding business contributions, and in meeting with established key performance indicators ("KPI") and/or set at a level sufficient to provide the Executive Directors and key senior management with the motivation to achieve operational targets.

2.2 Policy on Other Benefits (Non-Cash Benefits or Benefits-In-Kind)

The Group may provide competitive non-cash benefits to Executive Directors and key senior management, such as a fully expensed car, medical insurance and life insurance. Car allowance is preferred over provision of fully expensed car. Provision of fully expensed car is only reserved for Executive Directors and shall be approved by Board of Directors on a case-by-case basis. The cost of the fully expensed car shall not be more than RM250,000 and the car is intended for a minimum of seven (7) years or such other terms & conditions as the Board of Directors may approve from time to time.

Allowances relating to business expenses (i.e. entertainment and travel) incurred are reimbursed such that no additional compensation is given to the entitled Executive Directors and key senior management.

The Executive Directors and key senior management concerned do not play and part in the decision of their own remuneration but may attend the RC meetings at the invitation of the RC, if their presence is required. The determination of Executive Directors and key senior management remuneration is decided by the Board, as a whole, subject to individual Directors abstaining from discussion of his or her own remuneration.

3.0 FOR NON-EXECUTIVE DIRECTORS

3.1 Policy on Remuneration

The remuneration of Non-Executive Directors is made up of Directors' fees and meeting allowances. The level of remuneration for Non-Executive Directors shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned.

The remuneration of Non-Executive Directors shall not be based on commission, the percentage of profits, or turnover. Non-Executive Directors receive remuneration in the form of Directors' fees and meeting allowance as compensation for their services plus the reimbursement of expenses incurred, if any, in the course of performing their services.

The emoluments of Non-Executive Directors are reviewed by the RC and Board annually.

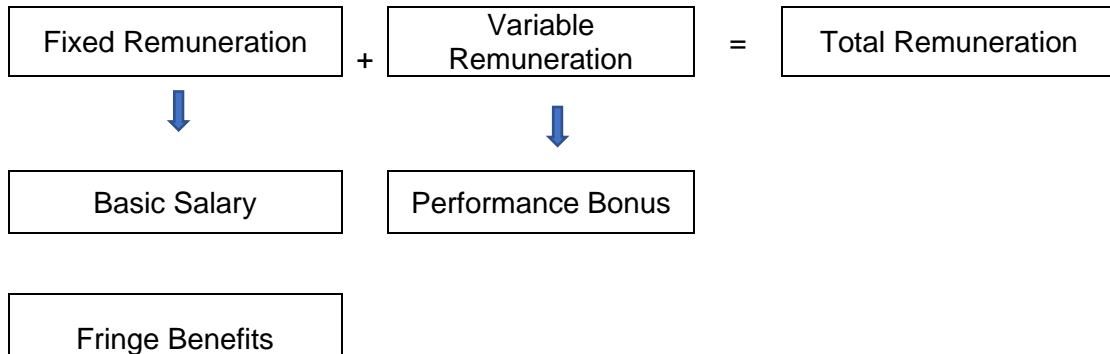
Fees payable to Non-Executive Directors is subject to a resolution passed at a General meeting. Based on recommendations from the RC, the Board shall submit any adjustments in Directors' fees to the General Meeting for approval by shareholders.

4.0 REMUNERATION STRUCTURE

The table below summarises the main components that shall form the remuneration packages of Directors and key senior management of L&P Group: -

Category Fixed/Variable	Component	Component description
Fixed	Fees	A fixed retainer sum shall be provided to all Directors for their ongoing contribution to the Board.
Fixed	Meeting allowance	A payment shall be made to Non-Executive Directors on a per-meeting basis with a condition that attendance (physical or virtual) is a prerequisite for remittance.
Fixed	Base salary	A monthly payment shall be provided to Executive Directors and key senior management personnel for performing their day job.
Fixed	Benefits	Benefits may be provided to increase the economic security of Directors and key senior management personnel and as an incentive to attract and retain talent.
Variable	Bonus	A performance-based sum (paid via cash, shares or stock options) may be awarded to Executive Directors and key senior management personnel for attaining or exceeding their assigned KPIs.

The table below summarizes the composition of remuneration package of the Executive Directors and key senior management: -



The table below summarizes the composition of remuneration package of the Non-Executive Directors: -



5.0 REMUNERATION PROCEDURES

5.1 Frequency of Remuneration Review

The RC shall review remuneration levels at least once a year and shall present the results of their review and recommendation to the Board for approval.

5.2 External Remuneration Consultants

When required and with the approval of the Board, external remuneration consultants are to be appointed at the Company’s expense, to assist the Board in formulating an attractive compensation scheme and benefits package that aims to attract, retain and motivate talents.

5.3 Measurable Objectives

On an annual basis, the RC shall discuss and agree on all measurable objectives for offering fair remuneration packages for Board of Directors and key senior management and recommended them to the Board for adoption.

REVIEW AND AMENDMENT TO THE POLICY

On a periodic basis, the RC shall review and assess the effectiveness and continued relevance of this Policy.

Any requirement for amendment shall be deliberated by the RC and any recommendation for revision shall be presented to the Board for approval.

This Policy was approved by the Board of L&P Global Berhad and adopted on 8 May 2024.