



## Lee Swee Kiat Group Bhd

### Remuneration Policy - reviewed Feb 2023

1. The Group intends to set remuneration for Directors at levels which are sufficient to attract and retain suitable candidates for long term sustainable operation of the Group. Various parameters including skills, years of relevant experience, function, workload and responsibilities involved are taken into consideration.
2. The Group has established an Executive Director Incentive Scheme (“EDIS”) to reward the Executive Directors based objectively on the company’s annual performance. Various Key Performance Indicators (“KPI”) including profit before tax, return on shareholders’ fund and gearing level of the Group are assessed to arrive at the annual performance incentive. The KPI are selected to encourage improved performance of the Group based on efficient use of the shareholders’ fund prudently and without incurring excessive borrowings which may increase default risks.
3. Any increment for the Executive Directors are subject to the financial performance of the Group. The rate of increase shall not exceed the rate of growth of the profit before tax for the Group. The increment may be frozen should the company register a loss before tax or perform substantially below the profit before tax of the prior year.
4. Independent Directors will be paid a basic fee as well as a meeting allowance. The level of remuneration will reflect the contribution and responsibilities undertaken by the Independent Directors. The fee and allowance are subject to review at least once every three years. The fee will be subject to the approval of shareholders at AGM.
5. Where necessary, a service contract may be drawn to attract suitable candidate to be an Executive Director.
6. There will be disclosure on the remuneration of Directors in the Annual Report on individual name basis.