

Remuneration Policy

OSKH-CS-POL-002-2

28 February 2018

OSK

OSK Holdings Berhad [Registration No. 199001015406 (207075-U)]	28 February 2018
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Revision History Log

Ver. No	Section	Section Name	Page	Details of Amendments	Effective Date	e-Circular No.
1	All	All	All	Document approved	Feb 2013	N/A
2	All	All	All	Document revised: - Renamed Remuneration Committee to Nomination and Remuneration Committee - Renamed CEO to GMD	28 Feb 2018	OSKH/CS/CIR/003

Glossary

Term	Description
"Board"	The Board of Directors of OSK Holdings Berhad
"Director"	A member of the Board which include both Executive and Non-Executive directors
"Executive Director"	A Director with executive powers and who participate in the management of the Company
"GMD"	Group Managing Director of OSK Holdings Berhad
"Key Senior Management"	Refers to Executive Director or above of the Group
"NRC"	Nomination and Remuneration Committee
"the Group"	OSK Holdings Berhad and its subsidiaries, collectively

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A. POLICIES

A1. Overview

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| 1. Introduction | <ul style="list-style-type: none"> • To develop a policy on the remuneration of Directors, Executive Chairman, Group Managing Director (“GMD”) and Key Senior Management under conditions of objectivity and transparency. |
| 2. Objectives | <ul style="list-style-type: none"> • The Nomination and Remuneration Committee (“NRC”) shall be responsible for developing a formal and a transparent policy and framework on the remuneration of Directors, Executive Chairman, GMD and Key Senior Management in the OSK Holdings Berhad and its subsidiaries (“the Group”) for the Board’s approval. The NRC will take into consideration the following: <ul style="list-style-type: none"> ○ Ensure the remuneration supports the Group’s objective, culture and strategy. ○ Remuneration and employment conditions of the industry and market as a whole. ○ The Group’s performance. ○ Individual’s performance against established criteria and performance related elements; his or her responsibility and accountability. ○ The remuneration for non-executive directors must be in line to the level of contribution, taking into account factors such as effort and time spent and the responsibilities entrusted. ○ The remuneration for each executive director shall be based on level of expertise, knowledge and experience. ○ The policy to cover Directors’ fee, salaries, allowances, bonuses, options and benefits-in-kind and termination/ retirement benefits. |
| 3. Evaluation / Review | <ul style="list-style-type: none"> • The NRC shall meet at least once a year to review the remuneration packages of the Directors, Executive Chairman, GMD and Key Senior Management. |

End