



# **Star Media Group Berhad**

**(Company No. 197101000523 (10894-D))**

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## **REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT**

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## 1. INTRODUCTION

This is a general framework of remuneration for the Board of Directors (“the Board”) and Senior Management\* of Star Media Group Berhad (“the Company”) and its subsidiaries (“the Group”). This policy sets out the criteria to be used in recommending the remuneration package of the Directors and/or Senior Management of the Company and Group, which is in line with the best practice provisions of the Malaysian Code on Corporate Governance and aligned with the Company’s Constitution.

The Board has delegated to the Remuneration Committee (“RC”) of the Company, the responsibility to review and recommend matters relating to remuneration of Directors and Senior Management.

*(Note: \*For the purpose of this Policy, “Senior Management” refers to the Key Management Personnel. Key Management Personnel include the top management of the Company. They would typically comprise the Group Chief Executive Officer, C-Suites and Senior General Manager, Group People or any equivalent key positions determined by the RC/Board.)*

## 2. OBJECTIVES

The Company is guided by the following objectives in determining its approach for the remuneration framework of Directors and Senior Management:

- i) To promote long-term value creation through transparent alignment with the agreed corporate strategy.
- ii) To support individual and corporate performance, encourage the sustainable long-term financial health of the business and promote sound risk management for the success of the Company and to the benefit of all its stakeholders.

This Policy aims to attract, motivate and retain highly caliber individuals at the Board and Senior Management level to drive business strategy and ensure the long-term sustainability of the Company and Group.

## 3. REMUNERATION COMPONENTS

Directors should be remunerated fairly, reflecting the appropriate performance, complexity and responsibility, with the aim of attracting, motivating and retaining high-performance individuals and promoting the enhancement of the Company’s value to its shareholders.

### 3.1 Non-Executive Directors (“NED”)

- The remuneration of NED is made up of fixed annual Directors’ fees (not by a commission or on percentage of profits/turnover of the Company), Board Committee allowances, benefits-in-kind and other emoluments.

Chairman of the Board and Board Committees receive higher fees/allowances for their additional responsibilities and commitment required. A meeting allowance is paid for attendance at meetings of the Board and Board Committees.

- The remuneration is structured according to the overall performance of the Company and commensurate with their level of responsibilities in the Board and Board Committees and their time commitments such as their attendance at the meetings as well as the prevailing and relevant market practice. The Company also reimburses relevant expenses properly incurred by the Directors in the course of performing their services.
- The NED shall not be eligible to participate in any form of employee share option scheme, performance-based bonuses, or participation in short-term and/or long-term incentive plans and pensions.
- The emoluments of the NED are reviewed by the RC annually. The NED's remuneration and entitlement will be decided by the Board as a whole, with the Director abstaining from deliberation and voting on decisions in respect of his/her individual remuneration.
- The NEDs' fees and benefits payable to the Directors of the Company and Group are subject to annual shareholders' approval at the general meeting of the Company.
- The remuneration for Independent Directors should not conflict with their obligation in bringing objectivity and independent judgement on the matters discussed.
- The RC periodically reviews the remuneration framework of the NEDs and thereafter makes its recommendation to the Board. As necessary, the Committee may engage the services of an independent professional advisor to facilitate the conduct of the review.

### **3.2 Executive Directors ("ED") / Senior Management**

- The remuneration of ED /Senior Management is made up of salary, bonus and benefits-in-kind. Amongst others, the salary is determined according to:-
  - i. the nature of job;
  - ii. the level of skills, experience and scope of the duties and responsibilities;
  - iii. the individual's Key Performance Indicators ("KPI") in the job;
  - iv. the individual's overall contribution to the strategy and operation of the Company and Group;
  - v. corporate and individual performance;
  - vi. the Company's budgets and strategic targets; and

vii. prevailing market practice and benchmark with comparable companies.

- The RC reviews and considers the relevant terms and conditions, inter-alia the remuneration and compensation of the ED and Senior Management per their Employment Contracts (where relevant) and recommends to the Board for approval.
- The ED concerned cannot make decision of his own remuneration but may attend the Committee meetings at the invitation of the Chairman of the RC, if his presence is required.

#### **4. DISCLOSURE OF REMUNERATION OF DIRECTORS**

In order to comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Directors' remuneration (including the remuneration for services rendered to the Group) must be disclosed in the Annual Report. The disclosure shall include each Director's name and the exact amount received during the financial year. The breakdown of remuneration shall, amongst others, include directors' fees, meeting allowance and benefits, as the case may be. The disclosure shall also cover the Directors of the Company who were appointed or resigned/retired/ceased their position during the year.

#### **5. REVIEW OF POLICY**

This Policy shall be reviewed periodically by the RC in accordance with the needs of the Company and the relevant requirements, before it is submitted to the Board for consideration and approval.

This Policy is available on the Company's website [www.starmediagroup.my](http://www.starmediagroup.my).