



## **1. Introduction**

The Non-Executive Directors' Remuneration Policy is a policy established under the Terms of Reference of Remuneration Committee (RC). The RC reviews this Policy at least annually to ensure it remains appropriate for the needs of Digi.Com Berhad ("Digi" or "the Company"). The Board considers that appropriate levels of remuneration and compensation are essential to enhance the Group's long-term value creation for the shareholders

## **2. Objective**

The Board's Policy on Non-Executive Directors' remuneration is as follows:-

- To aid recruitment and retention of high-performing Directors of a required caliber to drive the Company's strategic objective and business sustainability whilst paying no more than is necessary;
- To remunerate directors fairly;
- To provide attractive benefits benchmarked against companies in similar industry as to commensurate Directors' duties and responsibilities;
- To provide a level of benefits in line with local market practice that are valued the Directors carry out their duties.
- To build sustainable shareholder value by aligning the interests of directors with the long term interests of shareholders by not linking fees to the results of Digi.

## **3. Determination of Non-Executive Director Remuneration**

The RC makes recommendations to the Board in relation to the remuneration framework for Directors.

The Non-Executive Directors' remuneration is a matter to be decided by the Board as a whole with the Director concerned to abstain from deliberations and voting on decision in respect of his/her individual remuneration. The Board reviews the Non-Executive Directors' remuneration annually having regard to recommendations from the RC.

Fees payable to the Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover.

Fees and benefits payable to the Directors of the Company and its subsidiaries (if any), including any compensation for loss of employment of a Director or former Director, are subject to annual shareholders' approval the general meeting. The total amount of directors' fees paid to Non-Executive Directors must not exceed the maximum amount the shareholders authorised at general meeting.



The level of remuneration of the Non-Executive Director shall be fair and in line with local market practice while aligned with their required skills, experience, responsibilities and time commitment.

Any increase to the fees and benefits payable will be considered against fees paid to the Non-Executive Director of comparable companies taking into account that any change in responsibilities, role or time commitment may merit a larger increase.

#### **4. Main component of Non-Executive Director's Remuneration**

The Non-Executive Director's remuneration comprises the following:

##### **4.1 Independent Non-Executive Directors**

###### **Fee**

- Fee for independent Non-Executive Director is based on his/her responsibility in the Board and Board Committees as well as any special skills and expertise he/she contributes to the Board that could add value to the Company.

###### **Meeting Attendance Allowance**

- Meeting attendance allowance in respect of Audit and Risk Committee Meeting **ONLY**. Additional meeting attendance allowance is payable for Chairman of Audit and Risk Committee to reflect the commitment and responsibility associated with this position.
- The Audit and Risk Committee Meeting allowance for Non-Executive Directors shall be approved by the Company at the general meeting.

###### **Provision of Handphone and Handphone allowance**

- Entitled to be requested by Independent Director once every two years;
- This eligibility covers provision of phone device as part of Independent Director's remuneration. The devices can be referred to as smart phones or tablets;
- The assigned phone plan accompanying the device will be an unlimited rate plan.
- The pricing of each device will not exceed RM5,000 and no accessories can be included. There is no restriction to type or model or brand.
- This benefit will be subjected to taxation by the Inland Revenue Board. The value of the device/benefit will be reported in the EA form.
- The device is owned by the Independent Director and not required to be registered in the Fixed Assets Register or Inventory of the Company.



#### 4.2 Non-Independent Non-Executive Director representing Telenor Group

##### **Fee and Meeting Attendance Allowance**

- No fee or meeting attendance allowance shall be payable to the aforesaid Directors pursuant to the remuneration policy of Telenor Group for nominee directors.

#### 4.3 Non-Independent Non-Executive Director representing other major shareholder

##### **Fee**

- No fee shall be payable to the aforesaid Directors.

##### **Meeting Attendance Allowance**

- Meeting attendance allowance for Board meetings **ONLY** and shall be approved by the Company annually at general meeting.

The Non-Executive Directors do not receive bonuses, incentive payments, compensation or additional allowance for membership in one or more of the Board's committees.

The allowance shall be fixed in sum and not by a commission on or percentage of profits or turnover. Any allowance paid to an alternate Director shall be agreed between himself and the director nominating him and shall be paid out of the remuneration of the latter.

#### 5. **Approval**

This Policy was reviewed and approved by the Board of Directors on 15 March 2018.