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REMUNERATION POLICY		

Remuneration Policy

1. Introduction

The Remuneration Committee (“**the Committee**”) of Critical Holdings Berhad (“**Critical**” or “**the Company**”) is responsible to ensure that Directors and Senior Management are fairly remunerated for their responsibilities and contributions to the Company’s overall performance and the levels of remuneration should be sufficient to attract and retain Directors and Senior Management of high caliber. The objective of this Policy is to outline the principles for the Committee to determine and propose an appropriate level of remuneration for the Directors and Senior Management.

2. Executive Director(s) and Senior Management Remuneration Structure

2.1 Company Performance

The remuneration structure is designed to ensure alignment with shareholders’ interest in driving the Company’s performance via pay-for-performance principle.

2.2 Fixed Components

Fixed monthly salary for Executive Director(s) and Senior Management is set according to:

- Nature of job in the position which includes the responsibility and complexity
- Level of skills and experience
- Other market conditions

2.3 Variable Components

Performance-based remuneration e.g., short-term incentive (bonus), long term incentive (share options), if any, are determined based on:

- Individual performance indicators
- Individual overall contribution to the business

Goals and performance expectations are set at the beginning of the year and will be reviewed mid and end of the year. The Company adopts pay-for-performance philosophy where a transparent performance-linked rewards framework is set in place.

2.4 Benefits Components

- Common benefits e.g., annual leave, Employee Provident Fund (EPF), medical and life insurance, staff purchase discounts etc.
- Perquisites e.g., company car / car allowance, club subscriptions, driver, etc.

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2.5 Non-Executive Director

The remuneration for Non-Executive Directors should reflect the Board's responsibilities, expertise and complexity of the Company's activities. The remuneration of Non-Executive Directors shall consist of fixed Directors' fee and meeting allowances for every Board or Board Committees' meeting attended. Their remunerations are reviewed periodically by the Committee and the Board. The reviews are conducted with reference to the companies of similar industries or data based on survey results released by consulting or accounting companies.

3. Shareholders' Approval

The fees of the Directors and benefits payable to the Directors are subject to shareholders' approval of the Company.

4. Benchmarking and Periodic Review

The Company refers to the annual report disclosure of the companies in similar industries or scale, as the source to get the benchmarking information. The benchmarking exercises are conducted to assess the Company's competitiveness level in the market.

Taking into consideration the Company's overall performance and benchmarking information from annual reports, the Committee will then review and make informed decisions on the remuneration package of the individual Director and Senior Management.