



**Amway (Malaysia) Holdings Berhad**  
Registration No: 199501011153 (340354-U)

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**REMUNERATION POLICY  
FOR BOARD AND KEY SENIOR MANAGEMENT**

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**REMUNERATION POLICY FOR  
BOARD AND KEY SENIOR MANAGEMENT  
("REMUNERATION POLICY")**

**1. OBJECTIVE**

The objective of the Remuneration Policy is to attract, motivate and retain highly qualified members of the Board of Directors ("Board") and Key Senior Management of Amway (Malaysia) Holdings Berhad ("Company") to achieve the business objectives and strategic goals of the Company and its subsidiaries (collectively, "Group").

The Board considers that appropriate levels of remuneration and compensation are essential to enhance the Company's long-term value creation for the benefit of the shareholders.

**2. APPLICABILITY OF THIS POLICY**

This Remuneration Policy shall be applicable for the following:

- (a) Board of Directors – Executive and Non-Executive Directors; and
- (b) Key Senior Management – Chief Financial Officer, Chief Sales & Experience Officer, Head of Human Resources, Head of Marketing and Head of Corporate & Government Affairs and any other senior management that holds key pivotal positions to be determined from time to time.

**3. REMUNERATION FOR NON-EXECUTIVE DIRECTORS**

3.1 The Non-Executive Directors' Remuneration is a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his/her individual remuneration.

3.2 The Non-Executive Directors receive remuneration in the form of Directors' fees (i.e. basic fees), meeting allowances for their attendance at meetings and other benefits which shall be approved by shareholders at the General Meeting of the Company. The total amount of Directors' fees and benefits paid to Non-Executive Directors must not exceed the maximum amount approved by the shareholders at the General Meeting. In the event the amount of Directors' fees and benefits for Non-Executive Directors exceed the amount approved by the shareholders, approval shall be sought at the next General Meeting for the shortfall prior to making payments to the Directors.

3.3 In addition to the basic fees, additional fees are paid to Board members who are also members of the Board Committees for the additional duties and responsibilities that are required of them.

- 3.4 The Independent Non-Executive Chairperson of the Company shall receive a higher fee than the rest of the Non-Executive Directors in recognition of his/her role and additional responsibilities.
- 3.5 The Chairpersons of the Board Committees (i.e. Audit Committee, Nominating Committee and Remuneration Committee) shall receive a higher fee than the rest of the Board Committee members in recognition of their roles and additional responsibilities.
- 3.6 For Independent Non-Executive Directors, the Board shall ensure their remuneration and incentives shall not conflict with their obligation in bringing objectivity and independent judgment.
- 3.7 In determining the appropriate level of remuneration for Non-Executive Directors, the Board should also take into consideration the Company's performance in managing material sustainability risks and opportunities.
- 3.8 The Board shall table to the shareholders, the proposed remuneration for the Non-Executive Directors for the upcoming financial year, taking into account their responsibilities, time commitment and benchmark data of comparable listed companies.
- 3.9 Non-Executive Directors shall not be paid a fee for attendance at the General Meetings of the Company.
- 3.10 Non-Executive Directors who are full time employees of the Alticor Global Holdings Inc. ("AGHI") Group and is subject to AGHI's employee compensation plan shall not receive additional compensation for services as a Director.

#### **4. REMUNERATION FOR EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT**

- 4.1 The remuneration strategy for the Executive Directors and Key Senior Management executives is to pay competitively and, through the use of an integrated pay and benefits structure, to reward individual performance in order to contribute to the success of the Company. The remuneration strategy reflects the competitive nature of the Group's operations, recognising the need to attract, motivate and retain high quality and caliber personnel.
- 4.2 On an annual basis, the Remuneration Committee shall consider market competitiveness, business results, experience, individual performance and responsibilities and also take into consideration the Group's performance in managing material sustainability risks and opportunities, when evaluating the Executive Directors' and Key Senior Management executives' remuneration.

- 4.3 The Remuneration Committee shall recommend to the Board the remuneration package of the Executive Directors and Key Senior Management executives and it is the responsibility of the Board as a whole to approve the remuneration package.
- 4.4 Total remuneration package comprises fixed and variable components benchmarked against Mercer's Fast Moving Consumer Goods market data as the base, to build the salary range as it is more reflective as compared to other market data sources.
- 4.5 The fixed base salary is set at a level aimed at attracting and retaining employees with professional and personal competencies required to drive the Group's performance. The Group reviews and updates the formal salary policy structure and benefits on a yearly basis.
- 4.6 The short-term incentives, Annual Cash Incentive Plan ("ACIP") is a performance bonus. The reward is determined by the Group's business result and the differentiating individual contributions. It is aimed at maximising individual's effort and by doing so, foster a "Performance Driven" culture in Amway worldwide.
- 4.7 The Long-Term Incentives Plan ("LTIP") is designed to drive our enterprise long-term business strategy. A new LTIP class begins each year and is subject to annual approval by the Board of Directors of AGHI. Each LTIP class covers a 3-year period and is based on results achieved against predetermined enterprise financial measures set at the start of each class.
- 4.8 Pension contributions are made in accordance with applicable laws and employment agreements.
- 4.9 Severance payments are made in accordance with termination clauses in employment agreement and shall comply with the local legal framework.
- 4.10 Benefits in-kind, which include various types of non-wage compensation are provided in addition to the normal fixed based salary, i.e. medical and life insurance, optical & dental, professional membership, a fully expensed car or cash alternative in lieu of car.

## **5. REVIEW OF THE REMUNERATION POLICY**

The Board, through the Remuneration Committee, shall review or, if necessary, further develop the Remuneration Policy from time to time to ensure that it is in line with current market practices and the requirements of the Malaysian Code on Corporate Governance. Any amendments to the Remuneration Policy must be submitted to the Board for approval.

*Last updated on 27 February 2023*