



DE ECO SR HYGIENE SDN BHD (202001042946 (1399267-U))

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Remuneration Policy and Procedures

De Eco SR Hygiene Sdn. Bhd.

1. Introduction

This Remuneration Policy and Procedures outline the principles and process for determining the remuneration of Directors, Management, and Employees of De Eco SR Hygiene Sdn. Bhd. The policy ensures remuneration practices are fair, transparent, performance-based, and aligned with the Company's business objectives, sustainability commitments, and Environmental, Social, and Governance (ESG) principles.

2. Objectives

The objectives of this policy are to:

- Attract, motivate, and retain qualified and competent personnel necessary for the Company's growth and innovation.
- Ensure remuneration is fair, competitive, and aligned with industry benchmarks and the Company's financial capacity.
- Link remuneration to individual performance, company performance, and long-term value creation.
- Promote ethical conduct, accountability, and sustainable business practices.
- Ensure transparency and proper governance in remuneration decisions.

3. Remuneration Structure

Remuneration may consist of the following components, where applicable:

- **Basic Salary / Director's Fee:** Fixed compensation based on role, responsibilities, qualifications, and experience.
- **Performance Incentives / Bonus:** Variable compensation linked to individual performance, company performance, and achievement of strategic or sustainability targets.
- **Allowances and Benefits:** May include statutory contributions, travel allowance, or other benefits as approved by the Company.
- **Other Incentives:** Special incentives or project-based rewards may be granted at the discretion of the Board or Management.

All remuneration components shall comply with applicable labor laws and statutory requirements.

4. Determination and Approval Procedures

4.1 Board of Directors

The Board of Directors holds overall responsibility for approving remuneration of Directors and ensuring alignment with governance and ESG commitments.



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4.2 Management Remuneration

The Director or designated senior management shall review and determine remuneration for employees based on:

- Job scope and level of responsibility
- Performance evaluation results
- Skills, qualifications, and experience
- Market and industry benchmarks
- Company financial performance

4.3 Performance Review

Performance evaluations shall be conducted periodically, typically annually, to assess eligibility for salary adjustments, incentives, or bonuses.

4.4 Transparency and Documentation

All remuneration decisions shall be properly documented and maintained as part of the Company's governance and compliance records.

5. ESG and Ethical Considerations

The Company ensures remuneration practices support:

- Equal opportunity and non-discrimination
- Fair compensation practices
- Long-term sustainable growth rather than excessive short-term risk-taking
- Responsible business conduct consistent with the Company's sustainability mission

6. Review of Policy

This policy shall be reviewed periodically, or at least once every two (2) years, by the Board of Directors to ensure continued relevance, regulatory compliance, and alignment with the Company's ESG and governance commitments.