

ATA IMS BERHAD (FORMERLY KNOWN AS DENKO INDUSTRIAL CORPORATION BERHAD)

Remuneration Policy and Procedures

1) Background

The Nominating and Remuneration Committee of **ATA IMS BERHAD (FORMERLY KNOWN AS DENKO INDUSTRIAL CORPORATION BERHAD)** (the Company) is responsible to establish policies and procedures to determine the remuneration of directors and key senior management staffs which takes into account the demands, complexities and performance of the Company as well as skills and experience required.

2) Objective

The objective of this policy is aimed to attract and retain the best talents by ensuring a fair and equitable remuneration to directors and senior management, based on individual's merit, responsibilities, qualifications, experience, performance and contribution to the Company. Also, the remuneration package should be aligned with the business strategy and regard to the Company's operating results and comparable market statistics.

3) Executive Directors (ED)

The remuneration for ED is being determined based on the market sector that it operates and the practices in other comparable companies when appropriate. The Bonus entitlement was based on the profits for a financial year and as per a predetermined table approved by the Board.

4) Non Executive Directors (NED) & Independent Directors (ID)

NED and ID will be paid for a monthly fixed remuneration. No allowance will be paid for attending meeting. The Company will reimburse the out-of-pocket expenses incurred by the Directors for attending meeting as and when applicable. The committee should ensure that the remuneration package offer to ID do not conflict with their obligation to bring objectivity and independent decision to the Company.

5) Key Senior Managements Staffs

Senior Management Staffs refer to Financial Controller, Chief Financial Officer, General Manager, Chief Operation Officer and all those Executives who directly reports to the ED. The remuneration package will comprise:

- Salary and applicable allowances;
- Applicable Perquisites based on HR policies; and
- Any other perquisite in accordance with the Policy of the Company and as approved by the Nomination & Remuneration Committee / Board of Directors, from time to time.