



## AIRASIA X REMUNERATION POLICY STATEMENT

### 1. OVERVIEW

This policy sets out the remuneration philosophy and procedure applicable to all companies within the AirAsia X Group.

It is a guideline that aims to attract and retain the best talent by ensuring fair, transparent and equitable remuneration to employees and Directors based on individual job requirements and responsibilities, qualifications and experience, the performance of the Company, and contribution of the individual towards Company objectives.

### 2. APPROACH

In accordance with the Terms of Reference of the Nomination and Remuneration Committee (“the Committee”), remuneration matters for Directors and key management fall under the purview of the Committee.

The remuneration matters of employees fall under the purview of Company management.

In determining the appropriate levels of compensation, the Committee and Company management are guided by the following principles and philosophy:

- a. The demands, complexities of activities and performance of the Company;
- b. The level of responsibilities, skills, expertise and experience required;
- c. Ensuring that our pay is competitive with the local market in which we compete for talent;
- d. Keeping it simple philosophy:
  - i. Makes it easier to understand
  - ii. Reduces administration;
- e. Driving productivity
  - i. Lean workforce that delivers higher levels of output and revenue/profits
  - ii. Higher profits can be shared across the lean workforce to pay bonuses in line with Company and individual performance.



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Specifically in relation to the remuneration of Non-Executive Directors, the Committee is further guided by the following:

- a. A suitable balance of fees between annual Director fees, Board Committee fees and meeting attendance fees. The principle is to ensure recognition of workload and responsibilities for Non-Executive Directors, who sit on the various Board Committees, ensuring a balance is struck between compensating for time spent, frequency of meetings and continued responsibilities for all Directors;
- b. The remuneration should not conflict with their obligation to bring objectivity and independent judgment;
- c. The remuneration should comply with the applicable provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Companies Act 2016 and the Constitution of the Company.
- d. All remuneration to be paid to Non-Executive Directors, including any reviews of remuneration shall be tabled to the shareholders at the Annual General Meeting for approval.

### 3. REVIEW & MONITORING

It shall also be the Committee's responsibility to review and monitor the implementation of this Policy regularly to reflect current best practices. The Committee shall further discuss any amendments to this Policy that may be required and will recommend such amendments to the Board for approval.