

# Annual Increase & Performance Bonus Policy



## A. Annual Increase Policy

### Purpose

The purpose of this policy is to define the principles and criteria governing annual salary reviews and performance-based bonuses, ensuring equitable treatment, internal consistency, and alignment with the Company's strategic and financial objectives.

### 1. Eligibility

- Employees who joined before the 1st of July of the performance year are eligible for the annual increase.
- Employees who are on unpaid leave or sick leave for more than 180 days during the performance year, or those who receive a "Poor" performance rating, shall be entitled to the governmental increase only.
- Employees who received a promotion with a salary adjustment during the last quarter of the performance year are not eligible for the annual salary increase.

### 2. Annual Review Cycle

The company conducts an annual pay review during the first quarter each year for all eligible employees, and the overall percentage of the merit increase pool is determined by management based on:

- Approved annual budget allocated for merit increases.
- Prevailing market trends and inflation rates.

### 3. Individual Salary increase

The annual pay review considers the following parameters:

- Individual performance results from the latest appraisal cycle.
- Current position of the employee's salary within the approved pay band.
- Any approved promotional decisions resulting in a promotion-based increase.

### 4. Department Salary increase

The company may apply differentiated merit increase schemes for specific departments, divisions, or roles depending on:

- Strategic business priorities.
- Financial contribution or profitability of the department.
- Market competitiveness and talent retention.
- Strategic adjustments may be applied to critical-skill or high-turnover roles.

### 5. Responsibilities

- The Compensation & Benefits team conducts market analysis at least once per year.
- HR consolidates & validates all performance ratings & promotion recommendations from the line managers.
- HR calculates the corresponding annual increase and promotions amounts.
- Department Heads & ExCom members validate the HR recommendations for fairness & consistency.
- HR is responsible for obtaining the final approval of the annual increase from the CEO.
- HR is responsible for maintaining documentation, communication, and confidentiality regarding all increase-related data.

# Annual Increase & Performance Bonus Policy



## B. Performance Bonus Policy

### Purpose

The purpose of this policy is to establish a framework for recognizing and rewarding employees for their contribution to achieving company goals, promoting high performance, and strengthening alignment with organizational success.

### 1. Eligibility

- All employees who joined before the 1<sup>st</sup> of July of the performance year are eligible for the bonus.
- Employees who joined during the performance year receive a prorated bonus based on the period spent during the year.
- Employees must be actively employed on the bonus payout date to receive the payment.
- The performance bonus doesn't apply to Real Estate Sales Staff, as they are commission-based.

### 2. Payout Date

- Bonuses will be paid annually during the first quarter, following the completion of performance reviews and approval of final bonus allocations by management.
- The exact payout date will be communicated each year by the Human Resources department.

### 3. Payment Base

- The bonus amount is calculated based on the weighted average of the basic salary of the performance year; hence all allowances, overtime, or other variable pay components are not included in the bonus calculation.
- The bonus amount is calculated according to the performance results as a multiple of the employee's monthly basic salary, based on the performance rating.
- Finally, the overall bonus payments are determined based on the company's cash position.

Performance Rating	Bonus Equivalent	Rating Description
Exceptional	Up to 6 months' salary	Outstanding performance consistently exceeding expectations.
Above Expectations	Up to 4.5 months' salary	Exceeds key targets and demonstrates strong initiative
Meets Expectations	Up to 3 months' salary	Fully meets performance requirements and delivers consistent results.
Needs Improvement	Up to 1.5 months' salary	Below standard; partial bonus may be granted based on progress.
Poor	Not eligible	Unsatisfactory performance; no bonus applicable.

### 4. Responsibilities

- HR consolidates all performance ratings and calculates corresponding bonus amounts.
- Department Heads & ExCom members validate bonus recommendations for fairness & consistency.
- HR is responsible for obtaining the final approval of the bonus payment from the CEO.
- HR is responsible for maintaining documentation, communication, and confidentiality regarding all bonus-related data.