

# HARN LEN CORPORATION BHD (502606-H)

## Directors' Remuneration Policy

### Introduction

The policy for Directors' remuneration is to provide a remuneration package needed to attract, retain, motivate and reward Directors of the quality required to manage the business of the Company.

### Objectives

The Company's remuneration policy aims to

- Determine the level of remuneration package of Directors;
- Attract, motivate, develop and retain qualified Directors with a competitive remuneration package;
- Provide a remuneration such that the Directors are paid a remuneration commensurate with the responsibilities of their positions;
- Is competitive as compared to the compensation paid by comparable companies; and
- Encourage value creation for the Company and its Stakeholders.

### Remuneration Structure

The fixed remuneration for Executive Directors comprises the following elements, where applicable:

a) The fixed salary is determined according to:

- The scope of the duties and responsibilities;
- The Company and individual performance;
- The conditions and experiences required;
- The ethical values, internal business and strategic targets of the Company;
- Is competitive as compared to the compensation paid by comparable companies.

b) Bonus

The bonus in the case of Executive Directors is designed to reward outstanding performance. The bonus is granted to reflect the Executive Directors' performance as well as Company results. Bonus which is awarded on a discretionary basis is to motivate and reward high performers. The amount is decided by reference to the Company's performance as well as the individual performance of the Directors.

c) Fixed fees for Members of Board of Directors

The fixed fee is determined according to:

- On par with the with the rest of the market;
- The extent of the duty and responsibilities;
- Reflect the qualifications and contributions required in view of the Company's business; and
- The number of Board meetings.

d) Other Benefits and Allowances

The benefits and allowances which should be decided by the Board as a whole include:

- Chairman and members of Board Committees namely Audit Committee, Nominating Committee, Remuneration Committee and Risk Management Committee;
- Meeting attendance allowance;
- Expenses incurred in the course of their duties as Directors; and
- Benefits in kind such as motor vehicle, petrol, driver and accommodation.

### **Benchmarking**

The Company endeavours to obtain up-to-date information of the prevailing remuneration pattern and situations in the market. The remuneration packages of companies which are comparable to the Company will be used as a benchmark to ensure that the remuneration packages offered to Directors remain appropriate and competitive.

### **Review of Policy**

The Director's Remuneration Policy is to be regular reviewed by the Board as and when required and will be amended as appropriate to reflect the current best practices.

This Remuneration Policy has been approved by the Board of Directors on 13 April, 2018.

