



# Remuneration Policy

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## 1. Introduction

1.1 This policy sets out the criteria to be used in recommending the remuneration package of Directors and Senior Management of Teo Guan Lee Corporation Berhad ("TGL" or the "Company") and is in line with the best practices provisions of the Malaysian Code on Corporate Governance ("MCCG")

## 2. Objectives

2.1 This policy is designed to:

- (a) Determine the level of remuneration package of Managing Director (MD), Executive and Non Executive Directors and Senior Management;
- (b) Attract ,develop and retain high performing and motivated Directors with a competitive remuneration package;
- (c) Provide a remuneration such that the Directors are paid a remuneration commensurate with the responsibilities of their position ;and
- (d) Encourage value creation for the Company and its Stakeholders.

## 3. Remuneration Components

### 3.1 Fixed Remuneration for Managing Director and Executive Directors ("EDs")

The fixed salary is determined after taking into consideration the following:-

- (a) The scope of the duty and responsibilities;
- (b) The conditions and experiences required;
- (c) The ethical values and strategic targets of the Company;
- (d) The corporate and individual performance; and
- (e) Current market rate within the industry and in comparable companies.

### **3.2 Bonus**

(a) The bonus in the case of MD, EDs and Senior Management is designed to reward outstanding performance.

(b) The bonus is granted to reflect the MD, EDs and Senior Management performance as well as Group performance for the year. A discretionary assessment is made to ensure that all factors which include measurable and not directly measurable are considered.

### **3.3 Fixed Directors Fee for Non Executive Directors**

(a) The fixed fee is determined after taking into consideration:

(i) The qualifications and contributions required in view of the Group's business;

(ii) The extent of the duty and responsibilities; and

(iii) The number of Board meetings

### **3.4 Other Benefits and Allowances for Board of Directors**

(a) The benefits and allowances are determined by the Board per the Framework approved from time to time

## **4. Periodic Review and Disclosure**

The Remuneration Committee should conduct a review on an annual basis of the criteria to be used in recommending the remuneration package of MD, EDs and Senior Management. The Remuneration Committee should promptly communicate any new changes or amendments of the criteria to the Board and individual Directors

## **5. Effective Date**

This policy is effective 27 November 2019.