

	HELA APPAREL HOLDINGS PLC		
	COMPENSATION & BENEFITS POLICY	Version No: 01	Issue Date December 30, 2024
Approved by Board of Directors on 18 th December 2024			

1. OBJECTIVE

This policy and procedure is designed with a view of establishing Hela Group (hereinafter may be referred to as the 'Company' or 'Group') as an 'Employer of Choice'; attract, motivate and retain high talents; and promote and sustain long-term value creation for the Group and its shareholders. This policy stipulates a formal guideline to design and review remuneration and benefit packages of its employees; both existing and potential new recruits, while rewarding for contribution and ensuring equity among employees.

Hence, the company intends to:

- a) Fulfil its obligations of the Company by compensating employees accurately in a timely manner;
- b) Ensure employees are fairly and equitably remunerated for their work;
- c) Encourage, recognize and reward high-performance;
- d) Comply with relevant labour laws and obligations.

2. SCOPE

This policy will be applicable to all employees at Hela Group.

3.0 PRINCIPALS

3.1 Support for the Strategic Objectives

The Remuneration and benefit framework shall be developed / reviewed by the Management of the Company in a manner that is consistent with, supports and reinforces achievement of the Company's Vision, Mission and overall Strategy.

3.2 Labour Law Compliance

All remuneration packages of Hela Group shall comply with the governing legal framework of the Country

3.3 Board of Investment (BOI) Regulations

As an enterprise under the Board of Investment (BOI), Hela Group will be guided by BOI directives as may be notified by the BOI from time to time

3.4 Transparency

3.4.1 The salary scales and individual salaries shall be kept in strict confidence. However, benefit scales for each grade / specialized skilled jobs shall be transparent to employees of relevant grades / those engaged in respective skilled jobs.

3.4.2 Employees should maintain strict confidentiality with regard to his / her remuneration package.

3.4.3 Individuals should not discuss their packages except with the authorized persons.

4.0 DESIGNING AND REVIEWING REMUNERATION PACKAGES

4.1 The Company shall remunerate all employees fairly in terms of their roles and performance within the organization. A pre-determined salary and benefit scale which will be dependent on individual educational / professional qualifications, skills, experience, market rates, perceived value contribution, beyond the legal limit etc. will be applied for all employees.

4.1.1 Market Rates

4.1.1.1 The Management from time to time may decide to gather market information through remuneration and benefit surveys and through benchmarking with other similar institutions.

4.1.1.2 Information related to market rates and individual expectations shall be gathered during recruitment interviews, exit interviews etc.

4.1.1.3 In the event where there is considerable a deviation from the average industry levels, a fixed increase in salaries shall be made in addition to the performance based increase to bring the salary scales up to a certain level provided that no notable poor performer or any other considerable causes are there.

4.1.2 Performance of individuals, teams and overall performance of the Company

4.1.2.1 Hela Group encourages a culture of performance driven remuneration through implementation of its Performance Management System (PMS) aligned with the Group's strategy. Performance is linked to predetermined Key Performance Indicators.

4.1.2.2 Increments / revisions to the remuneration package shall depend on the achievement of agreed performance standards or financial benchmarks which are set at the start of each financial year.

4.1.2.3 Performance driven remuneration will primarily depend on organizational, departmental, and individual performance and the Company's ability to pay.

5.0 PAYMENT OF WAGES

5.1 All employees shall be paid a monthly salary and no wages shall be paid on daily basis.

5.2 All employees shall be paid wages within ten (10) days from the expiry of the wage period.

5.3 Wage period is generally thirty (30) days, based on Calendar months.

5.4 All wages shall be paid directly to the employee or to the employees' bank account.

5.5 Each employee will be issued a copy of the salary particulars or have access to view salary particulars via the HRIS for the month concerned.

5.6 All wage records including attendance records shall be maintained for a period of 06 years.

6.0 ANNUAL INCREMENTS

Employees may be entitled to an annual increment at the sole discretion of the management. However, the amount of the increment will be decided by the Management.

7.0 SALARY REVISIONS

The Management may decide to revise the salaries of individuals depending on performance of respective individuals, promotions, changes in market rates and based on inflation. Also considering the revisions of salary related Statutory requirements.

8.0 BONUS PAYMENT

Considering the profits earned by the Company during the previous year, a Bonus Payment may be paid to the employees. Such payment will be made solely at the discretion of the Management.

Bonus payments for Executive employees is based on the Executive Performance Bonus Policy

9.0 OVERTIME

Overtime payments will be made in accordance with the relevant legislations

10. DEDUCTIONS

10.1 Authorized deductions as per the statutory regulations such as authorized deductions as per the relevant labour laws, EPF/ETF deductions and tax will be made from the salaries in accordance with the relevant legislations.

10.2 Apart from these deductions, others such as welfare facilities, hire purchase sales any salary advances or staff loans etc. shall only be deducted with the written consent of the relevant individuals, subject to provisions of the relevant labour laws. Such consent records shall be maintained.

11.0 AUTHORITY AND RESPONSIBILITY

11.1 The Human Resources Department shall hold overall authority for administration of Remuneration and Benefits of employees subject to provisions of this policy and procedure.

11.2 The Management of Hela Group reserves exclusive rights to review this Policy and amend it at its sole discretion, with the recommendation of the Remuneration Committee and the approval of the Board of Directors.

12.0 Share based Incentive Schemes

The Management shall time to time offer Employee Share Purchase Scheme or Employee Share Option Scheme which shall be in force with the approval of the Shareholders.

13.0 Remuneration Committee

The Remuneration Committee shall independently assess the overall remuneration structure and ensure that such structure is aligned to the risk management system of the Group and going concern. Observations and recommendations of the Remuneration Committee shall be duly reported to the Board.