

## **Remuneration Policy Extract**

Convenience Foods Lanka PLC (CFL) is committed to maintaining a fair, transparent and competitive remuneration framework that supports our long-term strategic goals and aligns employee performance with organizational success.

### **Purpose & Scope**

The policy ensures that all permanent, fixed-term and contractual employees are rewarded fairly through structured compensation packages. Remuneration is designed to attract, retain and motivate talent while supporting sustained business performance.

### **Governance & Oversight**

CFL follows a formal and transparent process in determining executive remuneration.

- A Remuneration Committee-comprising only Non-Executive Directors, with a majority independent-recommends the remuneration framework for Executive Directors and the CEO.
- The Board makes final decisions on all executive remuneration matters.
- Directors do not participate in decisions on their own pay.
- Annual disclosures on committee activities and director remuneration are included in the Company's Annual Report.

### **Key Policy Components**

The remuneration structure includes:

- Base Salary: Determined by role, experience, skills and market benchmarks.
- Variable Pay: Performance-based bonuses, incentives and rewards.
- Benefits: Health insurance, gratuity, leave entitlements and additional allowances.
- Professional Development: Training, workshops and succession planning to strengthen capability.
- Recognition & Balance: Non-monetary recognition programs and wellness initiatives promoting work-life balance.

The remuneration framework emphasizes a strong pay-for-performance philosophy, linking rewards to both individual contribution and overall Company performance.

**Policy Administration**

Corporate HR administers the policy and initiates revisions.

The policy is aligned with the applicable provisions of the Sri Lanka Code of Best Practice on Corporate Governance and relevant regulatory requirements.

Remuneration outcomes consider risk management, ethical conduct, and long-term sustainability to discourage excessive risk-taking.

The policy is reviewed periodically to ensure continued relevance, competitiveness, and alignment with business strategy and regulatory expectations.