

POLICY ON REMUNERATION



Policy on Remuneration

The Human Resources and Remuneration Committee is established to assist the Board of Directors in fulfilling its responsibilities relating to the remuneration of the Directors, Senior Management and setting up the Remuneration Policy including the remuneration strategy and framework for all employees. The Committee shall ensure that the Company's remuneration policies and practices are aligned with the Company's objectives, values, long-term interests and are designed to attract, retain, and motivate talented individuals.

At CDB, our Remuneration Policy is designed to attract, motivate, and retain talented individuals who contribute to both the short- and long-term success of the Company. This policy applies to all employees, including the Board of Directors, and focuses on rewarding high performers while ensuring alignment with CDB's strategic objectives.

Key Components of the Policy:

- Purpose

The policy ensures competitive compensation to attract top talent and reward employees for achieving long-term sustainable results. Compensation packages are designed to reflect both business performance and how those results are achieved, supporting the long-term sustainability of the business.

- Remuneration Structure

- Fixed Pay: Determined by the role, experience, education, and market conditions. This includes salary and cash allowances.
- Variable Pay: Performance-based incentives rewarding both financial and non-financial achievements.
- Benefits: Includes insurance and benefit schemes
- Long-Term Incentives: Gratuity and share options to align employee performance with shareholder interests and to incentivize long-term commitment.

- Executive and Non-Executive Remuneration

- Executive Directors: Compensation is performance-based, with annual assessments against both financial and non-financial targets.
- Non-Executive Directors: Receive a fixed fee aligned with market standards and the responsibilities of their roles. They are not part of performance-based incentive programs.

- Annual Performance Reviews and Salary Adjustments
 - Employee performance is evaluated annually, and salary increments are based on appraisal outcomes. External salary surveys are conducted periodically to ensure competitive compensation packages.
- Bonuses and Gratuity
 - Bonuses are linked to profitability and performance. Long-term employees receive increasing gratuity benefits based on their years of service.
- Remuneration practices promoting sound and effective risk management.

The company's Remuneration Policy prioritizes the protection of customer interests and prevents conflicts of interest. It ensures strong governance for setting and communicating employee goals, which are aligned with the Company's strategy, values, and long-term objectives. The policy promotes transparency by clearly linking employee Key Result Areas (KRAs) that align with the company's overall strategy. The remuneration practices are transparent and compliant with applicable regulations, ensuring clear communication of performance targets and incentives.

Shareholders interested in obtaining this Policy may submit a written request to the Company Secretary, and the requested documents will be provided accordingly.