Eastern Merchants PLC

(ESTABLISHED IN 1945)
Reg. No. PQ 153

EXPORTERS - IMPORTERS
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REMUNERATION POLICY

1. Purpose

Eastern Merchants PLC ("the Company") is committed to maintaining a remuneration framework that is fair, transparent, competitive and aligned with the Company's strategy, performance and long-term interests.
This Policy establishes the principles governing the remuneration of Directors and senior management and has been established in accordance with Rule 9.2.1(d) of the CSE Listing Rules.

2. Objectives

The Company's remuneration framework is intended to:

- attract and retain individuals with the skills and experience required by the Company;
- recognise performance and contribution;
- align remuneration with the Company's strategic objectives;
- promote long-term sustainable performance;
- provide appropriate remuneration for responsibilities undertaken; and
- support the interests of shareholders.

3. Remuneration Committee

The Remuneration Committee shall assist the Board in overseeing remuneration matters within its mandate. The Committee shall operate in accordance with its Terms of Reference and applicable CSE Listing Rules.

4. Executive Directors and Senior Management

Remuneration of Executive Directors and senior management shall be determined having regard to:

- responsibilities and accountability;
- qualifications and experience;
- individual and Company performance;
- market practices;
- business conditions;
- affordability and sustainability; and
- applicable laws and regulations.

Chairman: J.B.L. de Silva | Deputy Chairman: H.J. de Silva | Managing Director: C.S.L. de Silva
Directors: S. Jayakody, G.R.J. de Silva, F. Mushin, R. Pradeep, N. Nanayakkara

5. Non-Executive Directors

The remuneration of Non-Executive Directors shall reflect the responsibilities and time commitment associated with their roles. Non-Executive Director remuneration shall not be structured in a manner that compromises their independence or objectivity.

6. Performance

Where performance-based remuneration is applicable, performance measures shall be aligned with the Company's strategic objectives and sustainable long-term performance. The Company shall seek to avoid remuneration structures that encourage excessive risk-taking or short-term decision-making inconsistent with the Company's long-term interests.

7. Transparency

The Company shall make the disclosures concerning Director remuneration required by applicable laws, regulations, accounting standards and CSE Listing Rules.

8. Conflicts of Interest

Persons involved in determining or recommending their own remuneration shall not participate in the decision-making process relating to such remuneration, except to the extent permitted by applicable law or governance requirements.

9. Compliance

All remuneration arrangements shall comply with applicable laws, regulations, the Company's Articles of Association and CSE Listing Rules.

10. Review

The Remuneration Committee shall periodically review the remuneration framework and make recommendations to the Board where appropriate. This Policy shall be reviewed periodically and amended where necessary.

The existence and implementation of this Policy shall be disclosed on the Company's website in accordance with Rule 9.2.1.

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11. Document Control and Implementation

Upon Board approval, this Policy shall be communicated to all Directors, Board Committees and relevant senior management, published on the Company's website in accordance with Rule 9.2.1 of the CSE Listing Rules, and applied with immediate effect from the Effective Date stated above, with compliance monitored on an ongoing basis by the Company Secretary.

Board Approval Date	29.01.26
Effective Date	02.02.26
Review Date	
Version	1.0