

REMUNERATION POLICY FOR CEYLON HOSPITALS PLC

PURPOSE

To establish a transparent, fair and competitive compensation framework for all permanent and contract employees of Ceylon Hospitals PLC.

This policy aims to attract and retain highly skilled and motivated staff by offering competitive salaries and benefits, while providing a consistent approach to compensation that is equitable and free from discrimination and all employees across Ceylon Hospitals PLC is compensated for their contribution and performance.

This policy also focuses on aligning the Compensation and Benefits Strategy to the Company's mission and financial sustainability. The policy also directs the strategy to align all Salaries and Benefits to performance to motivate to achieve high performance and support their professional development. Additionally, to ensure that all Salaries and Benefits comply to the Law of the Land and is transparent in all compensation related decisions and processes.

DEFINITIONS

Remuneration- The total compensation provided to employees, including base salary, bonuses, benefits and any other financial or non-financial benefits.

Base Salary- This includes the Basic Salary and the Budgetary Relief Allowance of Workers Act No 4 of 2016.

Bonus- Financial rewards given subject to the discretion of the Management decision that is a financial benefit rewarded to employees based on performance, achievements or any other criteria defined by Ceylon Hospitals PLC.

Benefits- Includes non-salary compensation provided to employees such as insurance or any other discounts applied to employees of Ceylon Hospitals PLC.

Incentive- Rewarded and designed to motivate and encourage employees to perform and to benefit based on a variable that is beneficial to Ceylon Hospitals PLC's targets.

Performance Evaluation- The process of assessing employees performance and productivity against the organisational, department and individual goals specifically that determined for the financial year of those eligible.

Pay Scale- The structured range of salaries for different positions within Ceylon Hospitals PLC, based on the designation, responsibilities, experience and market standards.

Compliance- Statutory payments and adhering to all other relevant laws of the Land or Company guidelines that may be applicable to the specific designation or role or department related to compensation and benefits.

Part Time Employees - Those who receive a prorated compensation and benefits based on the hours or days worked.

SCOPE

The Remuneration Policy applies to all permanent and contract employees (full time employees), trainees/interns (Part time employees) of the Hospital who have received a Letter of Appointment or Contract from the Company.

EXCLUSIONS

Volunteers, Consultants, Locum, Directors, or Agents

RESPONSIBILITY

Management - The ultimate responsibility to approve the remuneration strategy that aligns with the Company's Goals and financial sustainability, while endorsing any changes made to this policy.

Remuneration Committee - This Committee consists of the Independent Directors to review the remuneration and benefits of the Chairman, Board of Directors and Senior Management.

Remuneration Sub Committee - This Sub Committee consists of an Executive Director, Director Medical Services (DMS), Chief Operating Officer (COO) and Head of Human Resources (HHR) to review the remuneration and benefits of the managerial staff and below.

Human Resources Department - Day to day implementation of the Remuneration Policy, includes salary reviews, strategies, managing benefits complying to the policy.

EXCO/Senior Management - Application of the Remuneration Policy, adhering to the timelines of the Performance Management Policy, recommending salary adjustments while ensuring that respective teams are compensated fairly.

Finance - To ensure that the remuneration policy is financially sustainable, while aligned to the hospitals financial goals.

Employees - To familiarise themselves with the said policy and understand the compensation package that is applicable to the designation applicable to him/her. Employees are expected to give accurate information regarding evaluations and to strictly keep all compensation and benefits applicable to the employee confidential as it is personal to said individual.

INCENTIVES

The strategy of calculating and those eligible to an incentive is subject to Management decision. Incentive is applied to designations/units that directly impact Ceylon Hospitals PLC's revenue.

OTHER BENEFITS (MONETARY)

Bonus - Ceylon Hospitals PLC pays a bonus twice a year for employees who are eligible and one performance-based bonus that is subject to Management discretion.

Festival Advance - Employees upon request a festival advance for either Pongal, Sinhala and Tamil New Year, Ramadan and Christmas. An employee can request only once a year and is deducted in ten instalments.

Insurance - Company provides insurance for all employees confirmed in employment for those on permanent basis and those on fixed term contract will be eligible upon second contract being issued. The insurance covers the employee and the family for those who are married up to the limit allocated based on the designation.

Hospital Benefits- Discounts are available to the employee and the immediate family members of employees including parents, spouse, children, mother-in-law and father-in-law.

Statutory Payments - All compensation and benefits to the employees comply to the Law of the Land includes where applicable namely PAYE, EPF, ETF, Budgetary Relief Allowance of Workers Act No 4 of 2016 and Gratuity.