POLICY ON REMUNERATION

7TH AUGUST 2025

COLOMBO INVESTMENT TRUST PLC

8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1.

COLOMBO INVESTMENT TRUST PLC:

Policy on Remuneration

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1 Introduction

The Remuneration Policy outlines the principles, procedures, and criteria for determining directors remuneration and the Managerial and Secretarial fee to the firm operating as Managers & Secretaries (i.e. Professional Service Providers) to whom such services have been outsourced.

Colombo Investment Trust PLC (CIT) is committed to attracting, retaining, and motivating high-calibre talent while aligning remuneration practices with long-term shareholder value and the remuneration will be based on;

1. Competitiveness: Compensation packages should be competitive within the industry to attract and retain top talent.
2. Performance-Driven: Remuneration should be linked to individual and company performance, emphasizing merit-based rewards.
3. Transparency: The remuneration process should be clear and understandable to all shareholders.
4. Governance and Regulation: Compensation practices shall adhere to CSE regulations, relevant laws, and best governance practices

2 Remuneration Committee

1. The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing the Company's Remuneration Policy and for fixing the remuneration packages of individual Directors.
2. Remuneration of Non-Executive Directors shall be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.
3. The Remuneration Committee shall recommend the remuneration payable to the Directors and fees payable to the Professional Service Providers which, will make the final determination upon consideration of such recommendations.
4. The Remuneration Committee shall regularly observe & evaluate the effectiveness of the Company's remuneration schemes to ensure that the selected measures & structures foster the Company's business strategy and long-term financial success.
5. The Remuneration Committee may recommend reimbursement to any Non-Executive Director for such fair and reasonable expenditure, as may have been incurred for attending court cases, meetings with shareholders / creditors / management, site visits, induction and training organized by the Company for Directors.
6. The Remuneration Committee shall assess the performance of the Professional Service Providers and recommend to the Board the fees payable.
7. The Remuneration Committee may engage any external consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors.

3 Approval, Revision & Dissemination of the Policy

1. The policy should be revised as deemed necessary, particularly in the event of changes in law and authoritative sources of best practice in corporate governance. However, it will be reviewed and revised at least every two years to ensure that it is updated to reflect developments in relation to the subject.
2. The Nominations and Governance Committee has reviewed and recommended the Policy which has been approved by the Board.
3. The policy is uploaded on the website of the Company in accordance with CSE Listing Rules.