Kapruka Holdings PLC

Policy on Remuneration

Objective:

To attract, retain, and motivate qualified personnel by offering competitive and fair remuneration packages, aligned with the company's strategic goals and performance standards.

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1. Remuneration Structure

1.1. Components:

- **Fixed Components**: Base salary and benefits, benchmarked against industry standards to ensure competitiveness.
- **Variable Components**: Performance-based incentives, including bonuses and equity-based compensation, tied to individual and company performance.
- **Benefits**: Health insurance, retirement plans, and other employee benefits to ensure well-being and job satisfaction.

1.2. Remuneration Mix:

- The remuneration mix for executive directors and senior management shall balance fixed and variable components to align their interests with those of shareholders.
- Non-executive directors shall receive a fixed fee, reflecting their responsibilities and time commitment, without performance-based incentives to ensure independence.

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2. Remuneration Committee

2.1. Composition:

- The Remuneration Committee shall consist of a minimum of three directors, including at least two independent directors.
- The Chairperson of the committee shall be an independent director.

2.2. Responsibilities:

- Develop and recommend remuneration policies for executive directors and senior management.

- Ensure remuneration packages are aligned with market standards, performance, and the company's strategic goals.
- Oversee the implementation of incentive plans and equity-based compensation programs.
- Review and approve the remuneration of non-executive directors.

2.3. Meetings:

- The committee shall meet at least twice a year or as required to fulfill its responsibilities.

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3. Remuneration Policy

3.1. Executive Directors and Senior Management:

- Remuneration packages shall be designed to attract, retain, and motivate high-caliber executives.
- Performance-based incentives shall be linked to the achievement of predefined individual and company performance targets.
- Equity-based compensation shall align the interests of executives with those of shareholders and promote long-term value creation.

3.2. Non-Executive Directors:

- Non-executive directors shall receive a fixed fee for their services, reflecting their responsibilities and time commitment.
- Additional fees may be paid for serving on Board committees or performing other specific roles.

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4. Performance-Based Incentives

4.1. Annual Bonuses:

- Annual bonuses shall be based on the achievement of individual and company performance targets, as set out in the company’s annual business plan.
- Performance targets shall be specific, measurable, achievable, relevant, and time-bound (SMART).

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6. Benefits and Perquisites

6.1. Health and Wellness:

- The company shall provide comprehensive health insurance coverage to employees and their families.
- Wellness programs, including fitness memberships and mental health support, shall be offered to promote employee well-being.

6.2. Retirement Plans:

- The company shall offer competitive retirement plans to help employees save for their future.
- Contributions to retirement plans shall be based on a percentage of base salary and may include matching contributions.

6.3. Other Benefits:

- Employees shall be entitled to various benefits, including leave entitlements, educational assistance, and employee discounts.
- The company shall regularly review and update its benefits program to ensure it remains competitive and meets the needs of employees.

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7. Review and Disclosure

7.1. Annual Review:

- The Remuneration Committee shall review the remuneration policy annually to ensure it remains aligned with market practices, regulatory requirements, and the company's strategic goals.
- Recommendations for any changes to the policy shall be submitted to the Board for approval.

7.2. Disclosure:

- The company shall disclose the remuneration policy and details of directors' remuneration in the annual report.
- Disclosure shall include the total remuneration paid to each director, including fixed and variable components, benefits, and equity-based compensation.

Compliance and Review

8.1. Compliance:

- This policy shall comply with the CSE Listing Rules and other relevant regulations.

- The Board shall review this policy annually to ensure it remains effective and aligned with regulatory requirements and best practices.

8.2. Review and Amendments:

- The Remuneration Committee shall review the policy and recommend any amendments to the Board for approval.
- Any changes to the policy shall be communicated to all directors and incorporated into the company's governance framework.