

**CHEVRON LUBRICANTS LANKA PLC**  
**(the “Company”)**

**POLICY ON REMUNERATION**

**1. OVERVIEW**

The Board of Directors of the Company has adopted the Policy on Remuneration (the “Policy”) in conformity with the Listing Rules to provide for the framework for remuneration to Directors and Employees of the Company. This document sets forth a summary of the Policy.

Any capitalized term not specifically defined in this Summary will have the meaning therefor set forth in the Policy.

**2. REMUNERATION OF DIRECTORS**

The remuneration to the Directors should be adequate to attract and retain qualified members to the Board with the requisite professional skill, experience and competence necessary to ensure the development and growth of the Company while ensuring the Company’s sustainability.

The remuneration and other benefits to Directors (including reimbursement of expenses) will be as set forth in the Articles and the Policy.

**3. EMPLOYEES’ REMUNERATION STRUCTURE**

The Employees will be adequately compensated for their services rendered to the Company.

The total remuneration of all Employees will be decided by the Board on the recommendation of the Remuneration Committee and will include,

- (i) fixed remuneration;
- (ii) variable remuneration;
- (iii) other benefits, including in non-cash form (if applicable);
- (iv) severance payments; and
- (v) any transfer of units or shares of the Company (if applicable).

The total remuneration of all Employees will be reviewed annually and from time to time and increments shall be provided as determined by the Board on the recommendation of the Remuneration Committee

The Board may, from time to time, introduce equity-based incentive programs to create long-term shareholder value and support the Company's achievement of its strategic goals in a sustainable manner.

#### **4. INSURANCE AND INDEMNIFICATION**

The Company will effect customary directors and officers insurance for the Directors. If this insurance is insufficient, the Company may indemnify these individuals for additional claims, to the extent allowed by law, excluding claims arising from willful misconduct or criminal offenses.

#### **5. PERFORMANCE APPRAISAL**

All Employees must undergo an annual performance review. The performance of each Employee will be assessed by a comparison of the Company's strategic achievements against the Employee's responsibilities and key performance indicators.

Directors will be assessed on their performance as part of their annual self-assessment process.

#### **6. NEW RECRUITMENTS**

For new recruits, the Company will ensure that the remuneration package is consistent with the Policy.

In determining the remuneration for a new recruit, the Company will consider skills and competencies required for the job role, relevant experience, education and candidate's current remuneration package.