

DUTCH LADY MILK INDUSTRIES BERHAD
REGISTRATION NO. 196301000165 (5063-V)

REMUNERATION POLICY OF THE NOMINATING & REMUNERATION COMMITTEE

1. In determining the level of remuneration for Directors, the Nominating & Remuneration Committee will take into account all factors which it deems necessary in order to attract, retain and motivate Directors of high calibre who are able to provide the necessary skills and experience as required. The level of remuneration shall be commensurate with the responsibilities of the Directors and should also be in alignment with the business strategy and long-term objectives of the Company.
2. Notwithstanding the above, the Nominating & Remuneration Committee will adopt the remuneration policies, proposals and recommendations from the FrieslandCampina Group of Companies ("FC Group"), for its Executive Director(s), which is applicable within the FC Group.
3. The Managing Director and any other member of DLMI management who may be appointed onto the Board are the "Executive" Directors on the Board. Only an Executive Director has a service contract with the Company.
4. The Executive Director is not paid meeting attendance allowance or Directors' fees by the Company. The FC nominee directors are also not paid Directors' fees or meeting attendance allowance by the Company. The Directors' fees for the FC nominee directors are paid as corporate management service fees to the FC group which, being a recurrent related party transaction, is part of the shareholders' mandate for recurrent related party transactions sought from the minority shareholders at each Annual General Meeting. Accordingly, "Directors' remuneration" refers to the remuneration paid to the Independent Directors and Other Nominee Directors only.
5. A formal review of the Directors' remuneration may be undertaken annually. This review shall take into consideration the level of remuneration offered by listed companies of similar size, complexity and risk profile as the Company. The review of remuneration shall cover Directors' Fees, Committee Members' Fees, Meeting Allowances and other benefits normally extended to Non-Executive Directors.



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6. If necessary, the Nominating & Remuneration Committee shall have access to professional advice on remuneration matters both within the FC Group and from external specialists in this field.
7. A detailed disclosure on a named basis of the remuneration of individual Directors shall appear in the Company's Annual Report to achieve transparency and accountability in the setting of Directors' remuneration, having regard to the interest of all parties including the Company, the Directors and the shareholders. The remuneration of the members of senior management shall be disclosed in the Annual Report on an aggregated basis.
8. Directors who are shareholders shall abstain from voting at general meetings to approve their own fees.

Dated: 19 November 2024

