



Ceylon Tea Brokers PLC

Policy on Corporate Governance, Nominations and Re-election

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1. ROLE, RESPONSIBILITIES & DUTIES

- (i) The Nominations and Governance committee is responsible for identifying evaluating and recommending personnel for Board positions. Therefore, the committee shall establish and maintain a formal and transparent process for evaluating, selecting, appointing, and re-appointing Directors of the listed entity.
- (ii) The Committee shall ensure that Directors and CEO are fit and proper individuals to hold office as specified by the regulations. In evaluating fitness and propriety of the persons referred to shall utilize the fit and proper assessment criteria set out in Rule 9.7.3 in the listing rules.
- (iii) The Committee will evaluate the appointment of Directors to the Board and its committees, ensuring the right structure, size, and composition to effectively discharge the Board's duties and responsibilities.

2. RE-ELECTION OF DIRECTORS

- (i) The committee will assess and recommend (or not recommend) regarding the re-election of existing directors, based on the performance and contribution made by the director towards the overall discharge of the board's responsibilities.
- (ii) When incumbent directors come up for re-election to ensure that such proposed appointees are fit and proper, to continue as directors.
- (iii) All directors should be required to submit themselves for re – election at regular intervals as per statutory requirements.

3. OTHER FUNCTIONS

- (i) The Committee may appoint advisors or consultants to assist the Board.
- (ii) It shall review and recommend Human Resources policies related to recruitment and succession planning.
- (iii) The Committee will recommend the structure and selection criteria for Key Management Personnel (KMP), including the CEO.

4. CEO & KEY MANAGEMENT PERSONNEL (KMP)

- (i) The Committee shall implement a formal procedure for the selection and appointment of the CEO and key management personnel.
- (ii) The committee shall ensure that, CEO and key management personnel in the organizational structure are fit and proper persons to hold office as specified in the criteria as set out in the Statutes.
- (iii) The Committee will also oversee the appointment of officers performing key executive functions (KMPs).

5. CONFLICT OF INTEREST

- (i) The Committee is responsible for managing and addressing conflicts of interest among Board members to maintain transparency and trust within the Board.

- (ii) A member of the Nominations and Governance Committee shall not participate in decisions relating to his/her own appointment.

6. SHAREHOLDER ENGAGEMENT

- (i) The Committee may engage with shareholders to ensure their concerns and perspectives are taken into consideration, ensuring a transparent relationship between the Board and shareholders

7. GOVERNANCE

- (i) The Committee will periodically review and update the corporate governance policies and framework of the entity to align with regulatory and legal developments, adhering to best practices.
- (ii) Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same.
- (iii) The Committee will review and recommend the overall corporate governance framework of the listed entity, ensuring it aligns with the Listing Rules, other regulatory requirements, and industry best practices.