

## **SERENDIB LAND PLC | POLICY ON CORPORATE GOVERNANCE, NOMINATION AND RE-ELECTION**

### **1. Purpose**

This Policy outlines the principles, procedures, and practices governing corporate governance within Serendib Land PLC ('the Company'), with particular focus on the nomination and re-election of Directors. The aim is to ensure that the Company's governance structures are transparent, efficient, and aligned with the best interests of the shareholders and other stakeholders.

### **2. Corporate Governance**

The governance of the Company is led by the Board of Directors, which is responsible for overseeing the Company's management, ensuring compliance with laws and regulations, and maintaining ethical standards. The Board is composed of a mix of executive and non-executive directors, including independent directors, to provide a diverse range of expertise and perspectives. The Board shall review and recommend the overall corporate governance framework of the Company taking into account the Listing Rules of the Colombo Stock Exchange, other applicable regulatory requirements and industry best practices.

### **3. Nomination**

The Company shall establish a Nomination and Governance Committee ('Committee'), which shall be composed of a majority of independent non-executive directors. The Committee will be responsible for reviewing and recommending candidates for the Board.

The Committee shall be responsible for the following:

- (i) Evaluate the appointment of Directors to the Board of Directors and Board Committees of the Listed Entity. However, a member of the Nominations and Governance Committee shall not participate in decisions relating to his/her own appointment;
- (ii) Consider and recommend (or not recommend) the re-appointment/re-election of current Directors taking into account;
  - the combined knowledge, experience, performance and contribution made by the Director to meet the strategic demands of the Listed Entity and the discharge of the Board's overall responsibilities; and,
  - the number of directorships held by the Director in other listed and unlisted companies and other principal commitments.

- (iii) Establish and maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors of the Listed Entity.
- (iv) Establish and maintain a set of criteria for selection of Directors such as the academic/professional qualifications, skills, experience and key attributes required for eligibility, taking into consideration the nature of the business of the Entity and industry specific requirements.
- (v) Establish and maintain a suitable process for the periodic evaluation of the performance of Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged.
- (vi) Develop succession plan for Board of Directors and Key Management Personnel of the Listed Entity.
- (vii) Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.
- (viii) Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices.
- (ix) Periodically review and update the corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice.
- (x) 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 rationale for same.

#### **4. Re-election**

The Nominations and Governance Committee shall make recommendations regarding re-election and the following information should be disclosed:

- (i) Date of first appointment as a Director;
- (ii) Date of last re appointment as a Director;
- (iii) Directorships or Chairpersonships and other principal commitments both present and those held over the preceding three years in other listed entities;
- (iv) Any relationships including close family relationships between the candidate and the directors of the Company; and
- (v) whether all directors should be required to submit themselves for re-election at regular intervals and at least once in every three (3) years

In terms of the Articles of Association of the Company, at the Annual General Meeting in every year, one Director for the time being shall retire from office. The Director to so retire from office in each year shall be the Director who has been in office for the longest period. If any question arises as to which one of two or more Directors who have been in office an equal length of time shall retire, the same shall, in the absence of an agreement between them be decided by the Directors for the time being by lot. The length of time such a Director has been in office shall be computed from his last election. A Director retiring at a meeting shall retain office until the close of the meeting including any adjournment thereof. The Director retiring shall be eligible for-reelection.

#### **5. Amendments to the Policy**

This Policy may be amended or updated by the Board of Directors from time to time to reflect changes in laws and regulations. All amendments will be disclosed in accordance with the Company's disclosure policies.