

POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS

1. THE POLICY

The primary duty of the Board of Directors (the “Board”) is to promote the best interests of the Company through overseeing the management of the Company’s business and affairs. In doing so, the directors must consider the interests of the Company’s shareholders. These guidelines have been adopted to facilitate the execution of this responsibility and will be reviewed regularly by the Nominations and Governance Committee of the Board.

2. DIRECTORS’ RESPONSIBILITIES IN DISCHARGING THEIR OBLIGATIONS

The Board whilst retaining the ultimate responsibility and authority has delegated certain responsibilities to the Board sub-committees and monitors the outcomes regularly. Board members are expected to review meeting materials in advance, to attend and participate in all Board meetings and meetings of Board committees on which they serve, and to devote the time necessary to discharge their responsibilities appropriately.

The Board shall appoint Internal Auditors to check and confirm the compliance status of the legal, regulating requirements, and other external requirements with management policies and directives and other internal requirements, and submit reports to the Audit Committee quarterly.

Directors are required to abide by the Company’s Standards of Business Ethics Policy. The Nominations and Governance Committee will oversee an annual self-evaluation of the Board to determine whether it and its committees are functioning effectively.

In addition to that;

- Each non-executive Director should submit a signed and dated declaration annually of his/her independence or non-independence against the specified criteria in CSE Listing Rules.
- The Board should undertake an annual self-evaluation of its performance, that of its committees, chairman and directors.
- The Company shall obtain declarations from Directors and CEO or equal designee on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out in Listing Rules.

3. SELECTION OF DIRECTORS

The Nominations and Governance Committee is responsible for recommending candidates for Board membership. The General criteria for nomination of candidates to the board include, but are not limited to, the highest standards of integrity and ethical behavior, the ability to provide wise and informed guidance to management, a willingness to pursue thoughtful, objective inquiry on important issues before the Company, and a range of experience and knowledge commensurate with the Company's needs as well as the expectations of knowledgeable investors.

Further, the Company shall ensure that persons recommended by the Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' meeting or appointments are made.

4. BOARD COMPOSITION

Recognize the need for the Board balance, the roles and functions of the Chairperson and Chief Executive Officer or equivalent position, and procedures for the appraisal of Board Performance.

Independent Directors

Ensure compliance with the requirements of two Independent Directors or such number equivalent to one-third (1/3) of the total number of Directors of the Listed Entity at any given time, whichever is higher.

Size of the Board

Ensure the requirement of the minimum number of Directors consists of five (5) Directors and not more than twelve (12).

5. POSITIONS OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman of the Company is a Non-Executive Director and the positions of the Chairman and that of the CEO shall not be held by the same individual. The COO/GM may function as the CEO of the Company. The Chairman and the CEO/COO/GM execute their respective roles in coordination with each other and/or with the Board to reach high-level decisions in the best interest of the Company.

6. MEETINGS

Frequency of Board Meetings - Regularly on monthly basis and any additional meeting/s as required.

Attendance at Meetings - Directors must attend at least 10 meetings or 80% % of meetings whichever is higher in order to ensure consistent attendance at Board Meetings and to avoid being deemed to vacate such position. A director if absent for 2 consecutive meetings shall be deemed vacated his post.

Methods of meeting –

A meeting of the Board may be held either;

- i. by a number of the Directors who constitute a quorum being assembled together at the place, date and time appointed for the meeting; or
- ii. by means of audio or audio and visual communication by which all Directors participating and constituting a quorum can simultaneously hear each other or hear and see each other throughout the meeting; or
- iii. Hybrid of the above 2 methods

7. DIVERSITY

The Nominations and Governance Committee should consider whether the candidate enhances the diversity of the Board. Such diversity includes professional background and capabilities, knowledge of specific industries, experience, competencies, age etc.

8. MAXIMUM NUMBER OF DIRECTORSHIPS

Directors of the Company shall not serve on more than 05 boards of listed entities in addition to the Company's board. The Board may determine exceptions to these limits on an individual basis.

Directors of the Company shall notify the chair of the Nominations and Governance Committee before accepting a position on another listed company's board.

9. REVIEW OF THE POLICY

The policy is reviewed by the Company on a regular basis to ensure its relevance and effectiveness. Updates may be made, when appropriate, to reflect the latest best practices and future amendments in listing rules.

10. PUBLICATION OF THIS POLICY

This Policy is made available in Seylan Developments PLC's corporate website for the perusal of its shareholders and other interested stakeholders.

Approved by : **Board of Directors**
Date : **25.09.2024**