

**BPPL Holdings PLC – Policy on matters relating to the Board of Directors****1. General Purpose**

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 execution of this responsibility and will be reviewed annually by the Nomination and Governance Committee of the Board.

**2. Directors’ Responsibilities**

In discharging their obligations, directors are entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors. Directors are required to abide by the Company’s Standards of Business Ethics Policy. The Nomination and Governance Committee will oversee an annual self-evaluation of the Board to determine whether it and its committees are functioning effectively.

**3. Selection of Directors**

The Nomination and Governance Committee is responsible for managing the identification and selection process for inviting individuals to join the Board. The process to be followed and the criterion for selection and on-boarding of executive and non-executive Directors are set out in the internal document on appointment of Directors, which the Nominations & Governance Committee will use as a guideline.

**4. Re-election of Directors**

The full Board retains the power to nominate and appoint Directors to the Board to fill casual vacancies. Directors appointed as casual vacancies hold office until the next General Meeting and are then eligible for re-election.

Re-election of Directors will be carried out in accordance with the provisions set out in the Articles of Association of the Company.

**5. Board Composition*****a) Size of the Board***

The CSE listing ruling 9.8.1 provide that the number of directors shall at a minimum, consist of five (05) Directors. The clause 9.8.2(a) of the listing rules of the Colombo Stock Exchange stipulates that



## Policy on matters relating to the Board of Directors

the Board of Listed Entities shall include at least two (2) 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.

### ***b) Positions of Chairman and Managing Director / Chief Executive Officer.***

The Chairman, and the Managing Director (MD) / Chief Executive Officer (“CEO”) shall be elected by the Board, and both shall be directors. The roles of the MD/ CEO, and the Chairman will be separate at all times.

As the Chairman and the MD/CEO for the time being are closely related, the Company has designated an Independent Director as the Senior Independent Director (SID), being compliant with rule. 9.6.3 (a) of the CSE listing rules.

## **6. Board Meetings**

### ***a) Agendas***

The Chairman together with the MD/ CEO will establish the schedule and agendas for meetings of the Board, taking into consideration suggestions by other directors. The agenda and relevant background materials will be provided to the directors before each meeting. The Board of Directors will meet at least once in every quarter (Annually 4 meetings will be held)

### ***b) Information***

In order to enhance the directors’ understanding of the business, and focus discussion at Board meetings, concise written information regarding the Company’s performance will be distributed regularly to the Board. Directors will maintain as confidential all matters received in that capacity, and all discussions pertaining to their service as Board members.

### ***c) Meetings of Non-executive Directors and Independent Directors***

The independent directors will convene a meeting without management being present at least once a year or as often as deemed necessary at a meeting chaired by the SID.

### ***d) Presentations***

The Board may invite senior management personnel and relevant officers as deemed required to attend the meetings of the Board, and make presentations on relevant matters and respond to questions.



## Policy on matters relating to the Board of Directors

### *e) Access to Employees and Advisors*

Directors shall have access to officers and employees of the Company as necessary and appropriate, and to the Company's independent advisors, including, but not limited to, legal counsel and independent accountants and auditors.

### **7. Board Secretary**

The Board Secretary is accountable to the Board on all matters to do with the proper functioning of the Board.