



Policy on Corporate Governance, Nominations and Re-election

1. Purpose

1.1 This policy is developed in compliance with section 9 of the Listing Rules of the Colombo Stock Exchange. The purpose of this policy is to establish guidelines for the Nomination and Governance Committee and the Board of Directors of Hemas Holdings PLC (“HHL”/ “the Company”) with respect to nomination, appointment, and re-election of directors and corporate governance practices of the Company.

2. Scope

2.1 This Policy is applicable to the Nominations and Governance Committee and the Board of Directors of the Company.

3. Nomination, appointment and re-election to the Board of Directors

3.1 All appointments of new Directors and re-election of Directors to the Board of Directors of the Company shall be approved by the Board of Directors through review of the Nominations and Governance Committee.

3.2 Nomination and governance processes shall be transparent and based on merit.

3.3 The Board of Directors shall aim to have a diverse composition in terms of skills, experience, gender, and other attributes.

3.4 The members of the Board of Directors shall possess the necessary qualifications, experience, and competencies.

4. Nominations and Governance Committee

4.1 The composition of the Nominations and Governance Committee shall be in compliance with Rule 9.11 of the Listing Rules of the Colombo Stock Exchange.

4.2 The functions of the Nominations and Governance Committee shall be in compliance with Rule 9.11.5 of the Listing rules of the Colombo Stock Exchange



5. Nomination Process

5.1 The Nominations and Governance Committee shall identify and evaluate candidates for the Board of Directors based on their qualifications, experience, and alignment with the company's strategic needs

5.2 The candidates shall be evaluated against a set of criteria, including:

- The Fit and Proper criteria set out in the Listing Rules of the Colombo Stock Exchange
- Professional experience and industry knowledge
- Leadership and management skills
- Independence and ability to represent the interests of all shareholders
- Integrity, ethical standards, and reputation
- Diversity of thought and background

5.3 The Nominations and Governance Committee shall make recommendations to the Board of Directors for approval. The Board of Directors shall approve the appointment of directors based on the recommendations of the Nominations and Governance Committee.

6. Re-election of directors

6.1 The Nominations and Governance Committee shall make recommendations for re-election of directors, for approval of the Board of Directors in terms of the Listing Rules of the Colombo Stock Exchange and the Articles of Association of the Company.

7. Governance Practices

7.1 The Nominations and Governance Committee 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/international best practices.

7.2 The Nominations and Governance Committee shall periodically review and update the Corporate Governance Policies / Framework of the Company in line with the regulatory and legal developments relating to same, as a best practice.

7.3 The Board of Directors shall conduct regular evaluations of its performance, the performance of its committees, and individual directors to ensure continuous improvement and effectiveness.



- 7.4 The Board shall develop and maintain a succession plan for the Board of Directors and Key Management Personnel to ensure the continuity of leadership.
- 7.5 The Nominations and Governance Committee shall review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.
- 7.6 The company shall provide induction programmes for new directors and ongoing training for all directors to keep them informed of industry developments, corporate governance practices, and other relevant matters.
- 7.7 The Nominations and Governance Committee shall receive reports from the Management on compliance with the corporate governance framework of the Company including the Company'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

8. Review of Policy

- 8.1 This Policy shall be approved by the Board of Directors for implementation w.e.f. 1st October 2024 and reviewed annually by the Nominations and Governance Committee and any proposed changes shall be submitted for approval of the Board of Directors.