



HAYCARB PLC

POLICY ON BOARD COMMITTEES

PURPOSE

The Purpose of the policy on Board Committees ('this Policy') is to establish a comprehensive and structured framework within which the Board Sub Committees Company are expected to be established and to function in accordance with the Listing Rules of the Colombo Stock Exchange.

This Policy is adopted to ensure effective execution of the Sub Committees responsibilities and will be reviewed by the Nominations and Governance Committee of the Board as appropriate.

SCOPE

This Policy is applicable to Haycarb PLC and the entities in the Group.

The Company shall establish the following Board Sub Committees from among its Board of Directors to perform specific tasks:

- I. Audit Committee
- II. Related Party Transactions Review Committee
- III. Remuneration committee
- IV. Nominations and Governance Committee

Each Committee shall have its own Terms of Reference, approved by the Board, setting out the scope of work and its responsibilities,

- The Chairperson of each Committee shall be an Independent Non-Executive Director
- Majority of the members shall be independent Directors
- Except the Related Party Transactions Review Committee, none of the other Committees shall have executive directors on the Committee
- The Audit Committee and the Related Party Transactions Review Committee shall meet on a quarterly basis or more often if the need arises
- The Nominations and Governance Committee shall meet at least twice a year or more often if the need arises
- The Remuneration Committee shall meet at least once a year or more often if the need arises
- Committee Meetings may be held via audio visual communication
- Minutes of committee meetings must be tabled at the board meetings

- Decisions of the Committees may be taken by resolutions in writing circulated to all the members and signed by all the members
- A dissenting member may note his dissent in the resolution or in a meeting of the committee
- Consent of the majority of the members is required to pass a resolution

The Minutes of all Committee meetings must be maintained in written form, signed by the Chairperson of the meeting or the Chairperson of the subsequent meeting and circulated to the Board of Directors.

The Company Secretaries may act as the Secretaries to the Committees.

The Company may also establish the following committees

- I. Finance & Investment Committee
- II. Risk Management Committee
- III. ESG Committee

Board Responsibility for Committee Action- The Board remains collectively responsible for the decisions and actions taken by any committee. A committee may only perform the tasks delegated to it by the Board and may not exceed the authority or powers of the Board as a whole. Decisions that, by law, must be taken by the Board may not be delegated to a committee.

Committee Reporting- Each committee must promptly inform the Board of the actions it has taken and major developments of which it becomes aware. Each Board member has unrestricted access to all committee meetings and records. The Board shall, as set forth in the Charter of the committee concerned, receive a report from the committee describing the committee's actions and findings.

Effective date of implementation

This policy shall be effective and operative from 1st of October 2024.