

**POLICY ON CORPORATE GOVERNANCE, NOMINATIONS AND RE-ELECTION
SINGHE HOSPITALS PLC**

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In accordance with Colombo Stock Exchange (CSE) Rule No. 9.2.1(b) & 9.3, the **Nominations and Governance Committee** is formed to evaluate and ensure that the Board of Directors of Singhe Hospitals PLC has the appropriate mix of skills, experience, knowledge, and diversity required to function effectively.

**Scope, Authority, and Functions
Committee Responsibilities**

1. Evaluating Board Composition

The Committee assesses whether the Board has the right balance of skills, experience, and independence, while also ensuring that diversity is adequately represented for the best interests of the Company.

2. Director Appointments

The Committee is responsible for identifying, evaluating, and recommending individuals for Board positions. It shall maintain a formal and transparent procedure to evaluate, select, and appoint/re-appoint Directors of the Company.

3. Fitness and Propriety

The Committee ensures that Directors and the CEO are fit and proper persons to hold office as per regulatory guidelines. The fit and proper assessment criteria are outlined in Rule 9.7.3 of the CSE listing rules.

4. Board Committees

The Committee evaluates and recommends the appointment of Directors to the Board and Board Committees, ensuring proper governance and oversight across the organization.

5. **Review of Board Structure**

Regularly review the structure, size, composition, and competencies of the Board to meet the evolving needs of the Company and recommend any necessary changes to the Board.

Key Functions

1. **Board Structure and Succession**

Continuously review the size and composition of the Board, and recommend changes to meet governance standards. The Committee also oversees the succession plan for retiring Directors.

2. **Evaluation of Directors**

Ensures that Directors meet the "fit and proper" criteria as defined by the relevant statutes and evaluates the appointment, promotion, and re-designation of Directors, including the Managing Director and Executive Directors.

3. **Re-election of Directors**

The Committee evaluates and recommends Directors for re-election, considering their performance, contribution, and suitability to continue serving the Board.

4. **Board Succession Planning**

The Committee oversees the Board's succession plan, ensuring the right expertise is available for future needs.

5. **Director Commitments**

Consider if a Director is fulfilling their duties effectively, taking into account their other directorships and responsibilities.

6. **CEO and Key Management Personnel**

Implement procedures for selecting/appointing the CEO and key management personnel, ensuring they meet fitness and propriety standards.

7. **Executive Functions**

Ensure officers performing executive functions, particularly those two layers below the CEO, meet statutory fit and proper requirements.

8. **Conflict of Interest**

The Committee ensures transparency and manages any conflicts of interest. Members of the Committee do not participate in discussions regarding their own appointments.

9. Shareholder Engagement

Engage with shareholders as needed to ensure their concerns are heard and considered in the Committee's decisions.

Re-election of Directors

- The Committee assesses the performance of Directors coming up for re-election, ensuring they continue to meet the requirements to serve on the Board.
- Directors must submit themselves for re-election at regular intervals. Board Evaluations

The Committee is responsible for regularly assessing the performance of individual Board members and the overall effectiveness of the Board to identify areas for improvement.

CEO & Key Management Personnel

The Committee ensures that the CEO and key management personnel are appropriately selected and that they meet the fitness and propriety standards required by relevant statutes.

Conflict of Interest

The Committee manages conflicts of interest within the Board, ensuring transparency. Members do not participate in discussions regarding their own appointments.

Shareholder Engagement

The Committee engages with shareholders to address their concerns and ensure their voices are reflected in Board decisions.

Composition

- The Committee shall be chaired by an Independent Director and primarily consist of Independent Directors.
- The Committee shall have a minimum of 3 Directors and a maximum of 5, and shall not include Executive Directors.
- The CEO may attend meetings by invitation.
- Quorum: The Committee shall have a quorum of 2 Directors, with the majority being Independent Directors.
- Meetings: Held as necessary to fulfill the Committee's functions.

These structures and procedures ensure that the Nominations and Governance Committee operates effectively, enhancing the governance framework of Singhe Hospitals PLC.