



POLICY ON CORPORATE GOVERNANCE, NOMINATIONS, AND RE-ELECTION

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Company Secretary

Contents

- 1. Introduction1
- 2. Nominations and Governance Committee1
- 3. Shareholder Involvement1
- 4. Re-election 2
- 5. Election Process 2
- 6. Term Limits 2
- 7. Conflicts of Interest 2
- 8. Review and Amendment 2
- 9. Meetings 2
- 10. Conclusion 2

1. Introduction

This Corporate Governance, Nominations, and Re-election Policy (the "Policy") of Overseas Realty Ceylon PLC ("ORCL"), outlines the principles and procedures governing the nomination and re-election of directors and board members in accordance with best practices and applicable laws and regulations.

2. Nominations and Governance Committee

A Nominations and Governance Committee shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board. The committee shall comprise with a majority of independent directors and shall be responsible for:

- I. Evaluate the appointment of Directors to the Board of Directors and Board Committees of the Company. However, a member of the Nominations and Governance Committee shall not participate in decisions relating to his/her own appointment.
- II. Consider and recommend (or not recommend) the re-appointment/re-election of current Directors taking into account;
 - the combined knowledge, experience, performance and contribution made by the Director to meet the strategic demands of the Company and the discharge of the Board's overall responsibilities; and,
 - the number of directorships held by the Director in other listed and unlisted companies and other principal commitments.
- III. Establish and maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors of the Company.
- IV. Establish and maintain a set of criteria for selection of Directors such as the academic/professional qualifications, skills, experience and key attributes required for eligibility, taking into consideration the nature of the business of the Company and industry specific requirements.
- V. Establish and maintain a suitable process for the periodic evaluation of the performance of the Board of Directors and the CEO of the Company to ensure that their responsibilities are satisfactorily discharged.
- VI. Develop succession plan for Board of Directors and Key Management Personnel of the Company.
- VII. Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.
- VIII. Review and recommend the overall corporate governance framework of the Company taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices.
- IX. 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.
- X. 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 CSE and other applicable laws, together with any deviations/non-compliances and the rational for same.

3. Shareholder Involvement

ORCL recognizes the importance of shareholder input in the nominations process. Shareholders may submit recommendations for board nominations within a specified period.

4. Re-election

Directors seeking re-election shall be assessed based on their performance, contribution to the company's success, and adherence to corporate governance principles. The Nominations and Governance Committee shall make recommendations regarding re-election and the following information should be disclose

- Date of first appointment as a Director
- Date of last re appointment as a Director
- Directorships or Chairpersonships and other principal commitments both present and those held over the preceding three years in other listed entities.
- Any relationships including close family relationships between the candidate and the directors of ORCL.

5. Election Process

The election of directors and board members shall be conducted through a transparent and fair process, typically at the annual general meeting, following established legal requirements and best practices.

6. Term Limits

To promote board renewal and fresh perspectives, directors may serve a limited number of terms as per applicable regulations. Term limits shall be defined in the company's articles.

7. Conflicts of Interest

Directors involved in the nominations process must disclose any conflicts of interest. Conflicted directors shall not participate in discussions or decisions related to nominations.

8. Review and Amendment

This policy shall be reviewed periodically to ensure alignment with corporate governance best practices and regulatory requirements. Amendments may be made when necessary.

9. Meetings

The Corporate Governance Committee shall meet at least quarterly, with additional meetings at the discretion of the chairperson.

10. Conclusion

ORCL is committed to maintaining a transparent, accountable, and fair governance structure. This policy provides guidance on nominations and re-election of directors to ensure that the board comprises qualified and independent members who act in the best interests of the company and its stakeholders.