

LANKA ALUMINIUM INDUSTRIES PLC

POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS

1. PURPOSE AND SCOPE

This policy establishes a robust governance framework for the Board of Directors at Lanka Aluminium Industries PLC, ensuring adherence to the Companies Act, Colombo Stock Exchange Listing Rules, and the Company's Articles of Association. The policy applies to all current and prospective Directors and key management personnel, outlining their roles and responsibilities within the Board.

2. BOARD COMPOSITION AND STRUCTURE

The Board will consist of five Directors, incorporating a balance of Executive and Non-Executive Directors to encourage independent decision-making. The roles of Chairperson and Chief Executive Officer are held by a single individual, with a Senior Independent Director appointed to support balanced governance and uphold accountability. Additionally, the Board is committed to maintaining diversity across age, ethnicity, and professional background.

3. ROLES AND RESPONSIBILITIES OF THE BOARD

The Board's primary duties include providing strategic guidance, ensuring prudent financial oversight, approving budgets, monitoring performance, and appointing key personnel. The Board will also oversee risk management and ensure compliance with all relevant regulations and ethical standards. Regular evaluations of management performance will be conducted to align with corporate objectives and shareholder interests.

4. MEETING FREQUENCY AND ATTENDANCE

The Board will meet at least quarterly, with additional meetings as required. Directors are expected to attend all scheduled meetings either in person or through virtual means, with attendance records maintained and disclosed in the annual report. A quorum for meetings will include directors attending virtually.

5. SUB-COMMITTEES OF THE BOARD

Key sub-committees include the Audit Committee, the Nominations and Governance Committee, the Remuneration Committee, and the Related Party Transactions Review Committee. The majority of sub-committee members shall be Independent Directors, and each committee will operate under a specific charter approved by the Board.

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6. BOARD DIVERSITY AND INCLUSION

The Board values diversity and will work to maintain a wide range of attributes, including professional background, age, and ethnicity. The Nominations and Governance Committee will periodically review strategies to promote inclusiveness in line with corporate governance best practices.

7. DIRECTORS' REMUNERATION AND EVALUATION

Remuneration for Non-Executive Directors will be determined by the Remuneration Committee and reviewed periodically. The Board will conduct an annual self-evaluation to ensure effectiveness, and Directors will undergo continuous education on corporate governance and industry regulations.

8. CONFLICTS OF INTEREST AND COMPLIANCE

Directors are required to declare any conflicts of interest and refrain from voting on related matters. Compliance with insider trading laws and adherence to the company's internal code of conduct are mandatory. The Board will also observe any external regulatory changes and adjust policies accordingly.

9. POLICY REVIEW AND AMENDMENTS

This policy will be reviewed at least once every two years. Revisions, if any, will be recommended by the Nominations and Governance Committee for Board approval. Changes will be communicated to all stakeholders as appropriate.

Effective Date:

This policy is effective from 1st October 2024.