

POLICY ON RELATIONS WITH SHAREHOLDERS AND INVESTORS



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1. Introduction

People's Leasing & Finance PLC (PLC/ the Company) is dedicated to fostering a strong and transparent relationship with its esteemed shareholders and investors. As a leading non-bank financial institution listed on the main board of the Colombo Stock Exchange, PLC recognizes the pivotal role that shareholders and investors play in contributing to the growth and success of the organization. This "Policy on Relations with Shareholders and Investors" serves as a guiding framework, outlining the Company's commitment to maintaining open communication, upholding ethical standards, and protecting the rights and interests of our valued stakeholders.

The Board recognises that it needs to engage with its shareholders and provide them with appropriate information and facilities to allow them to exercise their rights as shareholders effectively. This includes: giving shareholders ready access to information about the Company and its governance; communicating openly and honestly with shareholders; and encouraging and facilitating their participation in meetings of shareholders.

2. Policy Statement

This policy reflects PLC's commitment to providing timely, accurate, and comprehensive information to shareholders, ensuring they are well-informed about the Company's performance, strategic initiatives, and future prospects. By adhering to the principles outlined in this policy, the Company aims to build and strengthen the bond of trust with our shareholders and investors.

3. Objectives of the Policy

- Enhancing communication
- Providing accurate and timely information
- Strengthening shareholder engagement
- Protecting shareholder rights
- Efficient handling of investor concerns
- Preventing Insider Trading and Market Abuse

4. Communication Channels

PLC utilizes various communication channels to effectively engage with its shareholders and investors as follows:

- **Official Website** - Maintain an up-to-date and user-friendly website that includes dedicated sections for investor relations, financial reports and other relevant information.
- **Regulatory Announcements** - Make regulatory announcements through the Colombo Stock Exchange to ensure that shareholders and investors receive price sensitive immediate updates in compliance with regulatory requirements.
- **Annual Reports/Interim Financial statements** - Publish comprehensive annual reports containing financial statements, management discussions and analyses. Shareholders and investors often rely on these reports for an in-depth understanding of the Company's performance.
- **Annual General Meetings and Extraordinary General Meetings** - Creates opportunity to discuss and engage in the views of the Shareholders while safeguarding their interests through the right to vote on Company matters
- **Press Releases** - Issue press releases for material events, financial results, significant corporate developments, and other information that may impact investment decisions.
- **Investor Presentations** - Conduct regular investor presentations, whether in person or virtually, to communicate the Company's strategy, financial performance, and future outlook.
- **Email Communications** - Use email as a direct communication channel to share updates, announcements, and important information with shareholders and investors who have opted for electronic communication.
- **Social Media Platforms** - Leverage social media platforms, such as LinkedIn and Twitter, to share company updates, press releases, and engage with the broader investment community.

5. Timely and Accurate Information

PLC will strive to provide shareholders and investors with accurate, complete, and timely information. Any material information that may impact investment decisions will be promptly disclosed through the Colombo Stock Exchange and other relevant channels.

The Company gives shareholders the option to receive communications from and send communications to the Company and its Registrars electronically. Shareholders and other investors are able to register on the Company's website to receive information updates about the Company.

6. Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs)

The Company recognises that general meetings are an important forum for two-way communication between the Company and its shareholders. The meetings provide the Company with an opportunity to impart to shareholders a greater understanding of its business, governance, financial performance and prospects, as well as to discuss areas of concern or interest to the Board and management. The meetings also provide shareholders with an opportunity to express their views to the Company's Board and management about any areas of concern or interest for them.

The Company recognises that all substantive resolutions put to a meeting of security holders should be decided by a vote. Prior to arranging a meeting of security holders the Board will consider all resolutions being put to security holders. The Company endeavours to actively engage with shareholders at its general meetings, and encourages attendance and participation at its meetings. The Company provides information in the notice of meeting that is presented in a clear, concise and effective manner. At the Company's annual general meetings the Chair of the meeting will allow a reasonable opportunity for members to ask questions about or make comments on the management of the Company

AGMs and EGMs will be conducted in accordance with applicable laws and regulations. Shareholders will be provided with sufficient notice, and these meetings will serve as a forum for open dialogue between the Company's leadership and shareholders and the shareholders exercise

their power of vote PLC will adhere with the requirements of following laws and regulations in conducting AGMs and EGMs:

- **Companies Act No. 07 of 2007** - Provides quorum requirements, notice periods, and voting procedures.
- **Listing Rules of the Colombo Stock Exchange** - PLC, being a listed company, is subject to the rules and regulations of the Colombo Stock Exchange. Therefore PLC will adhere with specific requirements outlined in Listing Rules for AGMs and EGMs, including disclosure obligations, procedures for proxy voting, and the announcement of key decisions.
- **Securities & Exchange Commission of Sri Lanka**
- **Articles of Association of PLC**

7. Dividend Policy

The Company will declare and pay dividends in accordance with the Board approved Dividend Policy enabling the shareholders the opportunity to participate in the Company profits. Shareholders will be kept informed of the dividend policy and any changes thereto. The specific requirements for notices regarding dividend payments for PLC are outlined in the Company's Articles of Association and governed by Companies Act No. 07 of 2007, as well as the rules and regulations of the Colombo Stock Exchange. Below are the key elements typically included in notices related to dividend payments:

- **Notice of Annual General Meeting** – Approval of the shareholders is required in term of the Articles of the Company for declaration of Final Dividend. Therefore notice of the AGM should include a specific agenda item related to the declaration of dividends.
- **Dividend Declaration** - The notice should clearly state the Board's recommendation or declaration of dividends, including the amount per share or the percentage of the dividend.
- **Record Date** - Specify the record date, which is the date on which shareholders must be on the Company's books to be eligible to receive the declared dividend. This date determines the entitlement of shareholders to the dividend. Record date will determine as prescribed by Listing Rules.

- **Payment Date** - Provide the expected date of payment when the dividends will be distributed to eligible shareholders. This date should be in compliance with the requirements of the Listing Rules and the Company's practices.
- **Dividend Entitlement** - Clearly state the entitlement of shareholders to receive dividends based on their shareholding as of the record date.
- **Currency and Payment Method** - Specify the currency in which the dividend will be paid and the payment method, whether it will be through bank transfer, cheque, or other means.
- **Tax Implications** - If applicable, include information on any withholding taxes or other tax implications related to the dividend payment.
- **Compliance with Regulations** - Ensure that the notice is in compliance with the requirements of the Companies Act, the Listing Rules of the CSE, and any other relevant regulatory provisions.

8. Insider Trading and Market Abuse

PLC strictly prohibits insider trading and market abuse. All employees, directors, and related parties shall comply with the clauses on insider trading included in the Share Trading Policy of the Company to ensure the fair and equitable treatment of all shareholders.

9. Handling Investor Complaints

PLC will establish a systematic mechanism for addressing and resolving investor complaints promptly. The Company is committed to providing efficient and transparent solutions to enhance investor confidence. Investor complaints should be handled by Investor Relations Officer. Company Shareholders' matters shall be forwarded to the Company Secretary.

The Company endeavours to meet with shareholders, institutional investors, private investors and the financial media upon request, and responds to any enquiries they may make from time to time.

10. Protection of Shareholder Rights

PLC recognizes and upholds the rights of shareholders. The Company will implement measures to protect these rights, ensuring fair treatment and equal opportunities for all shareholders.

11.Sustainability and Corporate Social Responsibility (CSR)

PLC is committed to sustainable business practices and corporate social responsibility. The company will regularly disclose its CSR initiatives, demonstrating its commitment to societal and environmental well-being via its Annual Report.

12. Financial Reporting

PLC will maintain high standards of financial reporting, ensuring transparency and accuracy in all financial disclosures. The Company will strictly adhere to applicable accounting standards and regulations. Annual Report of the Company will be prepared within the prescribed time frame by CSE and publish on the Colombo Stock Exchange 15 working days prior to the AGM. Shareholders desiring a printed copy of the Annual Report will be able to obtain one by submitting a written request to the Company Secretary. Upon receipt of such written request, a printed copy of the Annual Report will be sent within eight (8) Market Days of such receipt, to any requesting shareholders.

The Interim Financial Statements will be also published within the stipulated time frames by CSE as follows:

Period of Interim Financial Statements	Publish Date
1Q ended 30 June xxx	Before 15 August xxx
2Q ended 30 September xxx	Before 15 November xxx
3Q ended 31 December xxx	Before 15 February xxx
4Q ended 31 March xxx	Before 31 May xxx

13. Proxy Voting

PLC encourages shareholders to participate in decision-making processes through proxy voting. Clear guidelines will be provided to facilitate the proxy voting process via circulars to shareholders, ensuring the effective representation of shareholder interests. Along with the Notice of Meeting Form of Proxy will be circulated among shareholders and also made available on the CSE website and the Company's official website.

14. Investor Relations (IR) Officer

Head of Finance functions as the Investor Relations Officer of PLC to facilitate effective communication between the Company and its shareholders. The IR Officer will be responsible for addressing investor inquiries, providing relevant information, and ensuring a positive investor experience.

15. Confidentiality and Data Protection

PLC is committed to protecting the confidentiality of shareholder information and complying with data protection laws. Stringent measures will be implemented to handle shareholder data responsibly and securely.

16. Review and Update

This policy will be subject to periodic review to ensure its continued effectiveness and compliance with evolving regulatory requirements. Any necessary updates will be made promptly and communicated to shareholders.

17. Effective Date of the Policy

The policy will be effected on 1 March 2024.