

Lake House Printers & Publishers PLC

Policy Statement on Board Committees

1. Introduction

The Board of Directors (the "Board") of Lake House Printers and Publishers PLC ("the Company") recognises that effective delegation to Board Committees is essential for robust governance, informed decision-making, and diligent oversight. This Policy Statement outlines the framework for the establishment, composition, and functioning of Board Committees, in compliance with the Continuing Listing Rules of the Colombo Stock Exchange (CSE)

2. Purpose of Board Committees

Board Committees are established to:

- Enhance the efficiency of the Board by focusing on specific areas of responsibility.
- Provide detailed scrutiny and recommendations on complex matters.
- Ensure specialised oversight of critical functions such as audit, risk, remuneration, and nominations.

3. Key Board Committees

The Board has constituted the following mandatory and voluntary Committees, each with formally approved Terms of Reference:

3.1 Audit Committee

The Audit Committee comprised three members, of whom two are Independent Non-Executive Directors.

Responsibilities:

- Oversight of financial reporting, internal controls, and audit processes.
- Reviewing the independence and effectiveness of the external and internal auditors.
- Monitoring compliance with legal and regulatory requirements.

3.2 Remuneration Committee

The composition is Three Directors and all are Non-Executive Directors. Out of Three members two are Independent Non-Executive Directors. The Chairman is an Independent Non-Executive Director.

Responsibilities

- Recommending remuneration policies for Directors and Senior Management.
- Approving performance-linked incentives and ensuring alignment with shareholder interests.

3.3 Nomination Committee

The Nomination Committee comprised of Three Members and out of them two are Independent Non-Executive Directors. The Chairman is an Independent Non-Executive Director

Responsibilities

- Evaluating the structure, size, and composition of the Board.
- Recommending appointments and re-appointments based on merit, diversity, and objective criteria.

3.4 Related Party Transactions Review Committee

Comprised four members and out of two whom are Independent Non-Executive Directors.

Responsibilities

- Scrutinizing and approving related party transactions in accordance with CSE Listing Rules.
- Ensuring fairness, transparency, and compliance with regulatory requirements.

4. Committee Operations

Meetings: Committees meet at least quarterly, or more frequently as required.

Reporting: Committees report their findings and recommendations to the Board promptly.

Resources: Committees have independent access to internal and external expertise, including the Company Secretary.

Minutes: Detailed minutes of Committee meetings are maintained and available for Board review.

5. Disclosure

The Company discloses in its Annual Report:

The composition and roles of each Board Committee.

A summary of activities and key decisions made by each Committee during the year.

The number of meetings held and attendance of members.