



35, P.B.A Weerakoon Mawatha, P.O Box 78, Kandy, Sri Lanka.
Tel : 0094 81 247 2727 Fax : 0094 81 223 2068
E-mail : mareach@slt.lk Website : www.mahaweli.com

Nominations and Governance Committee Charter

Introduction

1. The Nominations and Governance Committee (the **Committee**) has been established as a committee by the board of directors of Mahaweli Reach Hotels PLC (MRH) (the **Board**).
2. This Charter sets out the role, responsibilities, composition and operation of the Committee.

Role and Responsibilities

3. The role of the Committee is to assist the Board by establishing a framework of corporate governance for the Company including the appointment of directors, review of policies and compliance with same.
4. In performing its role, the Committee will review, report on and make recommendations to the MRH Board on, the following matters (and any other matters that may be referred to it by an MRH Board or Board Committees from time to time):
 - 4.1 Evaluate the appointment of Directors to the Board and Board Committees of the Listed Entity. However, a member of the Nominations and Governance Committee shall not participate in decisions relating to his/her own appointment.
 - 4.2 Develop a criteria for evaluation of the appointment, re-appointment/re-election of Directors taking into account;
 - the combined knowledge, experience, performance and contribution made by the Director to meet the strategic demands of the Listed Entity 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.
 - 4.3 Establish and maintain a suitable process for the periodic evaluation of the performance of Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged.
 - 4.4 Develop succession plan for Board of Directors and Key Management Personnel of the Listed Entity.
 - 4.5 Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.
 - 4.6 Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices.
 - 4.7 Periodically review and update the corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice.

4.8 Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rationale for same.

Committee Composition

5. The Board shall appoint the Members of the Committee.

6. The Committee will comprise of a minimum of three (03) directors of the Listed Entity, out of which a minimum of two (02) shall be Independent Directors.

Committee Chair

7. The Committee Chair is appointed by the Board, in consultation with the Nominations and Governance Committee.

8. The Committee Chair must be an independent non-executive director of MRH and must not be the Chair of the Board.

9. The Committee Chair's primary responsibilities are leading the Committee and overseeing the processes for the Committee fulfilling its responsibilities under this Charter. The Committee Chair is also responsible for:

- a. chairing Committee meetings and facilitating open and effective discussions at Committee meetings;
- b. maintaining communications with management and the Company Secretary in relation to the Committee's information requirements;
- c. serving as the primary link between the Committee and the Board; and
- d. attending the annual general meeting of MRH and being prepared to respond to any shareholder questions on matters within the remit of the Committee.

Committee Secretary

10. The Company Secretary of MRH, or such other person as they may nominate, will act as the Committee Secretary and report directly to the Committee, through the Chair, on all matters to do with the proper functioning of the Committee. All Committee members have direct access to the Committee Secretary and vice versa.

Committee Meetings

Frequency and conduct

11. The Committee will meet at least once each year or more frequently if necessary to fulfil its responsibilities.

12. Each MRH Board director shall have access to Committee papers. However, directors who are not Committee members are not required or expected to review Committee papers.

Quorum

13. A quorum shall be two members or any greater number determined by the Board.

Attendance

14. Directors of the Board who are not Committee members may attend Committee meetings but are not required or expected to do so.

15. Other MRH executives may be invited to attend Committee meetings at the invitation of the Committee, as extended by the Committee Secretary.

Access and Advisers

16. The Committee has unrestricted access to all employees and relevant records of MRH it considers necessary to fulfil its obligations and has the right to seek explanations and additional information from management and auditors.

17. The Committee may (at MRH’s expense):

- a. appoint external experts to assist the Committee in carrying out its responsibilities, and
- b. invite those external experts to attend and provide input at Committee meetings.

18. Where the Committee appoints such external experts, management will provide the external experts with the information necessary to enable the expert to perform its role.

Reporting

19. The Committee Chair will update the MRH Board about Committee activities at the next meeting of the Board through a written paper and/or verbal report.

20. The Committee will refer to the MRH Board, or recommend to the MRH Board the referral to another Board Committee (as appropriate), any matters that have come to the Committee’s attention that are relevant for the MRH Boards or another Board Committee.

21. Committee meeting minutes will be provided to the MRH Board for noting.

Committee Charter Review

22. The Committee will review the Charter once every two years to keep it up to date and consistent with the Committee’s authority, objectives and responsibilities.

23. Amendments to the Charter, other than updates for MRH branding or position titles, are to be approved by the Board.

Approval Date

Charter approved: 28/11/2024

Nominations and Governance Committee Charter 2024	
Version:	001
Approved By:	Board of Directors
Approved on:	28/11/2024
Notes:	Introduced in compliance with the Listing Rules of the Colombo Stock Exchange and applicable laws