



TALAWAKELLE TEA ESTATES PLC

**POLICY ON CONTROL AND
MANAGEMENT OF COMPANY
ASSETS AND SHAREHOLDER
INVESTMENTS**



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1. Objective

This policy establishes the framework for the management of the organisations' assets throughout their lifetime. It aims to ensure the effective and efficient use of assets to achieve organizational objectives while minimizing risks and costs. The policy also aims to clearly define the roles and responsibilities of the stakeholders involved in managing company assets in order to ensure accountability.

2. Scope

This policy applies to all users of the Talawakelle Tea Estates PLC's (TTE) assets, including employees, contractors and third parties. The following asset categories fall within the purview of this Policy

- Long-term (assets utilized for more than a year) physical assets including (but not limited to) land, building, machinery, office equipment and vehicles which are used in the production, or supply of goods and services, for rental to others, or for administrative purposes
- Shareholder investments- financial assets of the entity including investments in shares, deposits, government securities and debt securities

3. Roles and Responsibility

The Board of Directors (BOD) are the custodian of all assets and liabilities of the Company. However, it is the responsibility of the relevant Departmental Heads/Estate Managers to carry out the process of acquisition, use, maintenance, and disposal of their respective divisional assets.

4. Acquisition, transfer, disposal and write-off of capital assets

All capital expenditure (CAPEX) should be approved by the respective Sector Management Committee (GMC) member. Any CAPEX above Rs. 25mn should be submitted to the Group Strategic Business

Development Unit (SBDU) and the Board of Directors for approval. All CAPEX items should be informed to the sector GMC member and the board on a quarterly basis.

All unbudgeted CAPEX in significant amounts should be submitted to the respective GMC member approval or Chairman approval as appropriately

Transfer of assets within the company can be done at the agreement of the relevant Heads of Department/Estate Managers and CEO. Inter-company transfers of assets within the Hayleys Group requires the approval of the respective GMC members who will agree on the consideration.

Disposal of assets require an approval from the CEO and Sector GMC member.

For an asset to be written-off, the respective HODs/Estates Managers has to inspect the asset and obtain approval from the respective CEO and the BOD.

5. Insurance coverage

Insurance coverage should be obtained as per the guidelines of the Group Risk and Safety Department which will be kept informed the changes to the entity's assets when there are changes.

6. Documentation and tracking

All physical assets are required to be tagged with a bar code and tracked throughout the lifetime of the asset. A fixed asset verification should be conducted once every three years in order to ensure the physical existence of the company assets.

7. Shareholder investments

Shareholder investments are equity and debt investments made by the company. This includes investments in other Hayleys and non-Hayleys companies as well as other financial instruments such as government securities, corporate securities and deposits. Group Treasury should be consulted on interest rates on investments.

All strategic share acquisitions should be vetted and approved by the Hayleys PLC Strategic Business Development Unit and the Board of Directors.

8. Review and Revision to this policy

This policy shall be reviewed and updated at least once every two (2) years by the Group Chief Financial Officer. The required updates and modifications shall be recommended to the Chairman & Chief Executive and to the Board for approval. All stakeholders shall be informed of any revisions made to this Policy. TTE reserves the right to modify/amend the terms of this policy from time to time.

Effective date of implementation

This policy shall be effective and operative from 1st of October 2024.
