

 Ceylon Hotels Corporation PLC	CEYLON HOTELS CORPORATION PLC - POLICY DOCUMENT	
	POLICY ON CONTROL AND MANAGEMENT OF COMPANY ASSETS AND SHAREHOLDER INVESTMENTS	
Effective from 30.09.2024	Document No: PO/2024/009/VERSION 1	Page 1 of 3

Scope	<p>The Ceylon Hotels Corporation PLC provides a wide range of hotelier services that require ownership, responsible operation and maintenance of physical assets.</p> <p>This policy delineates the guidelines and practices that constitute a comprehensive framework for the effective management and protection of the assets of Ceylon Hotels Corporation PLC (hereinafter referred to as ‘The Company’ or ‘CHC’) together with its subsidiaries (‘Group’). It is designed to maximize shareholder value through prudent investment strategies, thereby facilitating the achievement of the Company’s corporate objectives.</p> <p>This policy is applicable to all assets owned by the Group, as well as enhancements made to leased or hired properties. This encompasses physical assets (such as property and equipment), financial assets (including investments and cash), and intangible assets (such as brand identity and intellectual property). Management shall collaborate with asset owners to promote the principles articulated within this policy. The scope of this policy encompasses all facets of asset management, including design, construction, operation, maintenance, and disposal.</p> <p>This policy is binding on all employees, contractors, and stakeholders associated with the Company.</p> <p>Consequently, it is the intention that all employees and functions within the Group align with this policy to maximize benefits, minimize risks, and ensure the delivery of services at a satisfactory level, all while adhering to safe and sustainable practices.</p> <p>This was created and maintained in accordance with Rule 9.2.1 (i) of the Listing Rules of the Colombo Stock Exchange.</p>	
Policy measures	Commitment to 100% adherence	
Definitions	The Company	Ceylon Hotels Corporation PLC
	The Group	Ceylon Hotels Corporation PLC and its subsidiaries
	Policy	Control and Management of Company Assets and Shareholder Investments
	Board	The Board of Directors of Ceylon Hotels Corporation PLC
	Corporate website	www.chcplc.com
Responsibility	This policy is regularly reviewed by the Board of Directors (the ‘Board’) to ensure compliance with regulations, as well as its effectiveness and relevance.	
Framework for control and management of company assets and shareholder investments		
1.1	This ensures that asset management practices are integrated with the Group’s overarching business strategy and brand positioning, thereby supporting long-term growth and enhancing competitiveness. By adhering to these principles, the Group can effectively manage its assets and shareholder investments, driving performance and securing sustainable growth within a competitive landscape.	

Reviewed & Confirmed		Approved by	
Shalike Karunasena	Director / Group CFO	Board of Directors	

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Asset Management	
2.1	Asset Inventory and Valuation <ul style="list-style-type: none"> ▪ Maintain an up-to-date inventory of all the Group assets ▪ Conduct regular valuations to assess the fair market value of physical and intangible assets to inform strategic decision making
2.2	Maintenance and Upkeep <ul style="list-style-type: none"> ▪ Maintain a scheduled maintenance program for physical assets to ensure optimal performance and longevity. ▪ Regularly review asset performance metrics to identify underperforming assets.
2.3	Disposal of Assets <ul style="list-style-type: none"> ▪ Clear procedures for the disposal of assets that are no longer viable, ensuring compliance with legal and regulatory requirements. ▪ Consider sustainable disposal methods, such as recycling or donating usable equipment.
Investment Management	
3.1	Investment Strategy <ul style="list-style-type: none"> ▪ Ensure a clear investment strategy aligned with the Group’s goals, risk tolerance, and market conditions. ▪ Prioritize investments that enhance operational efficiency and contribute to long-term sustainability.
3.2	Diversification Promote a diversified investment strategy within the hotel portfolio, including various property types and geographic locations, to minimize risk and enhance overall returns. <ul style="list-style-type: none"> ▪ Encourage a diversified investment portfolio to mitigate risks and enhance returns. ▪ Regularly review investment performance and reallocate as necessary.
Risk Management	
4.1	This is required to identify and mitigate potential risks related to assess loss, operation inefficiencies and market fluctuations to safeguard shareholder interest. <ul style="list-style-type: none"> ▪ Conduct thorough risk assessments for all investments, including market, credit, and operational risks. ▪ Implement risk management strategies to minimize potential losses.
Shareholder Engagement	
5.1	Actively engage with shareholders and other stakeholders to gather insights and feedback, ensuring that asset management decisions reflect their interests and concerns.
5.2	Communication <ul style="list-style-type: none"> ▪ Provide regular updates to shareholders regarding asset performance, investment strategies, and financial health. ▪ Foster open channels for shareholder feedback and concerns.
5.3	Dividend Policy <ul style="list-style-type: none"> ▪ Establish a clear dividend policy that balances reinvestment in the business with returns to shareholders. ▪ Communicate the rationale behind dividend decisions to shareholders.

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5.4	Voting Rights and Participation <ul style="list-style-type: none"> ▪ Ensure all shareholders are informed of their voting rights and encourage participation in key decisions. ▪ Facilitate annual general meetings (AGMs) and provide clear information on agenda items.
Governance and Compliance	
6.1	Adhere to regulatory standards and industry best practices in asset management, ensuring ethical conduct and legal compliance to maintain corporate integrity.
6.2	Oversight <ul style="list-style-type: none"> ▪ Establish an oversight committee to monitor asset management and investment strategies, ensuring alignment with corporate objectives. ▪ Conduct regular audits of asset management practices and investment activities.
6.3	Compliance <ul style="list-style-type: none"> ▪ Adhere to all relevant legal and regulatory requirements regarding asset management and investment practices. ▪ Maintain ethical standards in all transactions and relationships.
Monitoring and Reporting	
7.1	Transparency in financial reporting related to asset performance and shareholder investments, providing regular updates to stakeholders ensure that building trust and accountability.
7.2	Establish key performance indicators (KPIs) specific to hotel operations—such as occupancy rates, RevPAR (Revenue per Available Room), and customer satisfaction scores—to continuously assess asset performance and investment effectiveness. <ul style="list-style-type: none"> ▪ Develop key performance indicators (KPIs) to evaluate the effectiveness of asset and investment management practices. ▪ Prepare regular reports for the board of directors and shareholders, detailing asset performance, investment outcomes, and strategic initiatives.
Sustainability and Environmental Stewardship	
8.1	Incorporate sustainability principles into asset management strategies, focusing on energy efficiency, waste reduction, and responsible sourcing to enhance long-term viability and brand reputation.
Publication of the policy	
9.1	The policy is hosted on the Company’s corporate website, and the Company will ensure that personnel are adequately informed about its requirements. Any clarifications regarding the policy should be directed to the Group Chief Financial Officer.
Policy Output	Effective control and management of company assets while maximizing shareholder investments
Policy Records	Policy on control and management of Company Assets and Shareholder Investments

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Shalike Karunasena	Director / Group CFO	Board of Directors	