

# DIESEL & MOTOR ENGINEERING PLC

<b>DIMO</b>	<b>POLICY ON RELATIONS WITH SHAREHOLDERS AND INVESTORS</b>	Document Number: GRP/FM/CG/07/09
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## 1. INTRODUCTION

Diesel & Motor Engineering PLC (hereinafter referred to as "the Company") is a diversified conglomerate listed on the Colombo Stock Exchange. Maintaining resilient and transparent relations with shareholders and investors is essential for ensuring trust, protecting shareholder value, and complying with regulatory requirements. This policy outlines the principles and practices for managing relations with shareholders and investors, promoting transparency, and fostering effective communication.

## 2. OBJECTIVES

Objectives of this policy are to:

- **Promote Transparency:** Provide clear, accurate, and timely information to shareholders and investors to facilitate informed decision making.
- **Enhance Communication:** Develop effective communication channels to communicate with shareholders and investors.
- **Protect Shareholder Rights:** Ensure that shareholders are provided with opportunities to voice their concerns.
- **Comply with Regulations:** Adhere to all applicable laws, regulations, and corporate governance practices related to shareholder and investor relations.

## 3. SHAREHOLDER AND INVESTOR COMMUNICATION

### 3.1 Transparency and Disclosure

- **Disclosure Practices:** The Company commits to transparency by disclosing material information in a timely and accurate manner.

- **Regulatory Requirements:** Comply with the disclosure requirements set forth by legislations, the Colombo Stock Exchange and any regulatory authority.
- **Consistency:** Ensure consistency in the information provided across various platforms to avoid misinformation and maintain credibility.

### 3.2 Annual Reports and Financial Statements

- **Annual Reports:** Prepare and distribute comprehensive annual reports that include audited financial statements, management discussions, and analyses.
- **Financial Statements:** Publish quarterly and annual financial statements that adhere to applicable accounting standards and regulatory requirements. Make these documents readily available on the Company's website.

### 3.3 Shareholder Meetings

- **Annual General Meetings (AGMs):** Conduct AGMs in accordance with Companies Act No.07 of 2007's requirements. Provide shareholders with adequate notice, including the meeting agenda, and resolutions to be passed.
- **Extraordinary General Meetings (EGMs):** Arrange EGMs as needed to address specific issues or corporate actions that require shareholder approval. Ensure that relevant information is provided to shareholders in advance.
- **Meeting Accessibility:** Facilitate shareholder participation by providing options for remote attendance and voting where possible.

### 3.4 Investor Relations Program

- **Investor Relations Team:** Establish an investor relations team responsible for managing communication with institutional and individual investors. This team should act as a liaison between the Company and its investors.
- **Periodic Updates:** Provide updates to investors through investor presentations.
- **Investor Meetings:** Organize one-on-one meetings at the request of shareholders.

### 3.5 Digital Communication

- **Website:** Maintain an up to date corporate website with a dedicated investor relations section. This section should include financial reports, press releases, governance documents, and other relevant information.

### 3.6 Handling Shareholder Complaints

- **Complaint Mechanism:** A shareholder may forward any complain to the Company Secretary in writing. The Company Secretary shall include the matter in the agenda of the next Board Meeting
- **Resolution:** Address shareholder complaints with transparency and fairness.

## 4. CORPORATE GOVERNANCE AND ETHICAL STANDARDS

### 4.1 Corporate Governance Practices

- **Governance Structure:** Adhere to best practices in corporate governance published by the Institute of Chartered Accountants of Sri Lanka and Listing Rule No.09 “Corporate Governance” issued by the Colombo Stock Exchange, including the composition of the Board of Directors, committees, and their functions.
- **Ethical Conduct:** Promote ethical behaviour and integrity in all aspects of corporate governance and decision-making. Ensure that governance practices align with the principles of transparency, accountability, and fairness.

## 5. COMPLIANCE AND REPORTING

### 5.1 Regulatory Compliance

- **Compliance:** Ensure compliance with all applicable laws, regulations, and Colombo Stock Exchange’s Listing Rule requirements related to shareholder and investor relations. Regularly review and update compliance practices to reflect changes in regulations.
- **Regulatory submissions:** Submit required filings and disclosures to regulatory authorities in a timely and accurate manner.

## 6. POLICY REVIEW AND UPDATES

- **Annual Review:** Review this policy annually or more frequently if necessary to ensure its relevance and effectiveness. Consider changes in regulations, Company operations, and industry best practices.
- **Policy Updates:** Update the policy as needed to reflect changes in regulatory requirements, corporate governance practices, and stakeholder expectations.

## 7. APPROVAL AND IMPLEMENTATION

This policy is approved by the Board of Directors and is effective as of 1<sup>st</sup> October 2024. All employees and relevant stakeholders are required to familiarize themselves with this policy and adhere to its provisions.

## **8. MISCELLANEOUS**

In so far as this Policy imposes any obligations on the Company, those obligations are not contractual and do not result in or confer any contractual rights to any person whomsoever.