



First Capital

POLICY ON RELATIONS WITH SHAREHOLDERS AND INVESTORS

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This documented Procedure, Policy, and Process applies to First Capital Holdings PLC its Subsidiaries, and Associates, referred to hereinafter as First Capital.			

Contents

1.0 Objective 2

2.0 Corporate Governance Requirements 2

2.0 Communication Mechanisms 3

3.0 Transparency 4

4.0 Timely Communication..... 5

5.0 Voting Procedures 6

6.0 Contact Persons 6

 6.1 Contact person for Shareholder Communications..... 6

 6.2 Contact person for Investor Communications..... 7

7.0 Process to make all Directors aware of major issues and concerns of shareholders..... 7

8.0 Disclosures 8

9.0 Policy Review 8

Acronyms

- BoD : Board of Directors of First Capital Holdings PLC
- CSE : Colombo Stock Exchange

1.0 Objective

In conjunction with the requirements of the Colombo Stock Exchange (CSE) Listing Rules and Code of Best Practice on Corporate Governance issued on 2023 by the Chartered Institute of Sri Lanka, this policy is developed to establish guidelines and procedures for First Capital Holdings PLC and its subsidiaries herein after referred as “Company” to effectively communicate with and foster relationships with its shareholders and investors, in compliance with the said rules.

The objectives of the policy are,

- To foster trust and transparency with shareholders and investors.
- To provide timely, accurate, and relevant information about the company’s performance, strategies, and risks.
- To encourage shareholder participation and protect their rights.
- To comply with all applicable laws and regulations in Sri Lanka.

The policy reflects the dedication to building trust, facilitating communication, and soliciting feedback to inform decision-making processes.

2.0 Corporate Governance Requirements

The corporate governance rules stipulate that a company should prioritize transparent, proactive, and inclusive engagement with its shareholders and investors. According to section 9.4.2 of Listing Rules (Corporate Governance),

- a) Listed Entities shall have a policy on effective communication and relations with shareholders and investors and disclose the existence of the same in the Annual Report and the website of the Listed Entity.
- b) Listed Entities shall disclose the contact person for such communication.
- c) The policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders, and such process shall be disclosed by the Entity in the Annual Report and the website of the Entity.

- d) Listed Entities that intend to conduct any shareholder meetings through virtual or hybrid means shall comply with the Guidelines issued by the Exchange in relation to same and published on the website of the Exchange.

By adhering to these rules and regulations, First Capital Holdings PLC shall enhance trust, maintain investor confidence, and demonstrate a commitment to sound corporate governance practices, thereby supporting long-term shareholder and investor values and sustainable business growth.

2.0 Communication Mechanisms

First Capital Holdings PLC recognizes the paramount importance of effective communication with its shareholders and investors as a cornerstone of good corporate governance. The company adheres to established principles and regulatory guidelines to ensure transparency, accountability, and timely dissemination of information.

First Capital Holdings PLC employs various channels to facilitate communication with shareholders and investors, including:

- One to One Discussions

One-to-one discussions will be facilitated with specific queries and concerns of the shareholders regarding matters related to our company.

- Annual Reports

Annual reports are prepared and published in compliance to the applicable accounting standards and other rules and regulations of Sr Lanka. The report discloses information on financial performance, corporate governance, and strategic direction of the company.

- Annual General Meetings (AGM) & Extra Ordinary General Meetings (EGM)

AGMs are conducted in conformity to the listing rules. The shareholders vote on key decisions of the company and review the company's performance. EGMs are convened for special resolutions or urgent matters.

- Interim Financial Statements
Publish quarterly updates on financial information of the company. This is published on the CSE website and company website.

- Investor Presentations
This is used to communicate financial results, business strategies, and market outlooks etc. to the investors.

- Announcements to CSE
Announcements to the CSE are made in compliance with the CSE listing rules to ensure timely and accurate market information. This includes disclosures of material information, financial results, and significant corporate actions etc.

- Corporate Website - www.firstcapital.lk
Regulation under the CSE listing rules requires maintaining an updated and accessible website for investors. Financial reports, corporate news, and other relevant information are published.

- Press Conferences and Releases
This is used to communicate significant company news or updates to the public and media.

3.0 Transparency

Transparency is a core value of First Capital Group, which also serves as a fundamental principle guiding their communication with shareholders and investors. The group upholds this commitment through various practices and initiatives aimed at providing clear and comprehensive information:

3.1 Compliance with IFRS

First Capital adheres to the requirements of IFRS 18 on Presentation and Disclosure in Financial Statements. This standard enhances transparency by ensuring that our financial statements provide investors with clear and comparable information about our financial performance.

3.2 Voluntary Mandates

First Capital voluntarily adheres to the Transparency Checklist issued by Transparency International Sri Lanka, which outlines best practices for corporate transparency and accountability.

3.3 Disclosures

First Capital should prioritize transparency in all aspects of shareholder and investor communication. All the relevant disclosures are made in accordance with statutory requirements and the rules set by CSE, ensuring that all material information is disclosed promptly and accurately.

Please refer to the Policy on Corporate Governance, Nomination, and Re-Election for further information.

3.4 Commitment to Stakeholders

The commitment of First Capital to transparency extends beyond regulatory compliance. Effective and open communication channels are maintained to provide comprehensive information and strengthen relationships with stakeholders.

4.0 Timely Communication

The company is dedicated to promptly disclosing all significant information that could impact shareholders' and investors' decision-making processes. Shareholders and investors have the right to receive accurate and timely updates regarding the First Capital Group and its subsidiaries (where relevant). In compliance with statutory requirements, the Board ensures that all shareholder information is promptly published, with due consideration of the CSE rules. This includes quarterly financial results, the Annual Report, and any other relevant disclosures required by rules. Additionally, all price-sensitive information is publicly disseminated as required by corporate disclosures stipulated under the Listing Rules.

5.0 Voting Procedures

All ordinary shares issued by First Capital Holdings PLC (CFVF.N0000) carry equal voting rights.

As required by the Code of Best Practice on Corporate Governance published by CA Sri Lanka (2023), individual shareholders should be encouraged to participate in General Meetings of companies and exercise their voting rights. In compliance with the same, invitations are being circulated to all shareholders to participate in General meetings of First Capital.

A summary of the procedures governing voting at General Meetings should be circulated, along with every notice of the general meeting.

The Articles of Association of the First Capital Holdings PLC explain its voting procedures.

6.0 Contact Persons

6.1 Contact person for Shareholder Communications

Shareholders who have concerns regarding information published by First Capital Holdings PLC are encouraged to make formal written representations to the company secretary.

- **Janashakthi Corporate Services Limited** (*Company Secretary*)

02, Deal Place
Colombo 03

Email: secretaries@jcs.lk

6.2 Contact person for Investor Communications

Investors who have concerns regarding information published/provided by First Capital Holdings PLC are encouraged to make formal written representations to the Chief Financial Officer.

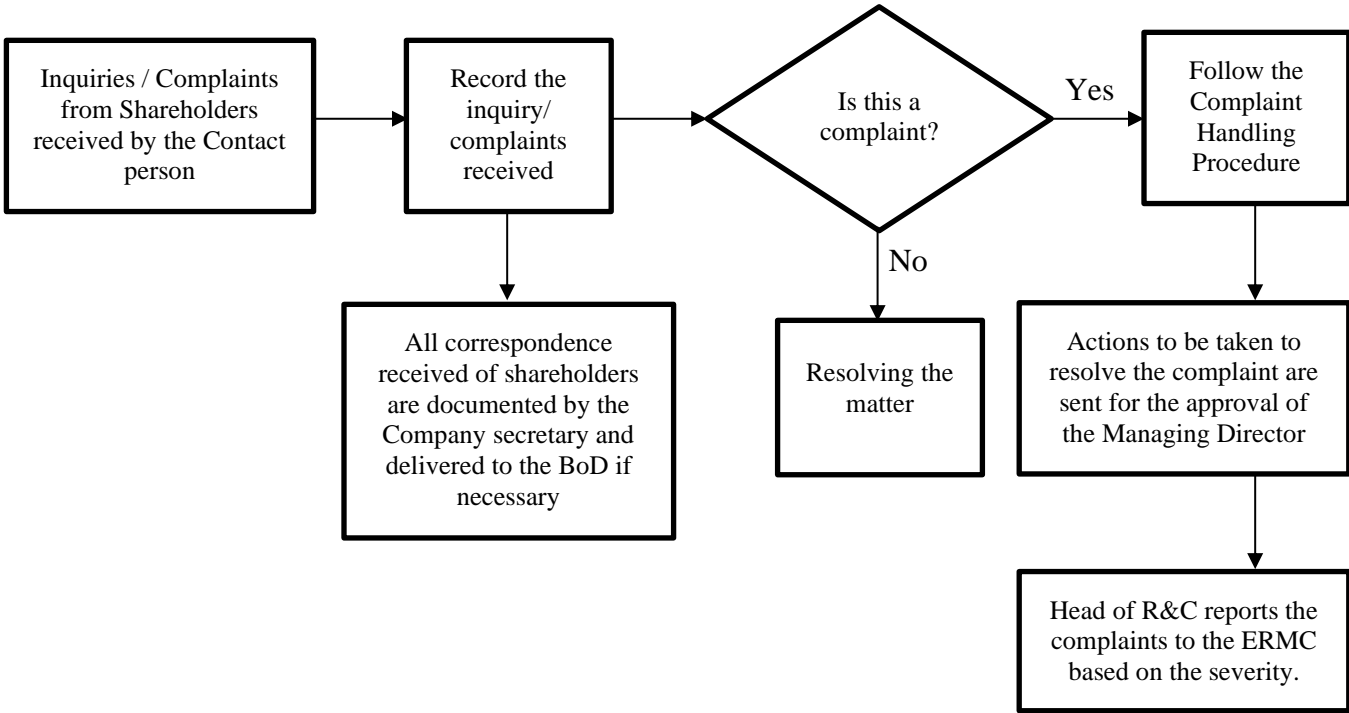
- **Chief Financial Officer (CFO)**

First Capital Holdings PLC
02, Deal Place
Colombo 03

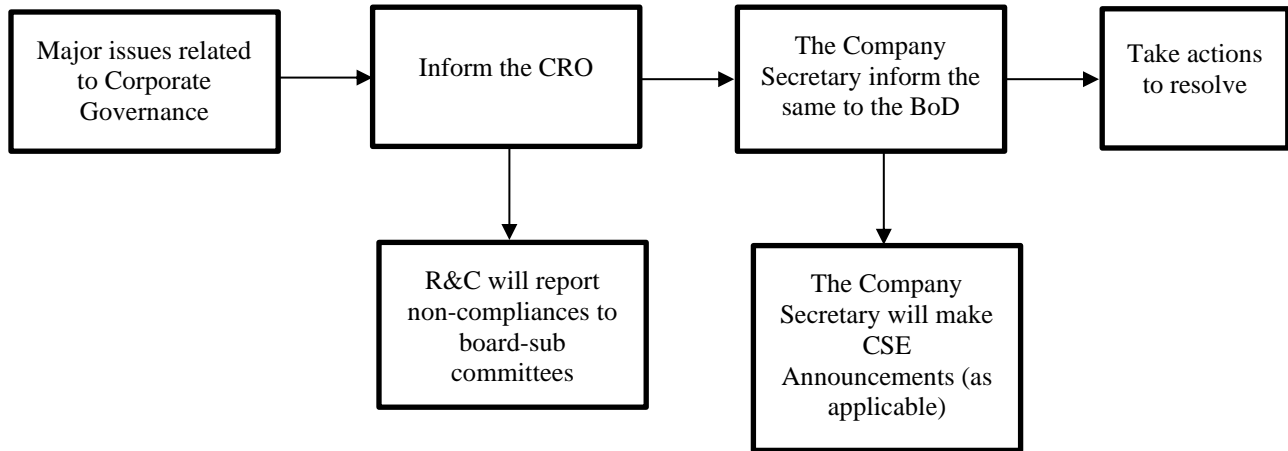
(CFO's office email address)

7.0 Process to make all Directors aware of major issues and concerns of shareholders

Shareholder inquiries and concerns are communicated to the Directors through the Company Secretary. The Company Secretary maintains a record of all correspondence received and ensures that such correspondence is delivered to the BoD or individual Directors as appropriate.



7.1 Major Issues related to Corporate Governance



8.0 Disclosures

- This policy should be disclosed on the First Capital website along with details related to its implementation.
- The contact person for shareholder and investor communication should be disclosed.
- The process to ensure all Directors are aware of major issues and concerns of shareholders shall be disclosed in the Annual Report and on the website.
- Other Immediate and Annual Report disclosures will be made as required by the CSE Listing Rules.

9.0 Policy Review

This policy shall be reviewed periodically to ensure its effectiveness and relevance in light of changing business conditions, regulatory requirements, and best practices in relations with shareholders and investors. Amendments to the policy may be proposed by management and approved by the BoD or designated authority.

PROCEDURE DRAFTED BY	RISK AND COMPLIANCE
PROCEDURE APPROVED BY	BOARD OF DIRECTORS