

POLICY ON CORPORATE DISCLOSURES



Policy on Corporate Disclosures

Purpose

The policy is to establish the framework for Citizens Development Business Finance PLC (the Company) for making corporate disclosure, including the release of material information about the Company to the general public, media and other stakeholders.

Scope

This policy applies to all employees, directors, officers, and representatives of the Company who are responsible for disclosing or managing material information. It encompasses all forms of corporate communication, including regulatory filings, financial reports, press releases, presentations, and public statements that is shared between the Company, general public, media and other stakeholders.

Objectives

The Company has an obligation to ensure that all information material to the business and affairs of the Company is disclosed to the public in an appropriate manner and this policy will assist the Company in satisfying the objectives below, and in assigning responsibility for the implementation and oversight of the same.

- To ensure material information is disclosed in a timely, consistent, and appropriate manner.
- To provide guidelines for the broad dissemination of material information pursuant to all applicable legal requirements.
- To Set out principally that all material disclosures are to be made in line with statutory and regulatory requirements and to prevent improper use or premature disclosure of confidential material information.

Introduction

The Company is committed to timely, accurate, and complete disclosure of material information in an appropriate manner. The Company recognizes that it must meet the disclosure expectations of external stakeholders and the disclosure obligations prescribed by the Central bank of Sri Lanka, Securities and Exchange Commission of Sri Lanka, The Registrar of Companies and the Colombo Stock Exchange (CSE). All corporate disclosure shall promote the principles of transparency, accountability, confidentiality and consistency.

Roles and Responsibilities on Disclosure

All corporate disclosures shall be made with the sanctioning of the Managing Director or Chairperson of the Board and of Board Sub-Committees as appropriate. On immediate disclosure requirements of CSE, the determination shall be done by them and may consult legal counsel for concurrence.

Furthermore, all correspondence, communication, announcements and notices with relation to shareholders shall be made through the Company Secretary as per the regulatory requirements.

The Compliance Department, the Company Secretary and Finance Department shall be responsible in making sure that the corporate disclosures are made in line with the regulatory requirements and the internal policies and procedures. Same shall be reviewed by Internal Audit.

At all business places where by regulatory requirements or/and internal policies, corporate disclosures are to be displayed by way of notices digitally or/and physically, the same shall be ensured by the Branch officers in Charge.

Types of Disclosures

The Company will disclose the following types of information, as applicable:

- Financial Information: Annual and quarterly reports, financial statements, and earnings releases and etc.
- Corporate Governance Information: Board structure, management appointments, and governance practices.
- Operational Information: Business strategy, mergers and acquisitions, strategic partnerships, and other operational updates.
- Risk Factors: Disclosure of potential risks, including financial, operational, regulatory, and market-related risks.
- Material Transactions: Significant changes in assets, major contracts, or any other material event.
- Legal Proceedings: Any significant litigation or regulatory matters involving the company

All disclosures mandated by the CSE, shall be made to the CSE as per the Listing Rules applicable and therefore will be available on their website.

Apart from the disclosure requirements by the CSE, the Company could determine the mode and channel of disclosure of all other information based on the type of information and the audience. However, it shall always be made in accordance with the relevant Directions disseminated by the authorities mentioned above. For instance, the Company must ensure that the corporate disclosures comply with the disclosure and transparency requirements under the Financial Consumer Protection Regulations promulgated by the Central Bank of Sri Lanka.

Continuous Disclosure Obligations Prescribed by the CSE.

The Board of Directors shall ensure that through the Company Secretary, the Company adheres to the corporate disclosure requirements applicable as a listed entity on the CSE.

Immediate Disclosure of Price Sensitive Information shall be made as prescribed as to its timeliness, content, manner and etc. Price sensitive information shall be defined as per the Listing Rules and similarly, events requiring immediate disclosure to the Exchange, shall not be limited to the events that are listed out under the Rules of the Exchange but should encompass satisfying the requirement for immediate disclosure and be subject to materiality.

The Company may withhold the disclosure of price-sensitive information only when explicitly permitted by the Exchange under given exceptions. In cases of uncertainty, the Company should prioritize transparency, with the default approach being in favour of disclosure. However, if price sensitive information is withheld, the Company shall ensure that strictest confidentiality is maintained of such information and that access to such information is to be granted only on a “need to know” basis,

The Company shall also make disclosures on clarifications on unusual trading activities in a listed security, clarifications of rumours or reports and trading by connected parties.

Additionally, the Company must ensure that the Annual Report, Interim Financial Statements and other announcements including corporate governance disclosures are made as per the manner prescribed by the applicable rules and regulations of the CSE and Securities and Exchange Commission of Sri Lanka.

Media Relations, Public Comments, and Designated Spokesperson/s

Media Relations

All Marketing and related communication including all published advertisements (Print, TV, Radio, social media, website) and all other communication materials such as brochures, profiles, leaflets, hoarding, press releases, direct mailers; newsletters and other forms of communication including social media and company website should be approved by the Director-In-Charge and will be referred for the approval of Managing Director/ Chief Executive Officer (MD/CEO) as appropriate and if required.

Unless otherwise authorized by the Board, Public Affairs, media relations activities and media interviews are carried out by the MD/CEO and Chairperson of the Board. From time-to-time, Senior Officers and/or other subject-matter experts may be called upon to speak to the media by the MD/CEO or Board regarding specific areas of responsibility or subject matter. These opportunities will be pre-

arranged in consultation. CDB personnel who are not authorized to serve as spokespersons will not respond on behalf of the Company to any enquiry from, or initiate communication with, the media.

The designated spokesperson has a duty to speak truthfully and openly to the best of his/her knowledge regarding the Company.

Representation at Various Forums

CDB personnel who are invited to make speeches or presentations about The Company to industry groups, conferences, or public meetings, as a part of their standard area of responsibility, should receive the approval from MD/CEO prior to accepting such invitations. CDB personnel should refrain from making public statements of personal opinion regarding the Company and from presenting a personal opinion regarding the Company as a fact.

Review of Policy

The policy shall be reviewed as necessary to reflect changes in laws, regulations, and best practices to ensure its continued relevance and effectiveness.