

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

**1. OBJECTIVE**

This policy establishes the framework for the management of the organisation's assets throughout their lifetime. It aims to ensure the effective and efficient use of assets to achieve organisational objectives while minimising 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 entities within the Dipped Products Group (DPL) and all users of the 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 GMC Member 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**

The selection of a vendor to source capital assets should be as per the guidelines of the DPL Procurement Division.

Capital Expenditure Budgets shall be prepared for each financial year and submitted for approval of the Chairman and Board of Directors prior to the beginning of the respective financial year.

All capital expenditure (CAPEX) should be approved by the Managing Director. The Company shall obtain the approval of the Board of Directors for expansion of manufacturing capacity, procurement of new premises / factories and other enhancements which in aggregate represent substantial capital outlay. The expert advice and recommendation of the Strategy Business Development Unit of Hayleys PLC, the parent Company shall be obtained for evaluation of such large CAPEX projects prior to submission to the BOD for approval.

All purchases, disposals and write off of fixed assets should be informed to the Chairman and Board of Directors on a quarterly basis.

Transfer of assets within the company can be done at the agreement of the relevant GMC member and the MD. Inter-company transfer of assets within the DPL Group requires the approval of the MD who will agree on the consideration.

Disposal of assets require an approval (through a memo) from the MD.

For an asset to be written-off, the respective GMC Member has to inspect the asset and obtain approval from the MD and subsequent ratification by the BOD.

## **5. INSURANCE COVERAGE**

Insurance coverage should be obtained as per the guidelines of the parent company, Hayleys PLCs Group Risk and Safety Department which will be kept informed quarterly of changes to the entity's assets.

## **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 every one year 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 Dipped Products and non-Dipped Products companies as well as other financial instruments such as government securities, corporate securities and deposits. Parent Company, Hayleys 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 MD, Chairman and to the Board for approval. All stakeholders shall be informed of any revisions made to this Policy. Dipped Products PLC reserves the right to modify/amend the terms of this policy from time to time.

## **9. EFFECTIVE DATE OF IMPLEMENTATION**

This policy shall be effective and operative from 1<sup>st</sup> October 2024.