

# OUTLINE - DIVIDEND POLICY



TRINIDAD CEMENT LIMITED

## **Background**

Trinidad Cement Limited (“TCL” or “the Company”) has developed a Dividend Policy (“the Dividend Policy”) to govern the recommendation of dividends to the Shareholders of the Company.

Under the Dividend Policy, TCL will strive to distribute to its Shareholders, surplus funds from its distributable profits and/or general reserves, as may be determined by the Board of Directors, subject to key prudential criteria, the Company’s Articles of Continuance, By-Laws and applicable laws.

The prudential criteria regulating the Company’s Dividend Policy include but are not limited to the calculation of the Company’s dividend payout as a percentage of the Controlling Interest Net Income of the Company, subject to the consideration of certain key factors including the recognition of profit and availability of cash for distribution based on year-end audited financial statements of the Company. Among the key factors, the Company’s Board of Directors will also consider the Company’s cashflow, the operating and economic environment, the financing requirements for growth opportunities, any applicable legal, regulatory or contractual restrictions.

Dividends will generally be recommended on an annual basis, after the announcement of the Company’s annual financial statements. The ultimate decision to declare and pay dividends shall be approved at the Annual Meeting of Shareholders for the respective year, upon the recommendation of the Board of Directors. The Board of Directors may consider not recommending any Dividend for any given financial year, if considered prudent, after analysing any or all the factors involved, and any prospective opportunities, threats or anticipated challenges in the regulatory, economic and/or industry environment in which the Company operates, among other factors.

## **Policy Approval**

The Dividend Policy was approved by the Board of Directors of TCL on March 21, 2022.

## **Policy Amendments**

The Dividend Policy shall be effective from the date of approval – March 21, 2022 and may be amended from time to time. Any material change or revision to the Dividend Policy shall be communicated to the Shareholders of the Company.