



# **POLICY**

**ON INTERNAL CODE OF  
BUSINESS CONDUCT AND  
ETHICS FOR ALL DIRECTORS  
AND EMPLOYEES, INCLUDING  
POLICIES ON TRADING IN THE  
ENTITY'S LISTED SECURITIES**

## **POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS FOR ALL DIRECTORS AND EMPLOYEES, INCLUDING POLICIES ON TRADING IN THE ENTITY’S LISTED SECURITIES**

This document is issued under the authority of the Board of Directors of Malwatte Valley Plantations PLC (“the Company”) in compliance with the Listing Rules of the Colombo Stock Exchange (“CSE”). Duplication and distribution of this document without an authorized release is strictly prohibited.

### **Document Control**

Title of the document	POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS FOR ALL DIRECTORS AND EMPLOYEES, INCLUDING POLICIES ON TRADING IN THE ENTITY’S LISTED SECURITIES
Date of approval by the Board	01.10.2024
Date of release	01.10.2024
Custody of the document	HR Department
Version No.	1.0

### **Document Change Approvals**

Section / Page No.	Description of Amendment	Reason for amendment	New Version No. & effective date	Amendment done by	Approved by

## Table of Contents

1.	OVERVIEW	4
2.	DEFINITIONS	4
3.	PURPOSE	4
4.	SCOPE	4
5.	GENERAL DUTIES AND RESPONSIBILITIES	5
6.	CONFLICTS OF INTEREST	6
7.	BRIBERY AND CORRUPTION	6
8.	CONFIDENTIALITY	6
9.	TRADING IN THE COMPANY'S SHARES	7
10	ENCOURAGING THE REPORTING OF ILLEGAL/UNETHICAL BEHAVIOUR	7
11	REVIEW AND MONITORING	8

## **1. OVERVIEW**

At Malwatte Valley Plantations PLC, we are committed to maintaining the highest standards of integrity and ethical conduct. This Code of Business Conduct and Ethics outlines the principles that govern our business activities and interactions with employees, customers, suppliers, and other stakeholders.

## **2. DEFINITIONS**

The following words and expressions shall have the respective meanings given against each such word unless such meanings are inconsistent with or repugnant to the subject or context:

“**Articles**” means the articles of association of the Company;

“**Board**” means the board of directors of the Company;

“**Companies Act**” means the Companies Act No. 07 of 2007, as amended from time to time;

“**Company**” means Malwatte Valley Plantations PLC;

“**Directors**” means the directors presently serving on the Board of the Company, and includes alternate directors appointed in accordance with the Articles;

“**Listing Rules**” means the Listing Rules of the Colombo Stock Exchange;

“**Managing Director**” means an employee of the Company performing the functions of the managing director of the Company;

“**Policy**” means this policy on internal code of business conduct and ethics for all directors and employees (including policies on trading in the Company’s listed securities);

“**Whistleblower Protection Officer**” means any officer designated to receive complaints/disclosures in accordance with the Policy on Whistleblowing.

## **3. PURPOSE**

The purpose of this Policy is to ensure that Directors and employees of the Company adhere to the highest code of business conduct and ethical considerations in all of their activities whether specifically covered in this Policy or otherwise.

## **4. SCOPE**

This Policy applies to the Company and covers all Directors and employees of the Company and its subsidiaries, to the extent applicable.

## 5. GENERAL DUTIES AND RESPONSIBILITIES

- 5.1 The Directors must, at all times, act in good faith and in the best interests of the Company and adhere to all other duties of directors set forth in sections 187 to 190 of the Companies Act. Each Director must accordingly exercise reasonable care, skill and diligence with the knowledge, skill and experience which may be reasonably be expected of him/her.
- 5.2 In carrying out their respective duties and responsibilities, Directors and employees must,
- (i) act in accordance with the applicable laws, Articles and internal procedures/policies of the Company;
  - (ii) act in good faith, in the best interests of the Company, its shareholders, internal and external stakeholders;
  - (iii) exercise his/her duties with due and reasonable care and skill;
  - (iv) ensure that the Company's records, whether financial or non-financial, provide an honest and accurate reflection the transactions/ events that have transpired;
  - (v) conduct oneself in a professional manner and treat peers and colleagues with respect, fairness and dignity;
  - (vi) ensure that the work environment at the Company is fair and non-discriminatory;
  - (vii) promote good employment practices;
  - (viii) provide equal opportunities for all individuals based on skills and relevant expertise/experience;
  - (ix) refrain from taking part in any illegal activities within the Company premises or on the Company's behalf;
  - (x) refrain from having any material association with an individual, firm or body corporate engaged in similar business to that of the Company, without obtaining the prior approval of the Company.
- 5.3 Employees must adhere to the provisions of their respective employment contracts and must not engage in any conduct in contravention of such provisions including the provisions that prohibit engaging in businesses and undertakings that are in competition with the business of the Company.
- 5.4 All property, assets and resources of the Company may only be used for the business of the Company. Directors and employees of the Company must ensure the protection and efficient use of the Company's assets in accordance with the Company's Policy on the Control and Management of Company Assets and Shareholder Investments.

5.5 Each Director and employee must endeavour to deal fairly with the Company's customers, suppliers and competitors and refrain from taking unfair advantage of the other through manipulation, concealment, abuse of privileged information, misrepresentation, concealment of material facts or any other unfair dealing practice.

## **6. CONFLICTS OF INTEREST**

6.1 Directors must inform the Board of any conflicts or potential conflicts of interests they may have in relation to particular items of business transacted by the Company.

6.2 All employees of the Company must immediately disclose any conflicts or potential conflicts they may have in relation to the business activities of the Company to their immediate supervisors and refrain from participating in any discussion/decision-making process in respect of such matters in which they have a conflicting interest.

6.3 Where a question arises as to whether or not a matter involves a conflict of interest for a Director, the matter must be brought to the attention of the chairman of the Board. The chairman must make a decision in respect of the same and such decision will be final and conclusive. In case of an employee, such matter must be brought to the attention of the CEO/Managing Director or head of the department that he or she works in, who will make a final determination in respect of the matter.

## **7. BRIBERY AND CORRUPTION**

All Directors and employees must adhere to the Company's Policy on Anti-bribery and Corruption in their business dealings on behalf of the Company.

## **8. CONFIDENTIALITY**

8.1 Proprietary information and trade secrets of the Company must be held in strict confidence and adequate care must be exercised to avoid any inadvertent/inappropriate disclosure of such confidential information.

8.2 Directors and employees must not, either directly or indirectly, divulge to any person, firm or body corporate any confidential information relating to the Company, including its business transactions or dealings.

8.3 Confidential information may be disclosed if required by law or by an administrative authority after obtaining approval thereof from the Board.

8.4 The use and processing of all personal information relating to customers, employees and other stakeholders of the Company must be in conformity with the Personal Data Protection Act, No. 09 of 2022.

## **9. TRADING IN THE COMPANY'S SHARES**

- 9.1 Directors and employees must comply with the provisions of the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021, when trading in the Company's listed securities.
- 9.2 If a Director or an employee of the Company is in possession of Company information which is not generally available to the public and may impact the price of the Company's share, such Director or employee must not trade in the Company's share, either directly or indirectly.
- 9.3 Directors and employees must not disclose material information which is not generally available to the public to any third party who may use such information to gain an unfair advantage when trading in the Company's shares.
- 9.4 All officers, Directors, and employees must obtain pre-clearance from the Designated Officer before initiating any trade in the Company's securities. The pre-clearance process involves submitting a request that outlines the details of the proposed trade.
- 9.5 Employees, officers and Directors must inform any third-party management, such as financial advisors and stockbroker firms, of this Policy and ensure that any trades in the Company's securities are carried out in compliance with this Policy. Moreover, trades executed by third parties on behalf of employees, officers, or Directors must be reported to the Compliance Officer within twenty four (24) hours, after execution.
- 9.6 The Company shall implement and provide regular training programs to ensure that all employees, officers, and Directors are adequately informed of their obligations under this Policy and applicable securities laws. Participation in such training is mandatory for all employees, and they shall be required to review this Policy on a regular basis to maintain compliance and awareness.

## **10 ENCOURAGING THE REPORTING OF ILLEGAL/UNETHICAL BEHAVIOUR**

- 10.1 Any activity or behavior in contravention of this Policy must be reported to the Designated Officer of the Company or the Whistleblower Protection Officer in accordance with the Company's Policy on Whistleblowing.
- 10.2 Any person who makes a disclosure will be offered protection as detailed in the Policy on Whistleblowing provided that (i) such disclosure was made without malicious intent and (ii) you had, at the time of making the disclosure, reasonable grounds to believe that the information provided by you is true and warranted an investigation.
- 10.3 The Company will investigate all matters reported under this policy as soon as practicable, after the matter has been reported. For the avoidance of doubt, investigations into any complaint made under this Policy will be carried out in terms of the Company's Policy on Whistleblowing.

## 11 REVIEW AND MONITORING

- 11.1 The Nominations and Governance Committee of the Company will from time to time review this Policy, monitor its implementation to ensure continued effectiveness and compliance with regulatory requirements and good corporate governance practice and may make recommendations on any proposed revisions as may be required to the Board for its review and final approval.
- 11.2 Upon the Board's approval, the said revision or amendment will be deemed to be effective and form part of this Policy.
- 11.3 This Policy is to be read in conjunction with the Articles and other relevant Company policies, including:
- (i) Policy on matters relating to the Board of Directors;
  - (ii) Policy on Corporate Governance, Nominations and Re-election;
  - (iii) Policy on Board Committees;
  - (iv) Policy on Environmental, Social and Governance Sustainability;
  - (v) Policy on Control and Management of Company Assets and Shareholder Investments;
  - (vi) Policy on Corporate Disclosures; and
  - (vii) Policy on Anti-Bribery and Corruption.

Issued By .....

  
Frits Bogstra – Chairman

*Effective from 1st October, 2024*



