

Policy on Anti-Bribery and Corruption

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Revision history			
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## Contents

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1. Definitions and Abbreviations .....	3
2. Introduction.....	4
3. Scope .....	4
4. Related Policies .....	4
5. Obligations .....	5
6. Responsibilities.....	6
7. Training and Communication .....	6
8. Reporting Suspected or Actual Breaches .....	6
9. Investigation and Disciplinary Action .....	7
10. Record Retention .....	7
11. Governance.....	8
12. Reviews .....	8

## 1. Definitions and Abbreviations

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Unless otherwise defined or the context otherwise requires, all capitalized terms used in this Policy shall have the following meanings.

Applicable Laws	means all applicable statutes, laws, ordinances, rules and regulations, including but not limited to the Listing Rules of the Colombo Stock Exchange and the Anti-Corruption Act No. 9 of 2023, in each case as in effect from time to time;
Company	Laugfs Gas PLC and Laugfs Power PLC
Personnel	means all directors, consultants, management, officers and employees (including permanent, probation, temporary or contract staff) of the Company, and individuals (including trainees, seconded staff, casual workers, agency staff, interns);
Policy	means this Policy on Anti-Bribery and Corruption;
Third Parties	Includes, but is not limited to, customers, business partners, contractors, consultants, third party agents, third party introducers, referrers, persons acting in a fiduciary capacity, suppliers and joint venture partners in any operations of the Company.
Bribery	means the act of offering, giving, receiving, or soliciting something of value to improperly influence the actions of someone in a position of trust.
Corruption	means the misuse of power for personal gain.

## 2. Introduction

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The Company is committed to conducting business ethically and in compliance with all Applicable Laws, regulations and standards. The purpose of this Policy is to establish guidelines for preventing bribery and corruption, and managing associated risks within the Company. It requires the Company, its Personnel, and Third Parties to actively oppose bribery and corruption in any form relating to transactions involving or routed through the Company.

The Company has zero tolerance for any form of bribery and corruption, and will treat potential instances of bribery or corrupt behavior as a threat to its integrity and reputation as a business. The Company has developed this Policy in accordance with these commitments, as well as in adherence to Applicable Laws with a view to promote a culture of compliance. As set out in this Policy, all Personnel are responsible for the prevention and mitigation of bribery and corruption within their own roles and responsibilities.

Through this Policy, the Company strives to promote and achieve compliance with Applicable Laws.

## 3. Scope

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This Policy is applicable to the Company, its Personnel and its activities in all jurisdictions in which the Company operates. The Company's core values are incompatible with bribery and corruption. Accordingly, this Policy applies to:

- The Company and its business operations in all jurisdictions;
- Personnel; and
- Third Parties.

## 4. Related Policies

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This Policy should be read in conjunction with the other policies, key documents and guidelines of the Company which are listed below.

- Policy on Whistleblowing;
- Policy on Internal Code of Business Conduct and Ethics;

## 5. Obligations

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The Company forbids any Personnel or Third Parties acting on the Company's behalf from engaging in any acts of bribery and corruption with any public or private sector persons. Personnel must not engage in any acts of bribery and corruption in their 'personal capacity' in an attempt to evade the requirements of this Policy.

All Personnel and Third Parties must ensure that:

- (a) they do not, directly or indirectly, offer, promise or give any gift or other gratification to any person for the purposes of inducing or rewarding improper conduct or influencing any decision by a public or private sector person to the advantage of the Company or the parent/associate company;
- (b) they do not, directly or indirectly, solicit, accept or receive any gift or other gratification from any person as a reward or inducement for improper conduct; and
- (c) they do not use Company funds for the purpose of making or facilitating any political contribution; and
- (d) their activities do not otherwise contravene any Applicable Laws.

Personnel and Third Parties are permitted to offer or accept business entertainment and gifts without prior approval, provided that the entertainment or gift in question is:

- modest;
- appropriate and consistent with reasonable business practice;
- permissible under Applicable Laws.

The following are examples of entertainment and gifts, which are usually acceptable without prior approval of the management:

- Occasional drinks and meals;

- Occasional attendance at sports, theatre and other cultural events;
- Gifts of a token or modest amount.

All Personnel and Third Parties must ensure that they do not, through the provision of any gift or other gratification, seek to influence any public or private person by providing any personal advantage, either to that person or to any other person at his request or with his assent or acquiescence. In this context, gifts or gratification to public and private persons will rarely be appropriate if they are of anything other than nominal value.

Personnel must keep accurate and complete records of all steps that have been taken towards compliance with the requirements of this Policy.

## 6. Responsibilities

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The Board of Directors oversees the implementation of this Policy and shall ensure that effective anti-bribery and corruption measures are in place. The senior management is responsible for ensuring that adequate resources are allocated to implement and maintain effective anti-bribery and corruption procedures.

All Personnel are required to adhere to this Policy and report any suspected breaches or concerns immediately to their supervisor or through the Company's designated whistleblowing channels.

## 7. Training and Communication

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This Policy will be presented to all Personnel, and Third Parties at the start of business relationships and as needed subsequently. Personnel will receive training or other communication activities to raise awareness of bribery and corruption on a regular basis, depending on their function and risk exposure. Third-Party awareness and training programs will be implemented as needed.

## 8. Reporting Suspected or Actual Breaches

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If any Personnel becomes aware of any actual or suspected breach of this Policy, the standards or any relevant Applicable Laws, or any request or demand for any undue

financial or other advantage, this must be promptly reported to the immediate supervisor and/or be escalated to the Officer in charge in accordance with the Policy on Whistleblowing.

Processes are in place to ensure that reports are logged, investigated and appropriate action is taken and to ensure confidentiality of complaints in compliance with Applicable Laws. The Company will not permit retaliation of any kind against any Personnel where they have reasonable grounds to suspect a violation of this Policy. Any actual or attempted retaliation will also be a breach of this Policy.

## 9. Investigation and Disciplinary Action

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Since the Company has zero tolerance for conduct in violation of this Policy, a breach of any of the provisions of this Policy may lead to disciplinary action. It may be treated as gross misconduct and could render Personnel liable to summary dismissal. Conduct in violation of this Policy may also breach Applicable Laws and result in criminal or civil penalties, including fines and imprisonment.

Personnel must cooperate fully and openly with any investigation by the Company into alleged or suspected corrupt activity or breach of this Policy. Failure to cooperate or to provide truthful information is a breach of this Policy.

## 10. Record Retention

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To uphold transparency and accountability, all documentation related to this Policy will be maintained in accordance with relevant document retention procedures of the Company. These records, essential for compliance and oversight, must include assessments of bribery and corruption risks, details of training sessions for Personnel and Third Parties, reports on due diligence activities, copies of approvals and contracts, records of gifts and other forms of gratification, evaluations of anti-bribery and corruption system effectiveness, and results from audits. Ensuring accessibility when needed, these records uphold standards of transparency and accountability within the Company, facilitating effective governance and compliance with regulatory requirements.

## 11. Governance

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When a weakness or a gap is detected during a breach, or where there are new developments in the industry or Applicable Laws, a process review exercise shall be considered and/or necessary modifications will be made to the Policy promptly. In the event of any inconsistency between this Policy and other policies of the Company, provisions in this Policy shall prevail.

Internal Audit shall review the anti-bribery and anti-corruption compliance and measures to assess its compliance, performance, efficiency and effectiveness. The audit report shall be presented by Internal Audit to the Board Audit Committee for review.

## 12. Reviews

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This Policy and related procedures will be reviewed at least annually, or more frequently if required, by the Compliance Department to:

- ensure they remain effective and relevant to the Company;
- ensure that they continue to comply with relevant laws, regulatory guidance and industry standards;
- ensure reports of breaches were appropriately recorded, investigated and responded to; and
- determine if any changes are required.

The results of this review will be presented to the Board.