

Policy on Internal Code of Business Conduct and Ethics

---

Revision history			
Version	Approval Date	Author	Description
1.0	01.10.2024	Group Legal	New Policy

## Contents

---

1. Definitions and Abbreviations .....	3
2. Introduction.....	4
3. Scope .....	4
4. Related Policies .....	4
5. Ethical Standards and Conduct .....	4
6. Conflicts of Interest .....	5
7. Confidentiality and Data Protection.....	5
8. Trading in Listed Shares.....	5
9. Compliance and Reporting.....	5
10. Enforcement and Disciplinary Actions .....	6
11. Reviews .....	6

## 1. Definitions and Abbreviations

---

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, SEC Act and the Companies Act, in each case as in effect from time to time;
Board	means the Board of Directors of the Company;
Companies Act	means the Companies Act No. 7 of 2007;
Company	means Laugfs Gas PLC and Laugfs Power PLC;
CSE	means the Colombo Stock Exchange;
Insider Trading	means buying or selling of the company's securities by someone who has access to material, non-public information;
Listing Rules	means the Listing Rules of the Colombo Stock Exchange;
MNPI	means material nonpublic information that could influence an investor's decision to buy or sell shares of the Company;
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);
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 Internal Code of Business Conduct and Ethics;
SEC Act	means the Securities and Exchange Commission of Sri Lanka Act No 19 of 2021

## 2. Introduction

---

This Policy on Internal Code of Business Conduct and Ethics outlines the ethical standards and conduct expected of all directors and employees of the Company. As a publicly listed company in Sri Lanka, we are committed to maintaining the highest levels of integrity, transparency, and accountability in all our business practices. This Policy is designed to foster a culture of ethical behavior, ensure compliance with relevant laws and regulations, and uphold the trust of our shareholders, customers, and other stakeholders.

## 3. Scope

---

This Policy applies to all Personnel, consultants, and third parties acting on behalf of the Company. It covers all areas of operations, including stakeholder interactions, financial reporting, and trading in listed shares.

## 4. Related Policies

---

This Policy should be read in conjunction with the other policies, key documents, and guidelines of the Company, including the following:

- Policy on Whistleblowing
- Policy on Risk Management and Internal Controls;
- Policy on Relations with Shareholders and Investors;

## 5. Ethical Standards and Conduct

---

All Personnel are expected to conduct themselves with honesty, integrity, and professionalism in all business dealings. This includes avoiding conflicts of interest, ensuring accurate and honest financial reporting, and maintaining confidentiality regarding sensitive information. Employees must adhere to our Company's policies and procedures, act with respect towards colleagues, and uphold the Company's values in every aspect of their work. Any form of unethical behavior, including fraud, bribery, and corruption, is strictly prohibited and will be subject to disciplinary action.

## 6. Conflicts of Interest

---

All Personnel must avoid situations where personal interests conflict with the interests of the company. Any potential or actual conflicts of interest must be disclosed to the appropriate authority within the Company. This includes financial interests, personal relationships, and outside business activities that could influence or appear to influence decision-making. The company will review and manage conflicts of interest to ensure that they do not compromise the integrity of our operations.

## 7. Confidentiality and Data Protection

---

Confidentiality is paramount in protecting the Company's sensitive information and maintaining competitive advantage. All Personnel must handle all confidential and proprietary information with care and ensure it is not disclosed to unauthorized individuals. This includes financial data, business strategies, and personal information of Personnel and clients. Compliance with data protection laws and regulations is mandatory, and any breaches of confidentiality must be reported immediately.

## 8. Trading in Listed Shares

---

To prevent any potential misuse of insider information, all directors and Personnel must adhere to strict guidelines regarding trading in the Company's listed shares and Applicable Laws.

Insider trading, which involves buying or selling shares based on MNPI is illegal and unethical. Directors and employees are prohibited from trading in the Company's shares or advising others to do so based on MNPI. The Company requires that all transactions involving its shares be conducted in accordance with Applicable Laws. Additionally, directors and key personnel must comply with the Company's guidelines and Applicable Laws on trading windows and blackout periods, which are established to prevent trading based on undisclosed material information.

## 9. Compliance and Reporting

---

Compliance with this Policy is mandatory for all Personnel. The Company will provide training to ensure that everyone understands and adheres to these standards. Any violations or suspected breaches of this Policy must be reported to the designated compliance officer or through the Company's confidential reporting channels. The Company is committed to investigating all reported incidents promptly and taking appropriate action to address any violations. Retaliation against individuals who report concerns in good faith is strictly prohibited.

Any waivers in compliance with this Policy will be fully disclosed in the annual report of the Company.

## 10. Enforcement and Disciplinary Actions

---

Violations of this Policy will result in disciplinary action, which may include reprimand, suspension, or termination of employment, depending on the severity of the breach. The Company will take appropriate steps to enforce this Policy and ensure accountability. Directors and employees are expected to cooperate fully with investigations into any alleged violations.

## 11. Reviews

---

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

- ensure they remain effective and relevant to the Company;
- ensure that they continue to comply with Applicable Laws and industry standards;
- determine if any changes are required.