



## **E-CHANNELLING PLC**

### **CODE OF BUSINESS CONDUCT**

Approver
Board of Directors of E- Channelling PLC

Owner
Head of Human Resources

Revision History			
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## **1. INTRODUCTION**

e-Channelling PLC (“ECL” or “Company”) is fully committed to the principles of integrity, fairness, accountability, confidentiality and disclosures in all its business dealings and activities and ensuring a safe and healthy work environment. Code of Business Conduct (herein “the Code”) is therefore put together as a guiding principle to all employees (permanent, contract or on secondment) and Directors of ECL on how they should conduct themselves while in the service of the Company.

The Code of Business Conduct cannot anticipate every situation that may arise in this dynamic and complex environment. It should be read in conjunction with the relevant policies and procedures currently in place. If an employee is faced with an uncertain situation, he/she is expected to seek guidance from his/her supervisor and department head before taking any action.

The Code outlines 2 main areas: -

- A. Personal Conduct
- B. Conduct with Other Parties

## **2. PERSONAL CONDUCT**

### **2.1. Non-discriminatory and Safe Work Environment**

- a) No employee shall be discriminated due to ethnicity, religion, gender, politics, profession, and/or disability. Decisions made shall be in the best interests of the Company based on the Company’s guidelines and policies.
- b) Whilst the Company is committed to provide a safe and conducive working environment, it is the responsibility of everyone to promote a safe work environment.
- c) Threats, acts of violence, physical intimidation and harassment of fellow employees, customers, contractors or other persons are prohibited and will not be condoned. This includes any actions or harassment (verbal or physical) that may be deemed as sexual in nature.
- d) Employees must not report to work under the influence of any prescribed or un-prescribed substance that may prevent work from being carried out in a safe, efficient and effective manner.

### **2.2 Information, Assets and Properties**

- a) All ECL confidential information and trade secrets which are not known to the public such as information on ECL’s employees, customers, suppliers, technical information, data, know-how and information relating to business, marketing strategies, financial condition and operations must be handled with due care and should not be disclosed and discussed openly. Employees must safeguard all confidential information by labeling information as per the ECLs information classification standards, keeping it secure and limiting access to those who have a need to know in order to carry out their jobs.
- b) Where Company confidential information needs to be disclosed to external persons, a non-disclosure agreement or equivalent agreement shall be entered into by the parties to ensure that the confidential information is protected.

- c) Employees are required to comply strictly with the Information Security Policy of the Company and other applicable regulations. This includes ensuring all customers' rights to privacy by not accessing their accounts to obtain any personal information (such as home address, birth date, identity card details) unless authorized in writing by the customers or pursuant to the Company's lawful obligations.
- d) An employee must continue to keep Company information confidential despite the termination of the employee's contract of employment.
- e) Employees are required to protect the intellectual property rights of the Company, ensure compliance with the applicable laws and regulations, and report any unauthorized use of the Company's intellectual property. Intellectual property created by employees in their performance of their job responsibilities belong to the Company. Employees are expected to respect and comply with the conditions for use of intellectual property which the Company has secured or acquired from third parties under confidentiality or license agreements.
- f) Use of email and access to Internet must be solely for business purposes. Materials from the Internet or emails that are or could be perceived as offensive in terms of religion, politics, ethnicity or gender or which may potentially incite hatred or ill feelings, are prohibited from being received, forwarded or sent.
- g) Access codes (usernames and passwords) must be kept confidential, and employees are not permitted to share their access codes (even for work purposes) or use other people's access codes.
- h) Employees are reminded of their obligations to exercise their discretion carefully to deal, whether in the purchase or sale of shares of ECL, in compliance with insider trading laws. An employee shall not deal in any of the securities of the Company at any time when he/she is in possession of information which is likely to affect the market price or trading of the securities.
- i) Employees are responsible to protect the Company's assets and properties entrusted to them from any loss, damage, misuse or theft. Employees are liable for any loss arising out of their negligence. They are not allowed to use the Company's assets and property for personal reasons other than the business of the Company or remove any Company's property from the premises unless prior authorization has been obtained from their supervisor and department head.
- j) Company's benefits to employees and office equipment and facilities must not be abused or misused.
- k) Company vehicles are provided only for the use of authorized employees and for official Company business.

### **2.3 Other Business Interest / Employment**

- a) Employees are not allowed to engage in any trade, business, occupation or employment in contravention of the contract of employment with the Company.
- b) An employee must disclose to the management any material interest in any trade, business, employment or a directorship, regardless of whether it competes with the Company.
- c) Employees are also required to disclose their family members/relatives dealings with the Company, be it directly or via a third party/contractor/vendor.

## **2.4 Fraud**

- a) Employees are responsible to detect and report any fraudulent activity under their purview, such as falsification of records; irregularities; misappropriation; destruction or disappearance of funds, inventory, supplies or other Company's tangible or intangible assets; impropriety in the handling and reporting of financial transactions; false, fictitious, or misleading entries of reports; and false or misleading statements to those conducting investigation of irregularities.
- b) Suspected irregularities must be immediately reported to the Whistleblowing Unit.

## **2.5 Social Media**

- a) Employees must exercise caution/discretion when posting comments on social media, be it on behalf of the Company or on their own personal account about the Company or its employees.
- b) Employees are not to publish, post or release any materials and/or participate in any forums that might harm the Company's reputation and/or potentially create a hostile working environment, and/or release of any information on any social media that is considered confidential whether it is done on Company provided equipment/devices or otherwise and/or whether it is done during or after working hours.
- c) The Company may monitor content and information made available by employees in social media about the Company. The use of social media must also not interfere with the employees' responsibilities to the Company.

## **2.6. Sexual Harassment**

- a) Employees have a right to dignity at the workplace. It is the Company's responsibility to provide a safe working place and an environment which is free from any form of sexual harassment.
- b) Any case of sexual harassment must be immediately reported to the Whistleblowing Unit for investigation and appropriate disciplinary action if proven.

## **3. CONDUCT WITH OTHER PARTIES**

### **3.1 Internal and External Customers, Vendors, Government Agencies**

- a) Employees must at all times conduct themselves with the highest ethical standards while engaging with the Company's customers, vendors and government agencies.
- b) The Company does not tolerate any employees who offer or make unlawful payments to secure sales/business.
- c) Employees must refrain from using their position or other advantages that they may have such as rank, seniority or physical size, to harass others. Such harassment can appear in the form of withholding or keeping deserved rewards unfairly or demanding unfair or illegal favors in return for performing their duties.

- d) Employees must not behave towards their supervisor or another supervisor in an insulting or impertinent manner, or willfully defy a reasonable instruction.

### **3.2 Doing Business with Others**

- a) All dealings with the Company's outside parties must be handled diligently and lawfully and should not be in conflict with the interests of the Company.
- b) Employees are required to disclose any financial interest in a customer, such as in the form of a sole proprietorship, partnership, as creditor, or debtor or any material interest as shareholder in a Company.

### **3.3 Giving and Receiving Business Courtesies**

- a) Any giving or receiving of kickbacks, gifts or gratuities which may appear to compromise any business decision is strictly prohibited. Extension of gifts, loans or other benefits to/from a customer, customer's representative or potential customer to get sales or beneficial arrangements is unacceptable.
- b) It is not acceptable under any circumstances to solicit or receive any form of bribe, kickback or gratuities for any Company transactions locally and around the world, even where the practice is widely considered as "a way of doing business" in some countries.
- c) Employees should exercise good judgment in the acceptance of entertainment. Entertainment that is extravagant or frequent is considered inappropriate, cannot be treated as a business norm and therefore should be declined.
- d) Low value gifts such as calendars, diaries, festive hampers, door prizes, lucky draws need not be declared. For the purpose of this Code, gifts with the value below LKR 5,000/- are considered as low value gifts. However, recurring low value gifts from the same business partners cannot be construed as business courtesies.
- e) For all other cases, the gift should be returned to the sender, with a note advising that acceptance would be contrary to the Company's policy. Details of returned gifts must be notified immediately to the supervisor of the recipient.
- f) Any employee involved in purchasing decisions are required to submit a list of all gifts received to his/her supervisor and Head of Department on an annual basis. In the event that no gifts have been received, a "Nil" disclosure is required.
- g) Clubs or societies within the Company are prohibited from approaching suppliers or contractors to the Company for sponsorship of any kind.
- h) Modest hospitality (including sporting events) may be accepted, provided:
  - Prior approval of the employee's immediate superior and Head of Department was obtained in advance.
  - The frequency and scale of hospitality is not more than the Company may be expected to reciprocate.
  - The number of employees availing of the hospitality is kept to a minimum and approved by the Chief Executive Officer.

- i) Any travelling or travel related costs for business purposes such as site visits, equipment testing or training (including overseas training) will be paid by the Company unless otherwise provided for in the contract entered into with the Supplier. However, the vendors and/or suppliers may provide ground transportation to enable employees to commute from hotel to the business location.
- j) Sponsorships, by vendors and/or suppliers for attendance at conferences, seminars and events covering fees, travel, accommodation and other expenses shall not be accepted.
- k) In some business situations where giving and receiving of gifts is necessary, such as signing ceremonies, corporate visits and company functions, employees are to ensure that the gifts are lawful, reasonable and approved by the Company.

### **3.4 Purchasing and Sourcing Practices**

- a) All purchasing decisions must be made in the interest of the Company and in compliance with ECL's procurement policy, which include equal treatment to all vendors, due care on confidentiality, transparency, no conflict of interest and a clearly documented process.
- b) Any conflict of interest through relationships, business or otherwise, with people from companies invited by the Company must be declared by the employee to his supervisor and Head of Department.
- c) All monetary commitments on behalf of the Company must be in accordance with the Company's Limits of Authority. All cash transactions must be handled with utmost care.

### **3.5 Safeguarding Company Reputation**

- a) The Company will not conduct any business that is unlawful and that will harm its reputation.
- b) All arrangements with a third party must comply and conform to the Company's policies and the law.
- c) The Company will not make any political contribution on behalf of the Company or use the Company's name, property or services for the support of political parties, initiatives, committees or candidates. Employees are not allowed to engage in or endorse, any political activities on behalf of the Company, or to engage in such activity on their own behalf while at work or on Company property.

### **3.6 Competitors**

- a) The Company will not tolerate any stealing, procuring, obtaining or possessing of any of its competitors' proprietary and trade secret information. If any such information was obtained by mistake, the employee must immediately consult the Head of the Legal Division.
- b) An employee must never use illegal or unethical methods to gain any competitive advantage. Only comparative advertising may be used when comparing the Company's products against the competitors' own statements about their products.

### **3.7 Media**

- a) In ensuring consistent responses, requests from the media must be forwarded to the Head of Corporate Relations Division. Request from financial analysts and shareholders shall also be channeled to Chief



Finance Officer. Employees should not speak to the media on behalf of the Company without proper authority or delegation.

### **3.8 Open Door Practice**

- a) If employees have any concern, query, knowledge or information about any unethical business practices taking place in the Company, employees are expected to take appropriate and consistent action by informing their supervisor who is responsible for informing the Whistleblowing Unit.
- b) All correspondences in connection with information about any unethical business shall be treated in the strictest of confidence unless required to be declared under law. Employees will also be treated with dignity and respect and will not be subject to retaliation, threats or harassment for raising concerns or reporting any violations of this Code.
- c) The Open Door Practice is also applicable to the Company's customers, suppliers, vendors, contractors and/or their respective subcontractors, in that, if they have any concern about any unethical business practices taking place in the Company, they shall be responsible to immediately contact the Whistleblowing Unit.

The Whistleblowing Unit can be contacted via:

Ethics Hotline (Voice Mail Service/WhatsApp): 070 568 2121

Email: Whistleblower@sltnet.lk

Letters and documents to be addressed to: P.O Box 2323, Colombo 10

### **EPILOGUE**

- 1) The Code of Business Practice is designed and intended to foster an environment supporting a professional working environment and culture in the Company and must not be used as a tool to cause hardship or to victimize an employee.
- 2) Employees are required at all times to comply with all applicable laws and regulations. Perceived pressures or demands from supervisors or business conditions are not excuses for violating the law or this Code of Business Practice. An employee who has been found to have breached this Code will be subject to disciplinary action, which may include dismissal from employment.
- 3) If you have any questions or concerns about the lawfulness of an action or activity, you may consult the Head of the Legal Division.
- 4) The information about any declarations as stipulated in this policy should be submitted to the Head of HR Operations.
- 5) If you have any doubts about the appropriateness of a business practice or conduct, you may consult the Human Resources Division.