

SINGER FINANCE

POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS FOR ALL DIRECTORS AND EMPLOYEES

Compliance with CSE Listing Rule 9.2.1 (e.1)

VERSION 2.0

SINGER FINANCE (LANKA) PLC
POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS FOR ALL DIRECTORS AND EMPLOYEES

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1. NEED FOR THE POLICY

To comply with the requirements set out in Section 9 of the Listing Rules issued by Colombo Stock Exchange, applicable sections of the Companies Act No. 07 of 2007 and Articles of Association of the company. For the purposes of this policy the term “Company” is defined to mean Singer Finance (Lanka)PLC-(SFL)

2. APPLICABILITY

This policy applies to both Directors and Employees.

3. EMPLOYEE RESPONSIBILITY

It is the obligation of every Director and Employee to promptly report all known or suspected violations of the Company’s Code of Business Conduct to their Chairman, the Group Chief Executive Officer and or the Chief Executive Officer. It makes no difference whether the possible violation was intended to benefit an individual or is a misguided attempt to benefit the Company; in either case, the possible violation must be reported. Any employee who fails to report a possible violation is himself or herself in violation of the Code of Business Conduct. No person reporting a possible violation will be intimidated or retaliated against because of his having made a good faith report. Violations of the Code of Ethics and Business Conduct will be treated seriously and may subject the employee or employees involved to be dismissed and, as appropriate, to civil or criminal prosecution.

As any code or written document cannot cover all possible contingencies, every employee should use his or her good judgment. In the event of any uncertainty or doubt as to whether the Code of Ethics and Business Conduct applies to a particular situation, or whether specific circumstances constitute an actual or potential violation of the Code, employees should consult with their Chief Executive Officer, the Group Chief Executive Officer and or the Chairman.

4. CORPORATE CULTURE

Culture is the tacit social order of the organization: It shapes attitudes and behaviors in wide-ranging and durable ways. Cultural norms define what is encouraged, discouraged, accepted, or rejected within the Company. The top Management and every Leader of the Company is tasked with the responsibility of educating staff on the fact that Culture is a group phenomenon and that It cannot exist solely within a single person, nor is it simply the average of individual characteristics and that It resides in shared behaviors, values, and assumptions and is most commonly experienced through the norms and expectations of a group.

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Cultural norms of the Company shall be demonstrated and disseminated through the six values of the Company and shall be a part of each employee's annual performance goals. The six values are; Lead with Respect, Demonstrate Responsibility, and Integrity, Improve and Innovate Passionately, Collaborate for Success, Respond with Agility, and Drive .

5. COMPLIANCE WITH LAWS/BRIBES/POLITICAL CONTRIBUTIONS

- (a) All Directors , Employees and Contractors are expected to comply with all applicable laws, rules and regulations of the country
- (b) Being a regulated finance company , it is mandatory for all employees to ensure compliance with the regulations and guidelines issued by the Central Bank of Sri Lanka (CBSL)
- (b) No Director, Employee or Contractor may, directly or indirectly, pay any government official, customer or supplier (actual or potential) any bribe, kickback or commission to obtain preferential treatment, or to obtain or retain business for the Company. This does not prohibit gifts of nominal value or casual entertainment, as appropriate in the particular environment, facilitating payments as discussed below, or reasonable commission payments to authorized agents.
- (c) No Director, Employee or Contractor may, directly or indirectly, accept any bribe, kickback, payment or gift from any customer, supplier or competitor (actual or potential) of the Company. This policy does not prohibit the acceptance of gifts of nominal value or casual entertainment, as appropriate in the particular environment.
- (d) No Director, Employee or Contractor may, directly or indirectly make any political contribution of any kind on behalf of the Company

6. BOOKS AND RECORDS/MANAGEMENT AUTHORIZATION

- (a) Employees should not make any false, inaccurate, or incomplete entry in any book or record or submit any false, inaccurate, or incomplete statement knowing that it will be incorporated into such book or record. This covers the Head office, branches, repossessed yards, and any other location of Singer Finance.
- (b) Employees must be familiar with the Company's Financial Manual and must maintain all books and records in compliance with the Financial Manual policies.

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- (c) No employee or contractor may execute any transaction on the Company's behalf, or grant access to any of the Company's assets, including the Company's intellectual property, without proper management authorization.
- (d) All employees must reflect all transactions in the Company's books and records in a manner that will permit the preparation of financial statements that conform to Sri Lanka Accounting Standards (LKAS), International Financial Reporting Standards (IFRS), and to generally accepted accounting principles, and that will maintain accountability for the Company's assets.
- (e) All accounts, funds and assets must be accurately accounted for in the Company's books and records. No undisclosed or secret accounts, funds or assets of the Company may be established or maintained by, or on behalf of the Company. All relevant information must be made available to the, internal auditors and independent accountants.
- (f) Employees are expected to make full, fair, accurate, timely and understandable disclosure in reports and documents that the Company makes available in public communications.

7. CONFLICTS OF INTEREST

- (a) Employees are prohibited from taking a position with, or performing services for a competitor, supplier or customer (actual or potential) of the Company, or with any other organization which might deprive the Company of the full loyalty and services of the employee.
- (b) Neither Directors, Employees nor their spouses or minor children may hold investments in any privately held company doing business with the Company unless full disclosure is made and prior written approval of Chief Executive Officer who will in return obtain approval and or inform the Board and the Related Party Transactions Committee (RPTC) (before approving) if material
- (c) Directors and Employees may not do business with a company engaged with Singer Finance employing a close relative of the employee unless full disclosure is made and prior written approval of Chief Execurtive Officer who will in return obtain approval and or inform the Board and the Related Party Transactions Committee (RPTC) (before approving) if material
- (d) Employees are explicitly prohibited in carrying out or partnering in a business of buying , selling and or renting motorized or any type of vehicles.
- (e) Directors and Employees are explicitly prohibited from working as a Direct or Indirect business introducer with Singer Finance, any other Finance or Leasing Company and or a bank

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- (f) Director and Employees are explicitly prohibited from promoting a particular insurance company, from accepting any financial or any other consideration, and should always promote insurance as per the customers preference. Head Office may from time to time issue decrees on any insurance companies to be discouraged if there is a valid reason to do so and such written orders (if any) shall serve as the only reason to dissuade a particular insurance company requested by a Customer.
- (g) Any loan applied for by an employee and or employees relation should be disclosed to their immediate superior and the superior should recommend and obtain the Chief Executive Officers prior approval. Such loans should be within the credit guidelines of Singer Finance

8. FRAUDULENT/INAPPROPRIATE CONDUCT

The Company relies on the personal integrity of all Directors and Employees in safeguarding the Company's assets, including the Company's intellectual property, against damage, theft, fraud, and unauthorized use. Prohibited irregularities include, but are not limited to, dishonest or fraudulent activity which results in the misappropriation of the Company assets for personal gain.

As a staff member working in a regulated finance company, every employee shall ensure personally and make every effort to ensure that subordinates are advised and monitored on the following:

- (a) Every employee Provides correct financial advice to customers
- (b) Treats all customer with utmost respect
- (c) Informs and advise customers in a transparent and complete manner the important aspects of a loan such as but not limited to loan rental, initial charges, over due charges and rates applicable
- (d) Does not engage in falsifying and gaining from Introducer Commissions or loading loans with charges with are not lawful/genuine and gaining from them
- (e) Shall ensure that all documentation is signed by the customer and guarantors in their presence unless digital means are officially provided by the Company
- (f) Shall ensure that any payments received by customers are promptly recorded/ deposited as advised by operational procedure to the respective customers account/Singer Finance Bank Account and a receipt be issued

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- (g) Duly inform the customers in advance of any changes in the terms pertaining to financial agreements already made. (Changes in interest rates, installment amount ect)
- (h) Cater to the exact customer requirement and avoid promoting over-indebtedness.
- (i) Employees/Directors dealing with fund Managers and other providers of debt shall maintain an arms length relationship and endeavor to obtain the best form of debt at the lowest possible cost at all times
- (j) Employees/Directors dealing with Insurance Companies and Insurance brokers shall maintain an arms length relationship, ensuring that insurance companies preferred by the customer is always promoted
- (k) Employees/Directors dealing with car, lorry, motorbikes, three wheeler, agro and any other type of dealers shall not issue leases or any type of loans to cutomers from dealers who are known to engage in unethical/unlawful and poor business practices such as but not limited to willfully selling vehicles of substandard quality, vehicles where willfully certain original parts are substituted with inferior parts and vehicles where there are technical faults willfully concealed from customers with the intention of cheating
- (l) Employees/Directors dealing with car, lorry, motorbikes, three wheeler, agro and any other type of dealers shall ensure an arms length relationship is maintained , accepting direct or indirect financial or in kind benefits from dealers is strictly prohibited
- (m) Employees/Directors shall not pass on competitive information to any third parties , and shall avoid maintaining contact and relationships with employees who have been relieved of their duties from the Company due to violation of code of ethics and business conduct and or fraud
- (n) It is the responsibility of Key Management, Senior Management, AGMs , Regional Management, Branch Management and all other staff to immediately bring to the notice of Chief Executive Officer , Group Chief Executive Officer and or the Chairman of any infractions of this code of ethics and business conduct by any staff member under their command or otherwise. Willfull ignorance, failure to take disciplinary action of infractions due to any reason whatsoever shall by itself result in a gross violation of this Code of Ethics and Business Conduct and willfull non disclosure or failure to take disciplinary action shall be treated as aiding and abetting unethical business practices and or fraud.

9. CONFIDENTIAL INFORMATION AND INSIDER TRADING

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- (a) Directors and Employees may become aware of confidential (non-public) information concerning the affairs and business transactions of the Company, its present or prospective customers or suppliers, its shareholders, or other employees. No employee may disclose such information to persons outside of the Company, nor may they use this information for their personal benefit or for the benefit of any person outside of the Company, nor may they share this information other than with Company employees who have a legitimate “need to know”.
- (b) “Insider trading” means using confidential material information about the Company’s business, intentions, financial results, and projections, to achieve an unfair advantage in the buying or selling of the Company’s common shares or other securities. “Material information” is usually defined as information which, if publicly disclosed, would reasonably be expected to influence the decision of a reasonable investor to buy, hold or dispose of securities of the Company.
- (c) Insider trading is both unethical and illegal. It is also illegal to pass on undisclosed material information to anyone, other than in the necessary course of business.

Directors and or Employees who involve themselves in insider trading (either by personally engaging in trading or by disclosing confidential material information to others) will be subject to a disciplinary process by the Company and or the Colombo Stock Exchange . These provisions apply as well to any trading carried out by spouse and members of your immediate family. If a Director or Employee is found guilty of transgression he or she will be subject to severe disciplinary action which could lead to them loosing their fit and proper status leading to loss of Directorship /Employment through the disciplinary process

- (d) In furtherance of the insider trading provisions discussed above,; Connected persons (Directors, Employees and or their relative) should not trade, borrow or lend on the basis of price sensitive information that has not been disclosed to the public. Moreover, connected persons shall not trade, borrow or lend the Securities of the Listed Entity even after release of the information to the Exchange for a period, which should not be less than two (02) Market Days after the release of the information to permit thorough public dissemination and evaluation thereof. In computing this period of two (02) Market Days, the day on which disclosure is made will be excluded.

10. HUMAN RESOURCES

- (a) No Director/Employee may discriminate against another employee or potential employee, customer or supplier (actual or potential) because of their race, religion, color, nationality, age, gender, sexual orientation or disability.
- (b) No Director/Employee may harass, intimidate, or act in an unwelcome, hostile, offensive, degrading or abusive manner with respect to any other Director or

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Employee, or with respect to any actual or potential customer or supplier, or the employee of any such customer or supplier.

11. CERTIFICATION

All Middle Managers, Middle Senior Managers, Assistant General Managers, Senior Managers, Confidential Secretary to CEO and C-level Executives of Singer Finance, must, at least annually, certify that they have read and understood the Code of Ethics and Business Conduct and have both complied with the Code, and have sought to ensure that those persons reporting to them have also read, understood and complied with the Code. The required certification is attached.

Each supervisor must also acknowledge that they have reviewed the certification of each of their subordinates required to complete a certification and that they have met and discussed the certification with such subordinates.

12. CONTACT

- (a) You may contact the Singer Finance Chief Executive Officer, Mr. Thushan Amarasuriya, at the following e-mail address: thushana@singersl.com; or telephone numbers: 0777-876376/112-2100 155
- (b) You may contact the Singer Group Chief Executive Officer, Mr. Mahesh Wijewardene, at the following e-mail address: maheshw@singersl.com; or [telephone number: -112-447761](tel:-112-447761)
- (c) You may contact the Singer Chairman Mr. Aravinda Perera at the following email address: Aravinda@rcl.lk -1124-799 400

Singer Finance
YEAR 2024/25
COMPLIANCE CERTIFICATE

I certify that I have read and understand the Singer Finance (Lanka) PLC Code of Ethics and Business Conduct and acknowledge that it is my responsibility to comply with this Code and to ensure that those persons reporting to me also comply with such Code. I further certify that for the year 2024/25, except as noted below:

- (a) I complied with the Code;
- (b) To my best knowledge and belief (after due enquiry), the employees reporting to me also complied with the Code; and
- (c) I understand that this Code also applies to 2024/25 and that I should report any known or suspected violations promptly.

EXCEPTIONS

- A. Please list below (or write “none”) any violations of the Code which you believe may have occurred in 2024/25 by you, by those reporting to you, or of which you are otherwise aware, noting the specific paragraph of the Code which you think may have been violated and providing additional identifying details (if in doubt about a specific incident please report it).
- B. Facilitating Payments/Political Contributions. Please list below (or write “none”) those facilitating payments or political contributions made in 2024/25, as defined and permitted by the Code, giving the reason for those payments and the amounts.

Date

Signature

Name (please print or type)

Reviewed by

Signature

Name (please print or type)



Lasitha Dias
Company Secretary



Eraj Fernando
Head of Finance



Nadeesha De Silva
Compliance Officer



Thushan Amarasuriya
CEO