

## **POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS**

### **1. OBJECTIVE**

Ceylon Beverage Holdings PLC ('CBHL/the Company') being the holding Company of Lion Brewery (Ceylon) PLC conducts business ethically, honestly, and in full compliance with the law. The Company believes that how it conducts itself is critical to its success and our core values are practiced through compliance and business conduct in all aspects connected to our businesses. The Company has formulated this Policy consistent with its values and beliefs and this Policy does not attempt to be comprehensive or cover all possible situations and Directors and Employees are encouraged to comply with its letter and spirit. It encourages the Employees and Directors to take positive actions, which are not only commensurate with the values and beliefs but are also perceived to be so.

### **2. SCOPE**

This document is implemented within the Ceylon Beverage Holdings PLC group of Companies including Lion Brewery (Ceylon) PLC, Luxury Brands (Pvt) Ltd, Pubs 'N Places (Pvt) Ltd, Retail Spaces (Pvt) Ltd, to delineate the Policies that will apply to the organization's Policy on Internal Code of Business Conduct and Ethics.

### **3. POLICIES**

The objective of the Internal Code of Business Conduct and Ethics. is to maintain consistency in behavior and conduct, both within and outside the office premises, whether an individual is on duty or off duty. This protocol applies to individuals falling within the following staff categories in each of the businesses:

- a) Permanent Employees
- b) Fixed-Term Contract Employees
- c) Outsourced Employees (Excluding those outsourced through the Supply Chain)
- d) Interns / Industrial Trainees
- e) Employees with contracts post-retirement (Please refer to the Employment Contracts Policy post-retirement for further details).

For more detailed information and reference, please refer to the annexed Code of Conduct document.

### **4. GUIDING PRINCIPLES**

The following principles guide our business practice and conduct.

- Honesty- Demonstrate honesty and high ethical standards in all business dealings.
- Respect- Treat all stakeholders and employees with respect and courtesy.

- Compliance- Ensure that all business decisions and conduct comply with applicable laws and regulations.
- Confidentiality- Protect the confidential information of the Company and its stakeholders.

## 5. YOUR RESPONSIBILITIES AND OBLIGATIONS

In performing your functions in any aspect related to your work, you are expected to;

- Act honestly, diligently, in good faith, and with integrity within generally expected morals and ethics.
- Avoid any situation that creates a real or perceived conflict of interest and if you are unsure about a potential conflict of interest talk to your supervisor or HR Department.
- Conduct yourselves to meet the expectations of operational transparency whilst at the same time maintaining confidentiality of information to foster a culture of good decision-making. Strictly adhere to rules on personal data protection.
- Be dedicated to maintaining a creative, diverse, inclusive, and supportive work environment and the Company does not tolerate any form of discrimination or harassment of employees or others with whom we have dealings. The Company does not tolerate workplace violence of any kind.
- The Company is committed to protecting the environment, health, and safety of its employees and others within the environments it operates in. Use good judgment and always put the environment, health, and safety first.
- Accurate and honest records are critical to meeting our legal, financial, and management obligations. Therefore, do not misstate facts, omit critical information, or modify records to mislead others.
- All public or outside speaking engagements that relate to the Company/group business or affairs must be approved and any corporate disclosure must be in accordance with the Policy on Corporate Disclosures. Furthermore, maintain the principle of need to know on all unpublished material information which has a material effect on price or value of securities of the Company, business and affairs of the Company and permit access only for the purpose of carrying out official duties and legitimate purposes.
- You are not permitted to be under the influence of any legal or illegal liquid or substance that impairs your ability to perform your job and employees are prohibited from manufacturing, soliciting, distributing, possessing any illegal drugs or narcotics in the workplace.

- Keep track of and protect Company assets, information, and intellectual property and prevent loss, misuse, waste, theft, or infringement.
- Abide by all laws, regulations, and internal codes relating to Insider trading, anti-money laundering, know your client, and personal data protection.
- Fraud, dishonesty, misappropriation, misinterpretation, and manipulation against the Company or its Directors or Employees of any degree will not be tolerated and will lead to disciplinary action taken against you.

### 5.1 SOLICITING ADVANTAGES

It is the policy of CBHL to prohibit employees from soliciting any advantage from clients, contractors, suppliers, or any person in connection with the Company's business.

### 5.2 ACCEPTING ADVANTAGES

If the acceptance of an advantage or a gift could affect your objectivity or induce you to act against the Company's interests, you should decline to accept. Similarly, if acceptance could lead to questions or complaints of bias or impropriety, the offer should also be declined. Where an advantage or a gift is voluntarily given, you could consider accepting only if;

- (a) Acceptance will not influence your performance.
- (b) You will not feel obliged to do something in return for the offer, or;
- (c) You can openly discuss the acceptance without reservation and;
- (d) The nature (e.g. advertising or promotional gift or customary gift given during festive occasions) and the value of the gift or advantage are such that refusal could be seen as unsociable or impolite. Employees should keep the Divisional Head informed of the cocktail or other invitations extended to them by customers and the decision to attend or not should be made in consultation with the Divisional Head.

### 5.3 ENTERTAINMENT/LOANS/GAMBLING

- Although entertainment is an acceptable form of business and social behavior, all employees should turn down invitations to meals or entertainment that are excessive in nature or frequency, to avoid embarrassment or loss of objectivity when conducting Company business. If it is impolite to decline an invitation, you might accept, on the understanding that you will be allowed to reciprocate. All employees should conduct themselves without bringing any disrepute to the company while entertaining a client in a public place.
- You or your immediate family should not grant or guarantee a loan to or accept a loan from or through the assistance of any individual or organization having business dealings with the Company. There is, however, no restriction on normal bank lending.

- You are advised not to engage in gambling of any kind with persons having business dealings with the Company. In social games with clients, contractors, or suppliers, you must exercise judgment and withdraw from any high-stakes games.

#### 5.4 MISBEHAVIOR WITHIN OFFICE PREMISES

As you might imagine, this Code cannot address every circumstance or situation that we might encounter. If you're ever unsure about the right course of action, answer the questions in this Making Winning Choices Model to help determine the most appropriate way to proceed. Speaking up is the right way to demonstrate our commitment to integrity and our values and to protect ourselves and the Company from actions that could harm its reputation and continued success. We all share a responsibility to speak up about any concern as soon as we notice it. This allows the Company to resolve any possible issues before it becomes widespread,

- To correct problems
- To identify areas that require improvement or additional training,
- To make this a better workplace for us all.

If you think there has been a violation of the law, regulations, our Code, or other Company policies and guidelines, you should speak up as soon as possible. You are encouraged to turn to your immediate manager first if you are comfortable doing so. You can also speak up to any of the following:

1. Human Resources
2. Business Integrity team:
3. Legal
4. Internal Audit (for reports concerning internal controls and accounting practices)
5. Security:

In the case of a serious infraction, an employee may be suspended and/or terminated on the first offense. Such serious infractions include, but are not limited to, the following:

- (a) Theft, including unauthorized removal and /or use of company property
- (b) Sleeping during office hours
- (c) Fighting on the premises
- (d) Destruction of company property
- (e) Acts of falsification or alteration (to employment, payroll, or benefit records)
- (f) Mishandling or careless treatment of customers
- (g) Disclosure of confidential information
- (h) Possession, use, sale, or purchase of illegal drugs
- (i) Drinking alcohol without authority, within the premises
- (j) Insubordinate or inappropriate behavior

Acts in violation of the provisions in the National Act on Tobacco and Alcohol (NAT Act)

- (i) Under no circumstances whatsoever are sales to be made or products (product

categories listed under NATA bill - e.g. Alcoholic & tobacco products)) to be issued to those below the age of 21. (This applies even if such people come to the wine shop to collect products for which payment has been made earlier by an adult.)

(ii) In the event the staff is uncertain of the age of a customer, the National ID, driver's license, or passport should be requested & the age should be ascertained.

(iii) In the event, the customer cannot prove his age; goods should not be issued to the person concerned.

## 5.5 DISCRIMINATION AND HARASSMENT

- As employees of CBHL, we expect our dignity and human rights will be valued and we will be treated impartially. We will treat our employees fairly and based on their ability to meet the requirements and standards of their jobs.
- We will not judge their capability or incapability based on their race, color, ethnicity, natural origin, disability, sexual orientation, gender, age, or marital status.
- Our company does not tolerate employees being subject to physical, verbal, sexual, racial, and psychological, or any other forms of abuse. CBHL will take the necessary precautions to identify such failures and ensure they are dealt with promptly and effectively.
- CBHL recognizes the varying services and contributions of our workforce and will strive to remunerate our employees righteously. We promote a healthy balance between an employee's work and home life and respect their commitments independent of the work environment.

## 5.6 ATTENDANCE AT WORK

- Regular and punctual attendance.
- Reporting to and leaving work according to specified work hours.
- Advise the supervisor if you are going to be late or absent.
- Providing a doctor's note for sick leave as required.
- Having a coverage plan in place as required.
- Completing time sheets accurately and promptly.
- Submitting time-off requests in Leave Management by naming a reporting person for all leaves in an accurate and timely manner.

## 5.7 UNACCEPTABLE CONDUCT

- Reporting late for work on a regular or habitual basis, leaving the workplace early and without following established protocol.
- Taking extended lunch or breaks.
- Absence from work without authorization or justifiable reason.
- Failure to provide a doctor's note for absence due to illness if so requested.

## 5.8 NON-IMPAIRMENT

- Employees shall not be impaired/damaged by prescription or non-prescription medication(s) or other substances while in the performance of their duties.
- Employees and affiliates shall not use alcohol or illegal drugs while in the performance of their duties. Employees, required to take medication at work, should do so in a private space.

## 5.9 OTHER

- At any time during the contract, employees must inform the Company if their immediate family has any financial interest in any business with which the Company has business dealings or which competes with the Company.
- Unless the Company gives prior permission, employees or immediate family will not accept any personal loan from the Company's suppliers, clients, or business associates.
- The same applies to accepting guarantees for loans and special commercial discounts. Normal borrowing from banks or other licensed financial institutions is, however, not restricted.
- Employees must obtain prior permission from the Company to take up any outside work, whether such work relates to our business or not.

## 6. LIVING CBHL SHARES VALUES

CBHL Shared Value system holds us together in meeting success, creating a conducive environment for all stakeholders. All employees at CBHL need to uphold the Values of CBHL and is considered as non-negotiable.

**Leader:** We encourage employees to take the lead through both formal and informal leadership roles. We share our expectations, give them role clarity, and develop their knowledge, skills, abilities, and behaviors so they can confidently step up, see what lies ahead, act swiftly, and take responsibility. Leadership doesn't happen in a vacuum. Each individual is expected to contribute towards building our leadership culture, which is filled with leaders of leaders who lead by example, set the standard, and show others how it's done through their own behaviors and the highly effective teams they build.

**Local Pride:** We believe that we develop the country by developing employees who grow to become insightful, visionary, and transformational leaders. Our good management practices and cross-cultural exposure deliver powerful experiences of perspective-taking and competency-building.

**Adventurous:** We give employees decision-making authority at every level so that they are empowered to undertake ambitious responsibilities, and calculated risks, and step up to challenges as they occur. This unleashes a widespread desire on their part to lead.

**Collaborate:** We break down silo thinking by encouraging employees to work together and support each other across departmental boundaries. Through a

network of relationships, they can take full advantage of the ideas and expertise of all our people, resulting in improved communication, greater ability to capitalize on opportunities, and better solutions to the everyday challenges we face.

**Ahead of our time:** We are purpose-driven leaders who see the brand through the eyes of our consumers and customers. We quench their thirst for genuine experiences, lifestyles, and occasions through a repertoire of flavors, strengths, and formats. Our culture of innovation believes new ideas can come from anyone in the brewery.

**Camaraderie:** We know that genuine camaraderie between employees is what creates a workplace culture that leads to higher productivity and positive outcomes. We help and support our colleagues, celebrate every win, no matter how small, and encourage laughter and fun in all the work we do.

**Diversity:** We are inclusive, and accepting, and work and learn in an atmosphere of respect, dignity, and acceptance. We maintain our market leadership by bringing together diversified knowledge, wide-ranging expertise, and the imagination to address the difficult questions in the market.

## 7. COMPLIANCE WITH THE CODE OF CONDUCT

- Employees are expected to comply with the Code of Conduct and the policies it represents. Violations of the Code of Conduct and/or policies may result in disciplinary action up to and including dismissal.
- All employees should familiarize themselves with the content of and comply with the Company Code. In case of doubt, you should consult the HR Division.
- Anyone breaching the Code will be disciplined, including termination of employment, and may, in some circumstances, be liable to be prosecuted under the relevant Bribery Laws of the country prevailing at the time.
- Any complaints about possible breach of this Code can be made to your Divisional Head or HR Division and will be treated promptly and fairly.
- This code will be reviewed and updated from time to time.

## 8. COMPLIANCE WITH SUPERVISION

- Complying with the directions of the employer.
- Performing tasks as directed by the supervisor and within acceptable standards.
- Employees are not supposed to refuse to comply with CBHL policies and procedures and regulatory/safety requirements of which the employee should reasonably be aware

## 9. CARE AND MAINTENANCE OF PROPERTY

- Appropriate maintenance and use of CBHL property such as equipment, (computers & other IT-related devices, copiers, vehicles) grounds, supplies, etc.

- Misuse or waste of assets or equipment, Failure to service the equipment as required, deliberate damage to CBHL property, and/or unauthorized use of CBHL equipment, supplies, resources, or property.
- All employees are required to avoid wastage and undue losses of CBHL property.
- Unauthorized & un-informed removal of agency property.
- All cash, cheques, receipts, ledgers, files, and documents must be properly stored before leaving the office.

#### 10. ACCEPTABLE USE

- Use of phones, computers, email, intranet, and internet access for official purposes only.
- Excessive and/or unauthorized personal use of office equipment. (Stationary items, etc.)

#### 11. LAWFUL AND HONEST CONDUCT

- Behaving in an honest and trustworthy manner, complying with the law while engaged in the work for CBHL.
- Dishonesty; deception; theft; falsification of records including that contained in a resume or job application; fraudulent conduct and any other illegal behavior (i.e., contravention of the Criminal Code).
- The unauthorized use of CBHL equipment supplies or other resources.
- Soliciting and/or accepting gifts from suppliers, or a business of any value in return for favors or for any other purpose.
- Accepting gifts from clients in cash, or anything of equivalent value including gift cards, gift certificates, and tickets.
- Accepting monies from other organizations for CBHL related work, such as student placements or speaking engagements while on agency time.

#### 12. CONDUCT AND APPEARANCE

- Every employee's conduct and appearance contribute directly to the image of the Company.
- For this reason, the Company expects all employees to make a sincere effort to be pleasant, polite, and considerate to their colleagues and outside contacts.

#### 13. DRESS CODE

- Staff should always present themselves in a neat, clean, and professional manner, recognizing they are representing the Company. Dress should also be consistent with the activity (i.e., attending court, attending community meetings, meetings with service partners [hospital], media conferences, etc.).
- Staff may dress comfortably when visiting clients in the community but must ensure that they present professionally.

- The wearing of jewelry such as necklaces, large hoop earrings, etc. may present a potential safety risk in certain situations and therefore should be worn with caution.
- Staff in the office should dress in a businesslike manner. Business casual is acceptable. Employees are also expected to be well-groomed and reasonably conservative in manner and dress.

#### 14. UNACCEPTABLE CONDUCT

- Torn and/or dirty clothing.
- Bare midriffs; clothing that is too tight, too baggy, too short (i.e., skirts, shorts); low-cut tops; low-rise pants; transparent clothing (see-through); wearing hats (in office, external meetings, etc.); sweatpants; yoga pants; halter tops; shoes not appropriate to the work being done; and shirts with words or phrases that might be offensive to other staff, clients or the general public.
- Visible tattoos that include words or graphics that might be offensive to other staff, clients, or the public.

#### 15. MEETINGS

- Employees should make all efforts to conduct meetings with internal and external parties in a pre-planned, timely, and orderly manner. This includes starting and ending meetings on time and following the agenda. It is strongly suggested that a location for the meeting is finalized well before the time of commencement of the meeting or discussion. Extra care should be paid for meetings with customers or business partners.

#### 16. APPROPRIATE BEHAVIOR/CONDUCT

- Behaving in a manner that is appropriate when interacting with clients, the public, and other staff.
- Always acting in such a manner to represent CBHL in the community in a positive manner.
- Co-operating with co-workers in work-related activities.
- Acting in a manner that meets the ethical standards of the profession and agency.

#### 17. UNACCEPTABLE CONDUCT

- Profane language, threatening or abusive language to clients, the public, volunteers, or employees/ affiliates.
- Engaging in personal relationships with clients.
- Disregard professional boundaries in relationships with co-workers, subordinates, and volunteers.
- Dual Relationships - gifts, bartering, social relationships.
- Other Boundary Violations - inappropriate touching, breach of confidential

## 18. CONFIDENTIALITY AND PRIVACY

- Maintaining information about clients, employees, and donors, in compliance with the relevant privacy legislation.
- Maintaining information of a business nature such as quotations from suppliers.
- Visitors should wear the division identification tag to ensure he/she is aware of who they are going to meet.
- Releasing information about clients; donors, member agencies, or staff members without their consent and/or without the review/approval of the Chief Privacy Officer.
- Releasing a quote to a competitor from a supplier bidding on a contract.

## 19. COMPETENCY AND PRODUCTIVITY

- Performing work according to the job requirements, and in a competent, careful, and productive manner, in compliance with CBHL policies, procedures and practices, and legislation, such as the Occupational Health and Safety Laws, the Human Rights Laws.
- Using lieu time or vacation or other approved credits to address personal issues.
- Meeting professional regulations and standards for regulated professionals.
- Maintaining professional credentials and/or licenses as required for the position and providing proof to the employer.

## 20. UNACCEPTABLE CONDUCT

- Substandard, incompetent, and/or careless work performance that is within the control of the employee.
- Contravening legislation (i.e., discriminating against clients or co-workers).
- Spending time on non-work-related matters (i.e., personal phone calls, chatting with co-workers about non-work-related matters, etc.).
- Failing to maintain professional credentials.
- Failure to report critical incidences as described in professional guidelines or organization policies.

## 21. WHISTLE BLOWING

- CBHL encourages employees to report improper or unethical activities without failure or fear of reprisal. All alleged improper activities will be investigated by the appropriate Manager, while the reporter's confidentiality is maintained. If an employee is a witness or a subject of whistleblowing, he/she must report the incident to the Management as per the guidelines in the whistle blowing Policy.

## 22. USE OF IT SYSTEMS & ACCEPTABLE USAGE POLICY

### Overview:

- The systems, including that which is owned leased, and having the right of use about computer equipment, software, operating systems, storage media, and network accounts, providing electronic mail (e-mail), web browsing, and data and information are deemed the property of CBHL. These systems are to be used for business purposes in serving the interests of the company, and of its clients, customers, and stakeholders in the course of normal operations.
- Effective security is a team effort involving the participation and support of all CBHL Personnel and affiliates who deal with information technology or information systems of CBHL. It is the responsibility of all CBHL Personnel and every computer user to know these guidelines and to conduct his/her activities accordingly.

For more information, please refer to the “Acceptable Usage Policy”

- The purpose of the policy is to outline the acceptable use of Computer Equipment and Information Resources provided by CBHL. It is designed to:
- Ensure compliance with applicable Statutes, regulations, and mandates regarding the management of Computer Equipment and Information Resources;
- Establish prudent and acceptable practices in the usage of Computer Equipment and Information Resources; and
- Educate individuals who may use Computer Equipment and Information Resources concerning their responsibilities associated with such use.
- CBHL IT Division has the authority to monitor all the CBHL IT systems for violations of this acceptable usage policy without any acknowledgment.
- All employees (including outsourced staff), stakeholders, and third-party vendors having access to information and information systems of CBHL shall comply with the CBHL Acceptable Usage Policy. Such personnel should be required to execute an agreement with CBHL agreeing to abide by the Policy during the use of such information assets owned by CBHL.

### 23. NON-ADHERENCE AND DISCIPLINARY ACTION:

- All violations and attempted violations of the CBHL Acceptable Usage Policy by the employees of CBHL shall result in disciplinary action instituted by the ISSC (Information Security Steering Committee) in consultation with the Human Resources (HR) Division. Disciplinary action shall be consistent with the severity of the incident, as determined by an investigation as per the laid down HR disciplinary procedures.
- All violations and attempted violations of the Acceptable Usage Policy by third-party service providers shall result in appropriate action being instituted in terms of the terms and conditions of the Agreements entered with such third parties.
- No one is allowed to install external software/applications into the computer system without prior approval from the IT Division. Employees should not spend excessive amounts of time on the internet, play games, or create unnecessary network traffic. If any employee is found to be misusing the facility, disciplinary action may be initiated against such an employee.

- Misuse of automated data management and information processing systems may result in disciplinary action. Misuse of such systems includes:
  - (a) Accessing information that is not relevant to the employee’s assigned task
  - (b) Deleting or altering information without authorization
  - (c) Generating false, misleading, or scurrilous information
  - (d) Using information retrieved from the systems for personal or any other authorized use
  - (e) Not keeping passwords confidential

**24. REPORTING BREACHES OR CONCERNS**

It is the responsibility of all Directors and Employees to ensure compliance with this Policy. Any Employee or Director who is in doubt, suspects that this Policy has been breached or has concerns about the actions by anyone in the Company, or any third party working with the Company in any capacity; is encouraged to contact the Ombudsman appointed in terms of the Policy on Whistleblower Protection. Confidentiality of any information provided and anonymity of the person providing the information will be assured as per the said Policy on Whistleblower Protection.

**25. CLARIFICATIONS & POLICY REVISION**

This Policy must be reviewed at least once in every two years. It may be amended at any time with the approval of the Board of Directors of the Company.

**26. GLOSSARY OF TERMS**

- CEO - Chief Executive Officer
- CPO - Chief People’s Officer
- HR - Human Resources

**27. THE EFFECTIVE DATE AND REVIEW OF THE POLICIES & PROCEDURES.**

The effective date of this policy & procedure document will be done annually during the month of March and may be reviewed every year from the date of its original implementation and also from the date of subsequent revisions, to support the strategic requirements of the business.

.....  
Policy & Process Owner  
*Prepared by:*  
*(Signature and Date)*

.....  
Chief People Officer  
*Authorized by:*  
*(Signature and Date)*

.....  
Chief Executive Officer  
*Authorized by:*  
*(Signature and Date)*