

POLICY ON WHISTLEBLOWING



LANKA REALTY
INVESTMENTS PLC

POLICY ON WHISTLEBLOWING

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Preamble

The Lanka Realty Investments PLC (The “Company”) has identified Whistleblowing as a tool for safeguarding high standards of corporate governance and maintaining customer and public confidence in our business. The purpose of this policy is to describe how employees can report concerns regarding actions that are not in line with the Company’s Standard of Conduct or other corporate policies, and that may harm individuals, the Company ensure the appropriate handling of investigations into reported concerns. The Whistleblowing Policy is intended to encourage and enable employees and others to raise serious concerns internally so that the Company can address and correct inappropriate conduct and actions. Company is compelled to take appropriate action if in case the complaint is of false nature.

Definition

Whistle-blower : Whistle-blower is as a person or entity making protected disclosure about misconducts. They may be employees of the Company, applicants for employment, shareholders, investors, vendors, suppliers, contractors, customers, any third part, any other stakeholder or the general public. Whistle-blower is a reporting party who is not an investigator or a fact finder nor does he/she determine the appropriate corrective or remedial action that may be warranted.

Employee : Any employee who is on permanent, staff on contract basis, interned and outsourced staff of Lanka Realty Investment PLC Group (including all subsidiaries).

Good Faith: The procedure presumes that whistle-blower will act in good faith and will not make false/ fictitious accusations when reporting any misconducts. Good faith is evident when the report is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe that the report is true. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to disciplinary action.

Confidentiality: The Company will make all efforts in good faith to protect the confidentiality of Whistleblowers who report the Unlawful Act, provided however, the Company or its employees and agents shall be permitted to reveal the Whistleblower’s identity and confidential information to the extent necessary

to permit a thorough and effective investigation, as required by law or court proceedings. In addition, the Company will not tolerate any effort made by any other person or group, to ascertain the identity of any person who makes complaints in good faith about misconducts.

Objective

Encouraging the Company employees and related parties who have concerns about, suspected serious misconduct or any breach or suspected breach of law or regulation or conflicts of interest that may adversely affect the Company, the Company's customers, shareholders, employees, investors or the public at large. (hereinafter individually or collectively referred to as misconduct/s), to come forward and express these concerns without fear of punishment or unfair treatment.

Applicability

The policy applies to all employees of the Company, and other individuals performing functions in relation to the Company including all Directors, staff on contract basis, interned and outsourced staff.

Purpose and Scope

The Whistleblowing Policy is designed to encourage employees to actively prevent and identify instances of fraud, fund misappropriation, manipulation, or any other actions that could harm the Company's reputation. As a growing organization, we recognize that taking preventive measures is essential to safeguarding our future.

To this end, management believes the most effective approach is to seek the support and integrity of our honest staff members. This Policy provides a clear avenue for reporting potential whistleblowing concerns and ensures that those who report in good faith, without malicious intent, are protected from retaliation or victimization by the Company. This Policy applies to all Directors, Management and employees in the Company, including full-time, part-time and contract employees and outside parties such as customers, suppliers, consultants and any other parties whom the Company has a business relationship with.

Acts of Misconduct

This policy is intended to cover serious concerns that could have an impact on the Company, which includes but not limited to;

- a) Breach of legal or regulatory requirements;
- b) Criminal offences;
- c) Damage caused to the environment;
- d) Discrimination or harassment;
- e) Endangerment of the health and safety of an individual;
- f) Improper conduct or unethical behaviour likely to prejudice the standing of the Company;
- g) Improper usage of the funds of the Company;
- h) Malpractice, impropriety or fraud in financial reporting, internal controls or other financial matters of the Company;
- i) Miscarriage of justice;
- j) Professional, ethical or other malpractices or wrongdoings;
- k) Violation of the rules and regulations of the Group or the rules of conducts of the Company towards the regulators.
- l) Deliberate concealment of any of the above.

How to raise a concern

Step 1

Employee may raise concerns either verbally or in writing with the immediate supervisor/ manager. Where the employee they cannot report the concern/ complaint through his or her immediate supervisor/ manager or if he/she thinks that the immediate supervisor/manager is concerned in the matter to be complained of, then he/she should proceed straight to Step 2

Step 2

If for any other reason the employee does not wish to approach his/her immediate supervisor/manager, he/she has the right to by pass the immediate supervisor/manager and take his/her concerns directly with the Executive Director or Head of Human Resources. Any approach in this manner will be treated with strictest confidence and the employee's identity will not be disclosed without his/her prior consent.

Informant protection

Informant name and other details should not be divulged and the assurance to be notified and informant should not be penalized or take any revenue subsequently.

By encouraging the reporting of such concerns, the Company seeks to foster a transparent and accountable environment, ensuring compliance with ethical standards and legal requirements. Failure to report or concealment of violations may lead to disciplinary action.

Procedure upon the receipt of the complaint

If it is financial related complaint;

1. When a complaint is received with regard to any form of fraudulent activity, it is referred to the Executive Director and then to the Chairman of the Company.
2. The Chairman of the Company shall decide whether the situation warrants an audit inquiry to be carried out.
3. The Audit shall be carried out by an independent investigation/ audit.
4. Once the investigation or the audit is completed the report shall be received and presented to the Chairman.
5. A final decision shall be taken in consultation with the Chairman and the Board of Directors and appropriate necessary action shall be taken thereafter.

If it is a complaint other than Financial related (Harassment/Injustice or any other misconduct)

1. When a complaint is received by any other personnel other than the HR, such complaint shall be diverted to the HR Department.
2. HR shall be duty bound to speak to the related staff individually.

3. If necessary, depending on the grievance, the HR shall speak to the other staff depending on the grievance.
4. HR shall conduct a domestic inquiry regarding the incident as a preliminary fact-finding mission.
5. Subsequent to the preliminary inquiry report the Head of HR shall present it to the Executive Director.
6. A decision shall be made by the Executive Director whether it is prudent to carry on a formal disciplinary inquiry and steps would be taken appropriately.

If the reported incident is a crime

Crimes against person or property, such as assault, burglary, etc., should immediately be reported to local law enforcement authority / personnel through a designated person in the Company.

If the investigation of an incident, that was done in good faith and investigated by internal personnel, is not to the Whistle-blower satisfaction, then he/she has the right to report the event to the next reporting level. The complaint should contain as much specific information as possible to allow for proper assessment. The complaint describing an alleged violation or concern should be candid and set forth all the information that the Whistle-blower knows regarding the allegation or concern. In addition, all complaints must contain sufficient corroborating information to support the commencement of an investigation.

The Audit Committee will decide the panel of investigation. Panel should be nominated based on the nature of the complaint, who should be an independent and also not interested party related to the complaint.

Further, this policy may not be used as a defence by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under the Company/ Group rules and policies.

Important contact details to raise concerns / complaints

1. Director

M.H. Jamaldeen

Email address- hj@steradiancapital.com

Telephone- 0112331556

2. Head of HR

D. DeSilva

Email address- hr@steradiancapital.com

Telephone- 0112331556- (116)

3. Senior Executive HR

K.Batuwangoda

Email address- kv@steradiancapital.com

Telephone-0112331556- (116)

Publication

The Company's website will disclose the existence of the Policy on Whistleblowing and a summary may be shared with the shareholders of the Company upon request made to the Company Secretary.

Review and Update

This policy shall be reviewed and updated at least once every two (2) years by 30th September. The required updates and modifications shall be recommended to the Chairman of the Board for approval.

Lanka Realty Investments PLC reserves the right to modify and amend the policy at any time.

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