

Policy on Risk Management, Internal Controls, and Code of Conduct

SINGHE HOSPITALS PLC
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Target Group	All staff		
Distribution	All staff		

Policy on Risk Management, Internal Controls, and Code of Conduct

1. Need for the Policy

The policy is established to comply with:

- Section 9 of the Listing Rules issued by the Colombo Stock Exchange (CSE).
- Applicable sections of the Companies Act No. 07 of 2007. This ensures that the Company adheres to regulatory requirements and maintains high standards of governance and ethical behavior.

2. Employee Responsibility

Every Director and Employee must report any known or suspected violations of the Company's Code of Business Conduct to the Chairman or CEO/Board. All potential violations, whether to benefit an individual or the Company, must be reported. Failure to report such violations is itself a breach of the Code. Employees will not face intimidation or retaliation for reporting in good faith.

If employees are unsure whether a situation constitutes a violation, they should consult their Senior Manager. Good judgment is expected where written codes may not cover all scenarios.

3. Corporate Culture

The Company recognizes that culture shapes behavior and attitudes. It is a collective phenomenon that is experienced through shared behaviors, values, and assumptions. Management and leaders must foster a culture that aligns with the Company's values and educates staff that culture is a group effort, not a result of individual characteristics.

4. Compliance with Laws, Bribes, and Political Contributions

- Compliance with Laws: All Directors, Employees, and Contractors must follow all applicable laws, rules, and regulations.

- Bribes and Kickbacks: No employee may give or receive any bribe, kickback, to obtain preferential treatment. However, gifts of nominal value or reasonable entertainment in appropriate contexts are allowed.
- Political Contributions: No political contributions may be made on behalf of the Company by any employee, director, or contractor.

5. Books and Records/Management Authorization

- Employees must maintain accurate and truthful records, following the Financial Manual and ensuring compliance with Sri Lanka Accounting Standards (LKAS), International Financial Reporting Standards (IFRS), and generally accepted accounting principles.
- All transactions must be recorded in a manner that allows the preparation of financial statements and ensures the safeguarding of Company assets.
- No undisclosed accounts, funds, or assets may be established or maintained.

6. Conflicts of Interest

- Employment and Investments: Employees are prohibited from holding positions or performing services for competitors, suppliers, or customers that may affect their loyalty to the Company.
- Related Party Transactions: Employees must disclose any relationships with companies doing business with the Company and seek approval for transactions involving close relatives.
- Health-Related Activities: Employees are prohibited from engaging in health-related businesses like pharmacies or laboratories.

7. Fraudulent/Inappropriate Conduct

The Company expects all employees to safeguard Company assets and intellectual property. Prohibited activities include:

- Misappropriation of Company assets for personal gain.
- Dishonest or fraudulent activity.
- Ensuring subordinates provide accurate health advice to customers and treat them respectfully.
- Employees must promptly record customer payments and avoid promoting over-indebtedness.

8. Confidential Information and Insider Trading

- Insider Trading: Using confidential material information for personal gain in trading the Company's shares or securities is unethical and illegal.
- Material Information: Information that could influence an investor's decision to buy or sell shares must not be disclosed outside the course of business.

9. Human Resources

- Non-Discrimination: Employees may not discriminate against others based on race, religion, color, nationality, age, gender, sexual orientation, or disability.
- Harassment: No Director or Employee may engage in harassment, intimidation, or hostile behavior toward others in the workplace, whether customers, suppliers, or colleagues.