

HATTON NATIONAL BANK PLC

POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS

1. OVERVIEW

The Board of Directors of the Bank has adopted the Policy on Internal Code of Business Conduct and Ethics (the "**Policy**") to set forth broadly the standards of conduct and principles to be adhered to by Directors and employees in carrying out their respective duties and responsibilities to the highest standards of personal and corporate integrity. This document sets forth a summary of such Policy.

Any capitalized term not specifically defined in this Summary will have the meaning therefor set forth in the Policy.

2. PURPOSE

The purpose of the Policy is to ensure that Directors and employees of the Bank adhere to the highest code of business conduct and ethical considerations in all of their activities whether specifically covered in the Policy or otherwise.

3. SCOPE

The Policy applies to the Bank and covers all Directors, Key Management Personnel and employees of the Bank, to the extent applicable.

4. GENERAL DUTIES AND RESPONSIBILITIES

- 4.1 The Directors should, at all times, act in good faith and in the best interests of the Bank and should adhere to all other duties of directors set forth in sections 187 to 190 of the Companies Act. Directors are expected to uphold the highest standards of professionalism and diligence in their roles.
- 4.2 All Directors and employees are expected to adhere to all relevant laws, regulations, and internal policies and act in good faith and prioritize the best interests of the Bank and its stakeholders.
- 4.3 Employees must adhere to their employment contracts and avoid engaging in competitive activities that conflict with the Bank's interests.
- 4.4 All employees, including Key Management Personnel, must comply with Bank-issued guidelines and codes of conduct approved by the Board.
- 4.5 Bank resources and assets are to be used solely for business purposes, with a commitment to their protection and efficient management as per established policies.

- 4.6 All Directors and employees must engage fairly with customers, suppliers, and competitors, avoiding manipulation, abuse of information, misrepresentation, or any unfair practices.

5. CONFLICTS OF INTEREST

- 5.1 Directors must promptly disclose any actual or potential conflicts of interest related to Bank business to the Board.
- 5.2 Employees must immediately report any conflicts or potential conflicts to their supervisors and refrain from participating in related discussions or decisions.

6. BRIBERY AND CORRUPTION

All Directors and employees shall adhere to the Bank's Policy on Anti-bribery and Corruption in their business dealings on behalf of the Bank.

7. CONFIDENTIALITY

- 7.1 Proprietary information and trade secrets must be kept confidential. Care should be taken to prevent any inadvertent or inappropriate disclosure.
- 7.2 Directors and employees must maintain the confidentiality of all non-public information entrusted to them by the Bank or its customers. Disclosure is only permissible if authorized or legally required.
- 7.3 The handling of personal information regarding customers, employees, and stakeholders must comply with the Banking Act and the Personal Data Protection Act, No. 09 of 2022.
- 7.4 Confidentiality obligations continue to apply even after individuals leave their positions as Directors or employees.

8. TRADING IN THE BANK'S SHARES

All Directors and employees must adhere to the provisions of the Securities and Exchange Commission of Sri Lanka Act when trading in the Bank's listed securities and Directors and employees possessing non-public, price-sensitive information about the Bank must not trade its securities, directly or indirectly.

9. ENCOURAGING THE REPORTING OF ILLEGAL/UNETHICAL BEHAVIOUR

- 9.1 Any activity or behavior that contravenes the Policy must be reported to the Whistleblower Protection Officer, following the Bank's Whistleblowing Policy.
- 9.2 Individuals who make disclosures in good faith and with reasonable belief in the truth of their claims will receive protection as outlined in the Whistleblowing Policy.

