
POLICY ON INTERNAL CODE OF BUSINESS CONDUCT AND ETHICS

30TH SEPTEMBER 2024

COLOMBO INVESTMENT TRUST PLC

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COLOMBO INVESTMENT TRUST PLC: Policy on Internal Code of Business and Ethics

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1 Introduction

Colombo Investment Trust PLC (“CIT”) is committed to the highest standards of ethical behaviour and will encourage proper ethical conduct and sanction misconduct within the Company. An ethical culture based on standards and conduct, led by the shareholders, directors, and Professional Service Providers.

2 Conflicts of interest

Directors and Professional Service Providers must avoid conflicts of interest. A conflict situation can arise when a director, Professional Service Providers performs or has such interests that may make it difficult to perform his company work objectively and effectively. Conflicts of interests also arise when a member of their family receive improper personal benefits because of his position in the company.

The company shall have a policy prohibiting such conflicts of interest and providing a means for directors, Professional Service Providers to disclose them to the appropriate personnel and follow prescribed procedures to address such conflicts.

3 Fair and transparent procurement practices

The professional service providers who are authorized to procure goods or services for CIT must ensure that the company’s policies and procedures are strictly followed and documented, in a fair and transparent manner.

4 Accurate accounting and record-keeping

The directors and Professional Service Providers shall ensure that they follow all applicable laws, external accounting requirements and the company procedures for reporting financial and other business information. Professional Service Providers shall ensure that they manage their business records in accordance with the applicable records, management policy and procedures.

5 Corporate opportunities

CIT Directors and Professional Service Providers shall be prohibited from:

- A. taking opportunities that are discovered through the use of corporate property, information, or position;
- B. using corporate property, information, or position for personal gain; and
- C. competing with the company.

Directors and Professional Service Providers owe a duty to the company to advance its legitimate interests when the opportunity does arise.

6 Confidentiality

Directors and Professional Service Providers shall maintain the confidentiality of information entrusted to them by the Company or its customers, suppliers, and other stakeholders, except when this disclosure is authorised or legally mandated. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed.

7 Fair dealing

All directors and Professional Service Providers shall endeavour to deal fairly with the company's customers, suppliers, and competitors. None shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair – dealing practice.

8 Protection and proper use of company assets

All directors and Professional Service Providers shall protect the company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the company's profitability. All company assets should be used for legitimate business purposes.

9 Compliance with laws, rules and regulations and insider trading

The company shall proactively promote compliance with laws, rules, and regulations, including insider trading laws. Insider trading is strictly prohibited. Directors and Professional Service Providers who possess non-public, material information about CIT must not trade in the entity's listed securities or provide such information to others who may use it for trading.

10 Illegal or unethical behaviour

The company shall proactively promote ethical behaviour. Professional Service Providers should report violations of laws, rules, regulations or the code of business conduct and ethics, to The Board of CIT. To encourage reporting such violations, the company must ensure that Professional Service Providers know that the Company will not allow retaliation for reports made in good faith.

11 Entertainment and gifts

The directors and Professional Service Providers must not solicit or demand any form of entertainment or gift from any person or organisation outside the company. The directors and Professional Service Providers are not permitted to offer or accept business entertainment and gifts without prior approval, provided that the entertainment or gift in question is modest, appropriate, and consistent with reasonable business practice and permissible under all applicable laws.

Further detailed in the Policy on Anti-bribery and Corruption.

12 Whistleblowing

Directors and Professional Service Providers are encouraged to report any violations of this Code, questionable practices, or unethical conduct to the relevant personnel or through a confidential and anonymous reporting mechanism.

This has been detailed in the Policy of Whistleblowing.

13 Approval, Revision & Dissemination of the Policy

- A. The policy should be revised as deemed necessary, particularly in the event of changes in law and authoritative sources of best practice in corporate governance. However, it will be reviewed and revised at least every two years to ensure that it is updated to reflect developments in relation to the subject.
- B. The Nominations and Governance Committee has reviewed and recommended this policy which has been approved by the Board.
- C. The policy is updated on the website of the Company in accordance with CSE Listing Rules.