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WHISTLEBLOWING POLICY

PMF FINANCE PLC

2026

VERSION 4

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1.0 INTRODUCTION

Section 14.3 of the Finance Business Act (Corporate Governance) Direction No.05 of 2021, and Section 9.2.1 of the Listing Rules of Colombo Stock Exchange requires every finance company/listed entity to establish a Whistleblowing policy that sets out avenues for legitimate concerns to be objectively investigated, addressed and employees shall be able to raise concerns about illegal, unethical or questionable practices in a confidence manner and without the risk of reprisal.

Accordingly, PMF Finance PLC (PMF) has developed a Whistleblowing policy to make it easier for members of staff to be able to report irregularities in good faith, without having to fear that their action may have adverse consequences.

The Whistleblowing Policy of PMF is a key element for safeguarding the company's integrity. It is aimed at enhancing the company's transparency and underpinning its system for combating practices that might damage its activities and reputation.

Protecting the integrity and reputation of the company requires the active support of all members of the company's staff, who are required to report incidents of suspected fraud, corruption, collusion and coercion, and other serious infringements of the rules and policies in force at the company. Members of staff must also cooperate in investigations into such incidents.

By creating an environment of trust and maximum protection for the members of its staff, the company wants to encourage them to cooperate in full. It is putting in place arrangements that will ensure that members of staff who report irregularities in good faith are afforded the utmost confidentiality and greatest degree of and most effective protection possible against any retaliation, whether actual or threatened, because of their whistleblowing.

2.0 UNDERLYING PRINCIPLES

The basic principles of the company's Whistleblowing Policy are as follows:

2.1 The people concerned must have a choice between several channels for whistleblowing and communication

2.2 Members of staff must not under any circumstances be subject to retaliations for whistleblowing

2.3 Members of staff who report incidents in good faith must be protected and their identity must insofar as possible remain confidential

2.4 The reported incidents shall be verified in the appropriate manner and, if they are confirmed, company shall take all necessary steps to identify appropriate remedies

2.5 The basic rights of any person implicated by the reported incidents must be respected, whilst ensuring that the procedures provided for are effective

3.0 SCOPE OF THE POLICY

This Whistleblowing Policy applies to all staff of PMF Finance PLC.

4.0 THE POLICY

4.1 REPORTING OBLIGATIONS

4.1.1 Members of staff are required to report any suspected or presumed incidents of illegal behavior in the activities of the company or of serious misconduct or serious infringement of the company's rules, policies or guidelines, or any action that is or could be harmful to the reputation of the company.

4.1.2 Members of staff are required to cooperate in any official investigation, audit or similar request.

4.1.3 No members of staff or managers of the company may use their position to prevent other members of staff from exercising their rights or complying with their obligations as indicated above.

4.2 TYPES OF CONCERNS TO BE REPORTED

This Policy deals with reporting concerns related to the following areas:

4.2.1 Financial reporting (eg: falsification or destruction of business or financial records; misrepresentation or suppression of financial information; non- adherence to internal financial reporting policy/controls, including management over – rides)

4.2.2 Suspected fraudulent activity (eg: theft; defalcation; insider trading; market manipulation; and corrupt practices including giving or receiving bribes or other improper benefits)

4.2.3 Violations of the law, regulatory breaches, non-compliance with manuals and guidelines (eg: conflicts of interest; illegal, deceptive or anti-competitive sales practices; manipulation of rate or price setting, other violations of governing laws and regulations; and non-adherence to internal compliance policies, employees who believe they have witnessed or experienced discrimination in recruitment, promotion, or other employment practices can report their concerns accordance with this policy)

4.2.4 Concerns regarding dignity at work (eg: cases of bullying, harassment, sexual harassment, use of sexually inappropriate language or gestures or comments)

4.2.5 Retaliation against an individual who reports a concern (eg: statements, conduct or actions involving terminating, disciplining, demoting, suspending, harassing, intimidating, coercing or discriminating against an individual reporting a concern in good faith in accordance with this Policy)

4.2.6 Un authorized use of Passwords, Assets and Properties of the institution

4.2.7 Some of the examples on possible events (but not limited to) for whistleblowing along with the recommended contact points are given in Annexure I.

4.3 REPORTING CHANNELS

4.3.1 Employees should choose the channel that is most appropriate given the nature of their concern.

4.3.2 There are several channels through which all staff of PMF Finance PLC may report their concern under the Policy.

4.3.3 Cases relevant to financial reporting are to be reported to the Chairperson of the Audit Committee or any member of the Audit Committee.

4.3.4 Cases of fraudulent activities are to be reported to the Chief Executive Officer or Chairman of the company or Chairperson of the Audit Committee or any member of the Audit Committee.

4.3.5 Any matter related to violations of the law, regulatory breaches, non- compliance with manuals and guidelines are to be reported to the Head of Compliance or Head of Legal.

4.3.6 Cases of bullying, harassment and those concerning dignity at work are to be reported to the Head of HR.

4.3.7 Any retaliation against an individual who reported a concern is to be reported to the Chairman of the company.

4.3.8 Contact details of the above-mentioned officers are given in Annexure II.

4.3.9 If the use of the established reporting mechanisms is not appropriate in view of the circumstances or nature of the incidents (eg: if there is a conflict of interest or a risk of retaliations, the intended recipient of the report is personally implicated, or the authority initially alerted fails to take appropriate action), the member of staff may report the matter to the Chairman.

4.4 COMMUNICATION

4.4.1 All Reports should be taken seriously and addressed promptly, discreetly and professionally.

4.4.2 Reports may be submitted anonymously or the person submitting the Report may request to remain anonymous.

4.4.3 If a person desires to remain anonymous, that desire will be respected.

4.4.4 If the concern is raised verbally, the person who receives the concern should document the outline of the matters raised and should be confirmed in writing to the employee who raised the concern.

4.4.5 Discussions and documentation regarding reports will be kept in strict confidence.

4.4.6 Should the person submitting the Report identify himself or herself, the recipient of the Report will communicate to the employee the steps to be taken to address the

Report and the results of any Company actions initiated.

4.5 PROTECTION FROM RETALIATION

4.5.1 Any staff member who reports irregularity, provided that this is done in good faith and in compliance with the provisions of this policy, shall be protected against any acts of retaliation.

4.5.2 The protection of a person reporting an irregularity shall be guaranteed first by the fact that their identity will be treated in confidence. Accordingly, their names should not be revealed, unless the whistleblower personally authorizes the disclosure of his/her identity.

4.5.3 Retaliation against any employee that files a Report or voices a concern under this policy is strictly prohibited.

4.5.4 Any employee who feels that he or she has been subjected to any behavior that violates this policy should immediately report such behavior as specified in section 4.3 of this policy.

4.5.5 However, staff members who make a report in bad faith, particularly if it is based knowingly on false or misleading information, shall not be protected by this policy and shall be subject to disciplinary measures.

4.6 RECOGNITION AND APPRECIATION OF WHISTLEBLOWERS

If the complaints/concerns received were contributed to saving costs to the organization, detect fraud to safeguard the image of the organization etc. The BAC may direct the CEO to recognize and appreciate the whistle blowers where necessary. Also, a letter of such recognition or appreciation will be maintained in the personal file of the relevant employee for future reference.

4.7 REVIEW OF THE REPORTS

The Head of Internal Audit will communicate a summary of reports received under this policy will be communicated to the Audit Committee on a quarterly basis (or a more frequent basis if conditions warrant more timely action).

5.0 ROLES AND RESPONSIBILITIES

5.1 Chairman

- Receiving and Investigating regarding any retaliation against an individual who reported a concern
- Consulting in the development and maintenance of the Policy
- Maintaining confidentiality and protecting whistleblowers from retaliation

5.2 Board Audit Committee

- Reviewing and recommending approval of the Policy to the Board of Directors

- Oversight of the Whistleblower Program
- Receiving and investigating the concerns involving Corporate Management
- Maintaining confidentiality and protecting whistleblowers from retaliation

5.3 Chief Executive Officer

- Consulting in the development and maintenance of the Policy
- Conducting or assisting in the investigation of concerns which reported to him
- Maintaining confidentiality and protecting whistleblowers from retaliation

5.4 Head of Internal Audit

- Developing and maintaining the Policy and communicating the policy to all the employees
- Conducting independent investigations into concerns related to financial reporting, internal controls, and suspected fraudulent activities
- Ensuring findings and recommendations are documented and reported transparently
- Maintaining confidentiality and protecting whistleblowers from retaliation

5.5 Head of HR

- Coordinate the investigations of concerns, other than those performed under the direct supervision of the Audit Committee
- Communicating with employees, directors, and officers who have raised concerns
- Reporting to the Audit Committee regarding the summary of reports received under this policy
- Maintaining confidentiality and protecting whistleblowers from retaliation

5.6 Head of Compliance / Head of Legal

- Conducting or assisting in the investigation of violations of the law, regulatory breaches, non-compliance with manuals and guidelines
- Maintaining confidentiality and protecting whistleblowers from retaliation

5.7 Business Unit and Corporate Management

- Communicating and reinforcing the Policy
- Directing concerns raised through Pathways to Resolution channels to the appropriate department for investigation and resolution

5.8 All employees

- Acting with integrity and honesty in all financial reporting and other duties
- Reporting any wrongdoing or concerns of financial reporting, suspected fraudulent activities, breaches of compliance policies, laws and regulations, concerns regarding dignity at work, or any retaliation

6.0 INVESTIGATION OF CONCERNS/COMPLAINTS

Concerns/complaints received by the contact persons will be directed to the Head of Internal Audit for preliminary investigation. Head of Internal Audit will conduct investigations with the assistance of Internal Audit staff and take appropriate action.

If there are any material findings, Head of Internal Audit will inform them of the Head of HR for appropriate disciplinary actions and to the BAC for information/necessary directions.

A record of complaints received will be maintained by the Internal Audit Department with actions taken.

7.0 REPORTING OF CONCERNS VIA DEDICATED EMAIL ADDRESS

Any employee who wishes to report a concern, complaint, suspected misconduct, unethical behaviour, fraud, financial irregularity, non-compliance with laws and regulations, or any other matter covered under this Whistleblowing Policy may use the reporting channels specified in **Annexure II**. In addition, concerns or complaints may be submitted through the dedicated whistleblowing email address: whistleblowing@pmffinance.lk.

Upon receipt of a concern or complaint through the dedicated whistleblowing email address, the designated officer responsible for administering the whistleblowing process shall acknowledge and record the complaint and forward the matter to the Head of Internal Audit for investigation and further action, where appropriate.

To ensure the effectiveness of this policy and encourage reporting without fear of retaliation, the identity of the whistleblower shall be kept strictly confidential. The designated officer shall not disclose the whistleblower's name, designation, or any information that could identify the reporting individual to the Head of Internal Audit or any other party, unless disclosure is required by law or expressly authorized by the whistleblower.

The Head of Internal Audit shall conduct an independent and objective investigation of the matter and provide its findings, recommendations, and proposed corrective actions to the designated officer. Upon conclusion of the investigation, and where appropriate, the designated officer shall communicate the outcome or status of the investigation to the whistleblower while maintaining confidentiality and complying with applicable legal and regulatory requirements. The Company is committed to protecting whistleblowers from retaliation, victimization, harassment, discrimination, or any adverse employment consequences arising from a report made in good faith under this Whistleblowing Policy.

8.0 WHISTLEBLOWING PROCEDURE

The Whistleblowing procedure is given in the Annexure - III

9.0 AMENDMENTS TO THE POLICY

8.1 This policy should be reviewed and updated once every two years or whenever there are significant changes therein.

8.2 Any amendments to this policy must be reviewed by the Board Audit Committee and approved by the Board of Directors.

Annexure I

Some of the examples of possible events (but not limited to) for whistleblowing along with the recommended reporting channels are given below.

Criteria (defined in section 4.2)	Examples on possible events for whistleblowing	Recommended reporting channel *
Financial reporting	• Manipulation of revenue figures • deliberate manipulation of expenses (eg: capitalize normal operating expenses) • misrepresenting the company and making false representations in press releases and other company filings • Overstatement of current assets on financial statements and failure to record depreciation expenses	Chairperson of the Audit Committee or any member of the Audit Committee
Suspected fraudulent activity	• corrupt practices such as giving or receiving bribes or other improper benefits • theft • misappropriation of money or funds held by an official (eg: cashiers)	Chief Executive Officer or Chairman of the company or Chairperson of the Audit Committee or any member of the Audit Committee.
Violations of the law, regulatory breaches, non-compliance with manuals and guidelines	• violations of governing laws and regulations • non-adherence to internal policies and guidelines • illegal practices	Head of Compliance or Head of Legal
Concerns regarding dignity at work	<u>Examples of Bullying Behavior</u> • Using aggressive, threatening or intimidating language or behavior • Belittling or undermining employees in front of others <u>Examples of Sexual Harassment and Harassment on Grounds of Gender</u> • Displaying physical behavior of an unacceptable nature, such as close personal contact, unwelcome advances or sexually suggestive gestures • The display, storage or sharing of pornographic or sexually suggestive pictures or other materials • Using language that ridicules, intimidates or abuses an individual because of their gender or gender identity, such as degrading remarks or insults, or offensive comments about appearance or dress	Head of HR

	Examples of Racial Harassment • Use of racist words or derogatory or degrading language aimed at people from ethnic minority groups • The display, storage or sharing of racially offensive pictures or materials • Unfair treatment based on racial background, such as promotion or training being withheld because of negative assumptions about race.	
Retaliation against an individual who reports a concern	After a whistleblowing incident; • An employee may suddenly find himself/herself being assigned to different duties or even moved into a different position. The new role often involves duties that are below the employee's capabilities or even demeaning in nature. The supervisor may make the new role as difficult as possible by harshly criticizing results or implementing unreasonable time constraints for completing the assigned tasks. • blocking an employee from advancing within the organization. Blocking may take the form of conducting a negative performance review, which becomes part of the employee's permanent employment record and may also prevent him from receiving a promotion. When the employee applies for a new position within the organization, the supervisor may also attempt to block him by providing a negative recommendation. The supervisor may block advancement by selecting a less qualified candidate for a promotion. • excluding the employee from normal activities, attempting to create a sense of isolation. A supervisor may refuse to invite the employee to an important meeting or a social activity such as a group luncheon or outing. She may also exclude the employee from training sessions that could enhance the employee's job performance or opportunity for advancement. Exclusion can occur by relocating the employee to an area where she has little contact with other workers.	Chairman or Chairman - Audit Committee

Contact details of the recommended contact persons are given in Annexure II

Annexure II

Reporting channels - contact details

Position	Name	Email
Chairman of the Main Board	Mr.Malik Cader	malikc@pmf.lk

Chairman - Audit Committee	Ms.Nishani Perera	**nishanip@pmf.lk**
Member - Audit Committee	Mr.Nemantha Abeysinghe	nemanthaa@pmf.lk
Chief Executive Officer	Prof.Jayantha N.Dewasiri	CEO@pmf.lk
Acting Head of Internal Audit	Mr. Amaranath Perinbavel	amaranathp@pmf.lk
Head of HR	Dr. Chandrasiri Gannile	gannilec@pmf.lk
Head of Compliance	Mrs. Dinesha Perera	dineshap@pmf.lk
Head of Legal	Mrs.Nelka Welianga	nelkaw@pmf.lk
Dedicated Email Address		whistleblowing@pmffinance.lk

Annexure III – Whistleblowing Procedure

a) Any employee of the company including casual, outsourced/interns will raise concerns/complaints if any on financial reporting, violation of internal controls or other activities leading to misconduct, mal practices, or frauds etc. directly to the contact persons given in Annexure – II of the policy

b) The contact person who received the concerns/complaints of employees will direct them to the Head of Internal Audit for investigations

c) Head of Internal Audit will acknowledge the receipt of concerns/complaints to the complainant immediately after the receipt of concerns/complaints

d) The Head of Internal Audit will maintain a register for concerns/complaints received, giving steps that he has taken

e) The Head of Internal Audit will study the information given in the complaint on priority bases and assign it to an audit/Investigation officer and brief him on the way that the investigation to be conducted. At the same time, he will inform Audit/Investigation officer on the necessity to maintain the confidentiality of the complainant and the complaint.

f) If the complaint is against a Senior Officer, e.g. Senior Manager or Above level officer, the investigation will be conducted by the Head of Internal Audit/ appropriate Senior officer of the department.

g) Time period of the investigation process

- The time period of a normal investigation will be around Two (2) weeks
- However, the time taken to complete an investigation may vary depending on the nature evidence to be collected e.g., number of statements to be recorded from other employees, information/evidence to be collected from external parties etc.

h) Submitting Investigation reports to the Head of HR

Investigation report will be submitted to the Head of HR as soon as the investigation is completed to take appropriate actions early e.g. To initiate disciplinary actions

i) Submitting Investigation Reports to BAC
Once an investigation on whistle blowing is completed it will be informed to BAC for information/necessary directions. However, if a matter is serious nature, it will be informed to the BAC before or during the course of the investigation for direction/information

j) Periodical reports for BAC
Head of Internal Audit will submit a quarterly report to the BAC containing the following

- Number of concerns/complaints received during the previous quarter
- Brief description of same
- Progress of Investigations