

WHISTLE BLOWING POLICY FOR UML & ITS SUBSIDIARIES

1. The intent of the policy;

In furtherance of the Company's continuous commitment to maintain high standards of corporate governance, UML Group's whistle blowing policy is intended to serve as a communication channel introduced as an integral part of corporate fraud and risk management.

The policy recognizes the duty of each and every employee of UML & its subsidiaries to report any genuine concerns they may have in relation to activities of the Group which they feel are wrong or illegal or otherwise harmful to the interests of the company, its employees, customers and all other stake holders.

The policy will allow any employee who has a genuine concern on an actual or suspected wrong doing, done by any person within the Company, to come forward voluntarily, and bring such concerns to the notice of an independent designated authority.

The company is committed to maintain absolute confidentiality about the information provided and the identity of the informant and to ensure that such genuine concerns of employees on perceived wrong doings are taken seriously and investigated. Such disclosures will enable us to investigate and deal with such matters early, before it results in a loss to the company. This procedure has been implemented by the Board and the functions have been delegated to the Audit Committee.

Who is it for?

It is applicable for all employees of the Group. In addition, the parties covered under the term "whistle blower" are given under the definition.

2. On whom can the concerns be raised;

The concern on the wrong doing can be raised against any person or persons within the company, if such person is in employment with the company or relating to a supplier doing business with the company.

3. Types of concerns that can be raised;

Employees are encouraged to raise any matter which they genuinely believe, constitute an actual or suspected wrong doing such as;

- i) Breach of the standing instructions and /or Code of ethics of the Company and unethical practice.
- ii) Failure or breach to comply with any legal/ regulatory obligations.
- iii) Financial malpractice and improper accounting.
- iv) Danger to the health and safety to any staff member at work.
- v) Any fraudulent or malicious activity involving Company's assets or environment.

- vi) Concealing of information in relation to any of the above.
- vii) Any other matters which the employee feels are important for disclosure which may have a negative effect or potentiality of a negative effect to the Company, and not covered above.

4. Types of concerns not forming part of the procedure;

Matters relating to employees' own conditions of employment, promotions, other career related matters, salary, employee benefits etc. that are dealt with by the Company's grievance handling procedure, are not issues that can be raised through the whistle blowing procedure. This procedure does not apply to any false disclosures and interpersonal conflicts between two employees.

5. Confidentiality;

The employees have the right to raise such genuine concerns, in confidence, under this procedure and the Company gives the assurance to such employees that their identity and the source of information will be protected and respected at all times.

Exceptionally, 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.

6. The procedure;

- Misconduct may be disclosed in writing, by telephone, e-mail, and any other media or in person. However, all Reports are encouraged to be made in writing, so as to assure a clear understanding of the issues raised.
- It must be addressed to the Chairman of the Audit Committee & Director – Ms. Coralie Pietersz (Contact No- 0773 831775, email - coraliep@unitedmotors.lk) or to the Deputy General Manager – Internal Audit & Monitoring – Ms. Sureshinie Fernando (Contact No- 0773 423352, email - sureshinief@unitedmotors.lk).
- The employee raising the legitimate concern on the wrong doing will receive a letter of acknowledgement of his/her concern, and the Audit Committee will decide on the best course of action to follow in dealing with the concern, ensuring at all times the protection of the identity of the employee making the disclosure.
- Although the whistleblower is not expected to prove the truth of an allegation, he/she needs to provide the necessary evidence that he/she possess in support of establishing the allegation.

- If need arises, the persons nominated by UML Group shall have the authority to call any employee for a discussion or call information from the relevant employees after giving due notice when reviewing and evaluating a complaint received by the persons nominated by UML Group.
- Feedback may be given to the whistleblower on the outcome of the complaint where relevant.
- The whistle blower can report with his/her identity or anonymously. However, any anonymous letters/complaints received by the nominated persons, alleging any employee for misconduct, without any credible evidence/information will be kept confidentially for a period of one month from the date of receipt. If the sender fails to submit the necessary supportive evidence within this period, the persons nominated by the UML Group will take necessary actions to destroy those letters, after obtaining the approval from the Audit Committee of the Board.

7. Guiding principle of the whistle blowing policy;

The underlying rationale for the whistle blowing principle is that employees have a better opportunity to detect frauds or fraudulent conduct by other employees long before the fraud is committed. Many of them wish to prevent such fraud but are reluctant to come openly to disclose the fact since fellow employees or their superiors are involved. If confidentiality is guaranteed many of them will come forward with the information because of their loyalty to the company. As such anyone raising a concern in the genuine belief that a wrong doing has occurred or about to occur will not be penalized in any way, if after the full investigation it is found that the concern was a bona fide mistake.

Any form of reprisal against anyone who in good faith has raised a concern is forbidden and will itself be regarded as a serious offence to be dealt with under a disciplinary procedure.

8. Definition

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.