ENVIRONMENT, SOCIAL & GOVERNANCE POLICY

SEPTEMBER 30, 2026

MULLER & PHIPPS (CEYLON) PLC

98, SRI SANGARAJA MAWATHA, COLOMBO 10

1 Introduction

Muller & Phipps (Ceylon) PLC ("M&P"), as a listed company on the Colombo Stock Exchange (CSE), recognizes its responsibility to operate in a manner that promotes environmental sustainability, social responsibility, and strong governance practices. This Environmental, Social, and Governance (ESG) Sustainability Policy reflects our commitment to these principles.

2 Environmental Sustainability

M&P is committed to reducing its negative environmental impacts by implementing environmentally responsible practices, conserving natural resources, and minimizing waste. Similarly, we will strive to make a positive impact on the environment through project based initiatives.

A. **Compliance with Environmental Laws** - We shall endeavour to comply with all applicable environmental laws, regulations, and standards applicable in Sri Lanka. The Company shall also comply with applicable International Standards where relevant.

B. **Materials & Waste** – M&P is focused on:

   a) effectively managing its consumption of materials,

   b) eliminating waste and rejects through process and product innovation

   c) exploring use of alternative materials to lower the carbon footprint.

C. **Energy & Emissions** – M&P is focused on:

   a) Investing in energy-efficient technologies

   b) Implementing practices to reduce our carbon footprint and improve energy efficiency

   c) shifting to low-carbon solutions in sourcing our energy requirements

D. **Water & Effluents** – M&P recognizes that Sri Lanka is a water stressed country and is focused on effective management of water through:

   a) Investing water efficient technologies

   b) Reducing water withdrawals

   c) Recycling and re-using water

   d) Treating waste water prior to discharging in accordance with the operating license

3 Social Responsibility

A. **Employee Welfare** - We are committed to providing a safe, inclusive, and fair work environment that promotes the well-being and development of our employees.

B. **Community Engagement** – M&P actively engages with the local communities where we operate. We will contribute positively to these communities through outreach programs and support for local development.

C. **Human Rights** - We respect and uphold human rights, and we will not engage in or support any form of discrimination, forced labour, or child labour.

D. **Supply Chain Responsibility** - We expect our suppliers and partners to adhere to social responsibility principles that are in line with this policy.

4 Governance Practices

A. **Board Oversight** - The Board of Directors will provide oversight of our ESG practices, ensuring that they align with our long-term strategy and risk management.

B. **Accountability and Transparency** – M&P is committed to maintaining accountability and transparency in all our operations and communications. This includes open and fair disclosure of material ESG information.

C. **Compliance with Governance Standards** - We will comply with all governance standards and codes that apply to listed companies in the CSE and strive for best practices.

5 Anti-Corruption and Ethics

M&P has a zero-tolerance policy for corruption, and we expect all employees to act ethically and with integrity. The M&P Anti-Bribery & Corruption Policy provides further guidance in this regard.

6 Sustainability Reporting and Metrics

M&P will regularly report on our ESG performance and metrics, using established frameworks such as the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards.

7 Review and Amendment

A. This policy will be reviewed periodically to ensure alignment with changing regulatory requirements and emerging best practices. Amendments may be made when necessary.

B. The Nominations and Governance Committee has reviewed and recommended the Policy which has been approved by the Board.

C. The policy is uploaded on the website of the Company in accordance with CSE Listing Rules.