



# HAYLEYS FIBRE PLC

## HUMAN RIGHTS POLICY

### HR POLICY / MANUAL

#### Purpose

Human Rights outline and focus on protection to people from severe political, legal, and social abuses. The Hayleys Fibre PLC is a Sri Lankan Business entity spanning a diversified portfolio of businesses with global operations. Thus it is of relevance that aspects and areas of Human Rights are seriously addressed in all our operations.

#### Scope

Hayleys Fibre PLC is committed to fostering an organisational culture which supports internationally recognised human rights and seeks to prevent abuse of human rights. We support the principles contained within the Universal Declaration of Human Rights and the United Nations Global Compact (UNGC).

We commit to the following two sub-principles of the UNGC Principles of Human Rights;

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses.

#### Policy Governance and Responsibility

NO.	JOB TITLE	RESPONSIBILITY
1	Overall responsibility for the implementation of this policy Company-wide	ESG Steering Committee
2	Conducting an annual training and assessment of a broad range of human rights issues utilising an international level benchmark	ESG Steering Committee

# Social Policies

NO.	JOB TITLE	RESPONSIBILITY
3	A Report and Gap Analysis to manage any areas of improvement	ESG Steering Committee
4	Awareness building and communication of policy to employees	Group HR/ ESG Steering Committee
5	<p>Recording and reporting the latest indicators of management performance directed by the GRI (Global Reporting Initiative) framework</p> <ul style="list-style-type: none"> <li>• instances where Human Rights have been violated</li> <li>• percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening</li> <li>• percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken</li> <li>• operations and significant suppliers identified in which the right to exercise freedom of association or collective bargaining may be violated or at significant risk, and actions taken to support these rights</li> </ul>	ESG Steering Committee and Lifecode Champion
5	<ul style="list-style-type: none"> <li>• operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour</li> <li>• any measures taken to contribute to the elimination of all forms of forced or compulsory labour.</li> <li>• percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations</li> <li>• Instances of discrimination and corrective actions taken thereafter other business partners that have undergone human rights screening, and actions taken</li> <li>• operations and significant suppliers identified in which the right to exercise freedom of association or collective bargaining may be violated or at significant risk, and actions taken to support these rights</li> <li>• operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour</li> <li>• any measures taken to contribute to the elimination of all forms of forced or compulsory labour.</li> <li>• percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations</li> <li>• instances of discrimination and corrective actions taken thereafter</li> </ul>	ESG Steering Committee and Lifecode Champion

## Policy Statement

### Commitments to stakeholders

**Employees:** We treat all of our employees with respect and dignity and promote diversity in the workplace. Our aim to achieve uniform application of relevant principles underlined in the Universal Declaration of Human Rights is derived from our commitment to respect the rights of our employees, which include labour and working conditions. We are committed to train our employees to be aware of, respect and protect human rights in the workplace and in the local communities directly impacted by our operations.

**Business Partners:** Our commitment applies to workers directly engaged by the company and workers engaged through third parties to perform work related to core business processes for a substantial duration (contracted workers operating within company premises as well as suppliers, joint venture partners and clients/customers), through proactive engagement, monitoring and contractual provisions.

**Local Communities:** Where relevant, we engage with local communities on any actual or potential human rights impacts of our operations, which also include land and property acquisition and security arrangements. Hayleys Fibre PLC practices human rights in accordance with the customs, cultures and values portrayed by these communities.

### Provisions on human rights

#### Fair Treatment

We provide equality of opportunity and treatment for the purposes of eliminating discrimination based on

race, colour, gender, sexual orientation, gender identity, religion, political opinion, nationality, social origin and status, disability, age or other status of individuals unrelated to their ability to perform work. Salaries are on par across all positions at the Group, sans any gender bias. Salary distinctions are based solely upon factors such as performance and market comparisons for the relevant skill group. Hayleys Fibre PLC aims to pay competitive wages based on local market assessments.

#### Non-harassment

Hayleys Fibre PLC commits to promote a work environment free of any form of workplace harassment including physical, verbal, sexual or psychological harassment, abuse, and threats, as defined by the laws of each country in which we operate. To protect workers against such acts, Hayleys Fibre PLC has implemented prevention policies, facilitates open communication, provides training, and allows workers to report incidents of harassment to a complaint mechanism that fully investigates the reports and responds accordingly.

#### Abolishing Child, forced and compulsory Labour

In Sri Lanka, the law defines children as below the age of 14 years. Hayleys Fibre PLC opposes child labour, does not employ any person under the age of 18, and works with business partners to ensure that zero instances of child labour are recorded in the supply chain as defined by national laws. We oppose all forms of forced or compulsory labour and work hand in hand with subcontractors and suppliers to ensure illegal forms of employment are eradicated.

### Hours, wages and leave

Hayleys Fibre PLC works within the standards set by national law and respects the standards set by the International Labour Organisation (ILO). We provide a living wage that enables workers to meet the basic needs of themselves and their dependents, ensures that workers are provided leave in accordance with national standards and ensures that all workers have an official employment status.

### Freedom of association/collective bargaining

Hayleys Fibre PLC believes in employees engaging in dialogue with the company on any issue they may wish to voice and seek redress on.

### Promoting health and safety

Hayleys Fibre PLC commits to providing safe and healthy working facilities and takes appropriate precautionary measures to protect employees from work-related hazards and anticipated dangers in the workplace. Safety precautions depend upon and are relevant to the industry, company concerns and the needs of vulnerable workers and meet or exceed the laws of each country in which we operate. Hayleys Fibre PLC ensures that workers are provided with the protective equipment and training necessary to perform their tasks safely and are actively involved in health and safety efforts.

### Effective Date for implementation

This policy shall be effective and operative from January 1st, 2014



# HAYLEYS FIBRE PLC

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## HEALTH AND SAFETY POLICY

HR POLICY/MANUAL

### Standard

As an organisation with significant interests in both manufacturing and service groups, Hayleys Fibre PLC is committed to maintaining the highest standards of health and safety across its operations, thereby providing a safe and injury-free working environment for all employees.

### Scope

This policy is applicable for all business entities and relevant service providers of Hayleys Fibre PLC.

### Commitment

We seek to prevent all accidents and occupational diseases across our operations, thereby ensuring the protection of all our employees. In driving towards this objective, we are committed to:

- Maintaining hygienic, safe, and healthy working conditions, machinery and equipment and provide the necessary instructions and training that is required for this purpose.
- Ensure compliance to all health and safety laws, rules, regulations, relevant international standards, and client requirements. Companies are also encouraged to obtain the ISO 45001: 2018 Occupational Safety & Health Management System.
- Company will seek to proactively engage in hazard identification

and risk assessment and define subsequent corrective actions to effectively control health and safety risks in the workplace.

- Companies are encouraged to educate and provide relevant health and safety training to employees, which in turn will nurture a culture of safety in the organisation and empower employees to avoid unsafe situations. All employees should also take reasonable care of their own health and safety whilst at work and fully co-operate with the respective Company in all health and safety related initiatives.
- Company will ensure that contractors, service providers and other third parties entering the Group's sites and facilities are made sufficiently aware of the applicable health and safety practices in place and are equipped to carry out their tasks safely.
- Drive continuous improvements in occupational safety and health management through ongoing communication, training and driving towards performance targets.
- Ensuring the 100% complete and accurate reporting of relevant health and safety data to Hayleys Group Sustainability on a timely basis following the set reporting requirements of the GRI Standards and Hayleys' Cube reporting.

- Aligning with the Hayleys Group Sustainability strategy this policy will be reviewed periodically and communicated to relevant and interested parties, facilitating collaboration and raising awareness on sustainable practices.

### Responsibility

The Managing Director, along with the Heads of the processes will be responsible in ensuring that this policy is valued and adhered to.



# HAYLEYS FIBRE PLC

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## PROCUREMENT POLICY

## SUSTAINABILITY POLICY / MANUAL

### Standard

As a highly diversified organisation the Hayleys fibre PLC has developed deep relationships across extensive supply chains, both locally and internationally. The company is committed to ensuring that procurement activities deliver a competitive advantage while generating sustainable value across the Company's supply chains.

The ESG strategies relating to management of supply chain activities, our targets and annual key performance indicators are set out in to measure the progress in the procurement practices.

### Scope

This policy is applicable for all business entities and relevant service providers of Hayleys Fibre PLC.

### Commitment

We seek to propagate sustainable practices and drive the creation of responsible value across our supply chains. We are therefore committed to,

- a. Supplier selection should follow a formal and structured process that is based on objective and transparent criteria, free from any form of bias, discrimination and/or personal interests. The sourcing division is adhered to the standard Supplier Verification Process and a Supplier On-Boarding process for the Hayleys Group. The evaluation criteria will contain the following at a minimum
  - Product specifications
  - Price and payment flexibility
  - Financial stability
  - Safety and quality
  - Technical and innovation capabilities
  - Social and environmental compliance
- b. Over the long-term, Group should strive to screen all key suppliers for social and environmental practices to ensure responsible sourcing. Group should initially initiate screening for large-scale suppliers and annually increase coverage. Please refer to Attachment 2 for sample criteria. Group is also encouraged to carry out supplier audits on a regular basis, ensuring continued compliance to quality standards as well as social and environmental practices.
- c. Effective and appropriate segregation of duties within all procurement functions to prevent possible frauds
- d. Proactively engage with suppliers and implement long-term supplier development programs to enhance capabilities and capacity to ensure alignment to the Group's long-term needs. Development programs will be designed and implemented based on specific supplier strategies and should encompass the following as a minimum:
  - The Program should be structured based on clearly identified ESG benefits for the supplier and the Group company
  - Resource allocations should be determined on an annual basis, including financial, human and other resources
  - Group should formalise program through suitable MoUs, project plans and supplier agreements among others
- e. Proactively pursuing alternative local counterparts to foreign suppliers, with the aim of increasing the percentage spend on local procurement, thereby increasing local value addition.

f. Ensuring the 100% complete and accurate reporting of relevant procurement and supply chain related data to Hayleys Group Sustainability on a timely basis following the

set reporting requirements of the GRI Standards and Hayleys' Cube reporting.

Aligning with the Hayleys Group Sustainability strategy this policy will be reviewed periodically and communicated to relevant and interested parties, facilitating collaboration and raising awareness on sustainable practices.

### Responsibility

The Managing director, along with the Heads of the processes will be responsible in ensuring that this policy is valued and adhered to.



## HAYLEYS FIBRE PLC

# CUSTOMER MANAGEMENT POLICY

## SUSTAINABILITY POLICY / MANUAL

### Standard

The Hayleys Fibre PLC caters to a global network of retail and B2B customers. We aspire to be the most preferred and trusted choice of our customers across all our group s and are committed to achieving this goal through a unique value proposition which exceeds the expectations of our customers.

ESG strategies relating to customer management, our targets and annual key performance indicators are set out to monitor the progress over the customer management practices.

### Scope

This policy is applicable for all business entities and relevant service providers of Hayleys Fibre PLC

### Commitment

We aspire to delight our customers through superior product quality and excellent service which meets or exceeds their needs and expectations. In achieving this goal, we are committed to,

- Nurturing customer relationships that are based on trust and mutual respect through developing long-term partnerships. Group should seek to build customer relationships centering on value propositions underpinned by innovation, responsible production/marketing, customer service and satisfaction.
- Maintaining 100% compliance to relevant laws and regulations relating to customers, including health and safety aspects of products/services, marketing and product labelling among others.
- Ensuring that customers receive all relevant information about our products/services and fully understand the terms and conditions relating to each product/service they obtained from the Group.
- Group is encouraged to obtain recognised health and safety certifications, thereby providing assurance to customers on the safety of using our products. This is particularly applicable to companies which engage in the manufacture and distribution of consumable goods.

- Group should also comply with all relevant ESG requirements set out by customers and implement a mechanism to ensure continued compliance with the same.
- Group is encouraged to carry out customer satisfaction surveys at least on an annual basis, thereby obtaining feedback on critical aspects including product quality, service, ease of transactions and reliability among others.
- Group should implement a quick and effective mechanism for customers to present their grievances and disputes. A systematic and clear process should be implemented to address and resolve such complaints within a reasonable period of time. In addition to group -level grievance mechanisms, customers can also direct their complaints, suggestions and other feedback to the following:  
*Corporate Affairs Unit,*  
info@cau.hayleys.com  
+94112627000
- Ensuring the 100% complete and accurate reporting of relevant customer related data to Hayleys Group Sustainability on a timely basis following the set reporting requirements of the GRI Standards and Hayleys' Cube reporting.



## HAYLEYS FIBRE PLC

### COMMUNITY RELATIONSHIPS

### SUSTAINABILITY POLICY / MANUAL

#### Standard

Hayleys Fibre PLC recognises that its 'social license to operate' is an important prerequisite in ensuring the continuity of its businesses and managing environmental and social risks. It ensures legitimacy of the business from a community perspective, provides assurance to shareholders that social risks are identified and managed and preserves the company's reputation in times of crisis. For Hayleys Fibre PLC, the deep-rooted relationships it has nurtured with communities through its extensive reach, also allows it to drive meaningful change in these communities, supporting socio-economic progress and sustainable development.

ESG strategies relating to community engagement and development, our targets and annual key performance indicators are set out to monitor the progress over the community relationship practices.

#### Scope

This policy is applicable for all business entities and relevant service providers of Hayleys Fibre PLC.

#### Commitment

We seek to nurture ethical, transparent, and mutually beneficial relationships with the communities in which we operate. This is to be achieved through the following:

- Group companies should develop and execute a community relations strategy which reflects its' social goals and the expectations of its' communities.
- Implement credible and effective community grievance mechanisms which enable complaints and concerns to be identified and addressed in a timely manner. Community stakeholders should be made aware of the grievance process through suitable signposting, the corporate website, and other channels of community dialogue.
- Show sensitivity to the culture, traditions, customs and social norms of each country and region in which we operate.
- All group should actively engage in strategic community development initiatives broadly focusing on the key areas of education, health and well-being, livelihood development, religion, and culture. Initiatives should be formulated and driven primarily at Group level based

on identified community needs. Adequate financial, and human resources should be allocated for project execution. Certain significant projects may also be driven by the Hayleys Sustainability Unit.

- The progress of all projects should be monitored periodically, through impact assessments, audits, feedback from beneficiaries and independent third parties (where necessary) to ensure that program objectives are met.
- Encourage and reward employee volunteerism, thereby recognising employee involvement.
- Group companies are encouraged to build partnerships with regional community groups, NGOs, and local governments.
- Ensuring the 100% complete and accurate reporting of community project related information to Hayleys Group Sustainability on a timely basis following the set reporting requirements of the GRI Standards and Hayleys' Cube reporting.

#### Responsibility

The Managing Director, along with the Heads of Business Units will be responsible in ensuring that this policy is valued and adhered to.