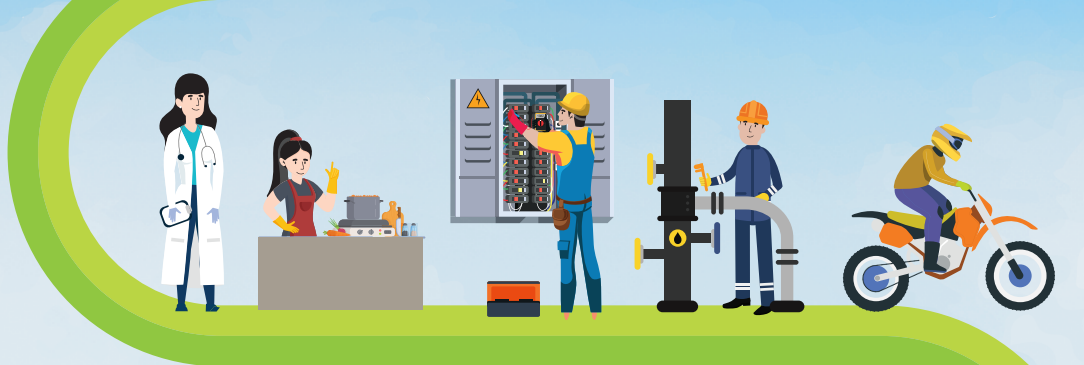
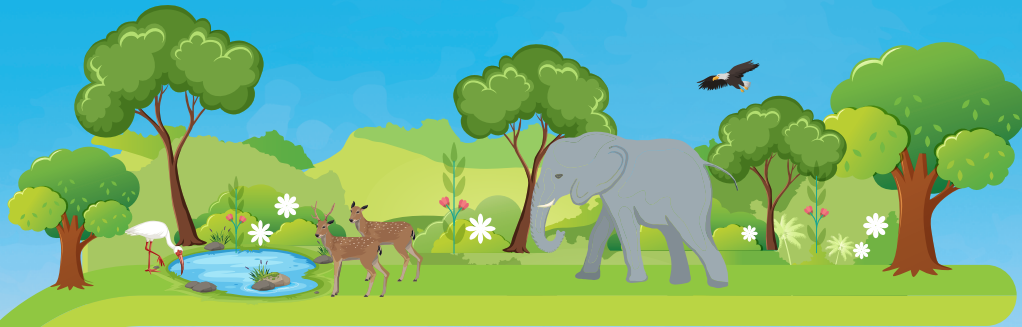


DPL *Pulse*

ESG ROADMAP 2030







The pulse of an organisation is more than just a rhythmic beat of daily operations; it's a reflection of its values, aspirations, and dedication to its stakeholders. At DPL, our pulse beats with a passion for regenerating our planet, enriching our communities and mutual progress. With this belief in mind, we introduce you to our ESG Roadmap, aptly titled “DPL Pulse,” a true embodiment of our spirit and soul.

DPL Pulse, while being a milestone in our sustainability journey, equips our company and stakeholders with a roadmap towards a better future. Through this holistic programme, we hope to reinforce our commitment to effectively managing our ESG issues, share inspiring initiatives and the dedicated efforts of our team, as we work together to create a more sustainable and equitable world.

Join us as we share our Pulse with you.

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About this Document

This document articulates DPL's commitment to integrating ESG considerations across its strategy, decision-making and processes. The document serves as the DPL Group's ESG Roadmap and provides an overview of the Group's material ESG topics, long-term sustainability aspirations, action plans to achieve these goals and ESG governance among others. Our targets are aligned to the United Nation's Sustainable Development Goals (SDG) and clear metrics have been defined to monitor progress against our targets. Progress will be communicated to stakeholders through DPL's Annual Integrated Report which is published in June every year.

This document is the property of DPL and should not be reproduced in part or whole without the explicit consent of the Company. This is the first edition of the document and will be reviewed and updated every

two years to reflect developments in related areas or more frequently if deemed necessary.

SCOPE AND BOUNDARY

The ESG Framework is applicable to DPL's Hand Protection Sector covering its operating locations in Sri Lanka, Thailand and Italy. The ESG aspirations of DPL's Plantation Sector operations are covered by subsidiaries Talawakelle Tea Estates PLC and Kelani Valley Plantations PLC. DPL's ESG Division will maintain a list of all operational locations and ensure that these locations report progress regularly. The scope of financial and ESG reporting are consistent, thereby minimising the risks of unidentified and unassessed risks to the Group.

New locations and businesses:

New locations have a grace period of two years from commencement of operations to comply with ESG reporting requirements.

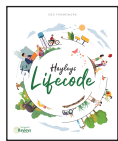
Annual review of scope: The ESG Division will evaluate the adequacy of the ESG scope and boundary on an annual basis to ensure consistent implementation of the roadmap.

STANDARDS AND FRAMEWORKS

The ESG Framework is designed to comply with the requirements of the following voluntarily adopted standards, frameworks and codes.

- Integrated Reporting Framework issued by the International Integrated Reporting Council
- GRI Standards issued by the Global Reporting Initiative
- Code of Best Practice on Corporate Governance issued by CA Sri Lanka 2017
- Guidelines issued by the Sustainability Accounting Standards Board (SASB)
- Recommendations of the Task Force on Climate Related Financial Disclosures (TCFD)

NAVIGATING THIS DOCUMENT



Reference to the Hayleys Lifecode



Reference to the Hayleys Group Environmental Policies



Reference to the Hayleys Group Social Policies

ACCESSIBILITY



This document can also be viewed online at www.dplgroup.com

Overview

ABOUT US

We are a global leader in protective hand-wear, serving close to 5% of global demand for natural and synthetic-latex based household and industrial gloves. Having nurtured a global reputation for quality, innovation and sustainability our extensive range of supported, unsupported and disposable gloves are sold in over 70 countries. DPL operates 4 manufacturing facilities in Sri Lanka, 1 in Thailand and marketing and distribution arms in Italy and France. DPL is part of Hayleys PLC, one of Sri Lanka's most respected, diversified and socio-economically impactful business conglomerates which commands leading positions across key sectors of the economy.

PURPOSE



Protecting you always

VISION

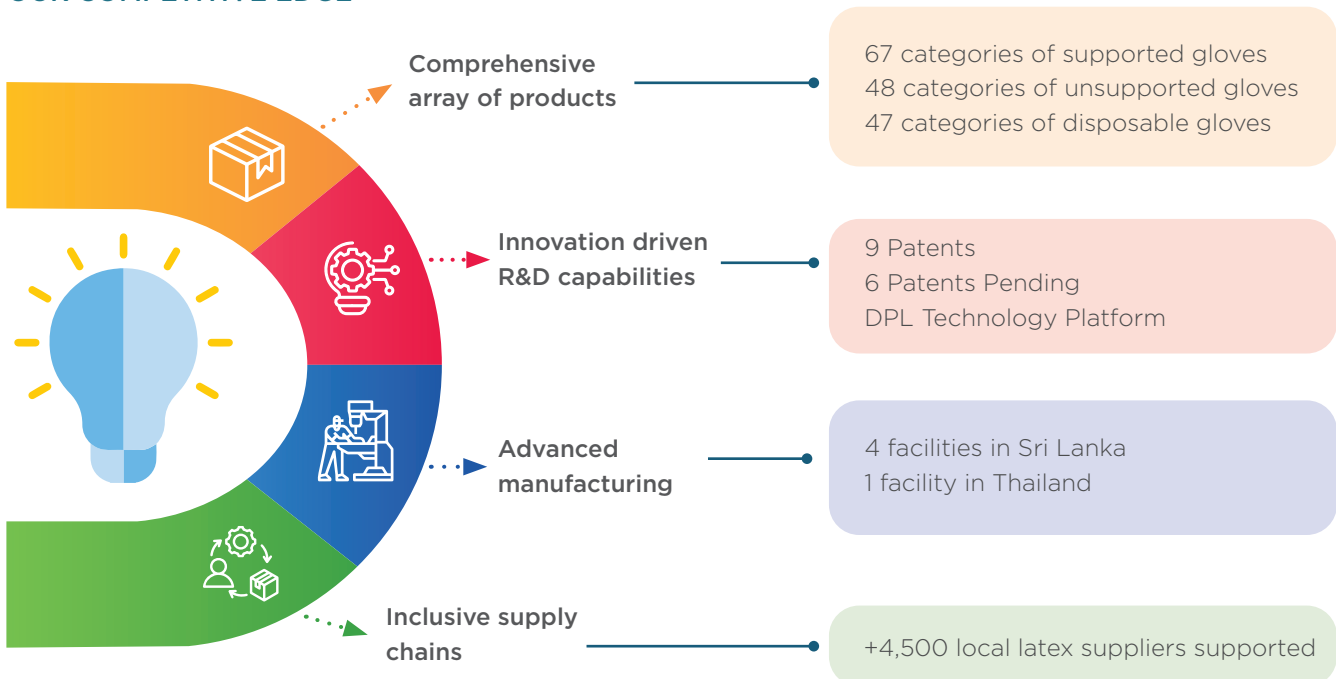
To be the preferred and most sought-after provider of hand protection wear in the world

MISSION

DPL strives to be the preferred global hand protection provider. We are committed to the continual improvement of our business processes and systems.

We shall comply with environmental and social obligations, meet the aspirations of our employees, suppliers and shareholders and build relationships of trust.

OUR COMPETITIVE EDGE



CHAIRMAN'S MESSAGE



I am extremely proud of DPL for joining the ranks of this cohort, as it leverages the passion of its team, commitment to excellence and robust systems to support integrated thinking and sustainable value creation across the organisation.

It gives me great pleasure to pen this message to you on the launch of Dipped Products PLC's ambitious ESG Roadmap- DPL Pulse. The Roadmap clearly articulates the DPL Group's commitment to embedding environmental and social considerations into its business, while upholding the highest standards of corporate governance, accountability and integrity. This marks a major milestone in DPL's ESG journey, as we seek to strengthen the resilience and relevance of our business while shaping a better future for our stakeholders and the environment.

It is undeniable that human activity has had a profound impact on the world we live in. The urgency and intensification of global environmental and social

complexities which include climate change, biodiversity loss and rising inequalities have led to shifts in risk landscapes for organisations and increasing scrutiny of stakeholders. Against this backdrop, I firmly believe that integrating ESG considerations is not just the right thing to do, but critical for business continuity and sustainability.

The Hayleys Group has been at the forefront of Sri Lanka's corporate sector, widely recognised as a sustainability leader in selected industry verticals. I am extremely proud of DPL for joining the ranks of this cohort, as it leverages the passion of its team, commitment to excellence and robust systems to support integrated thinking and sustainable value creation across

the organisation. I firmly believe that commitment to these aspirations and compliance to the principles set out in the DPL Pulse will be critical to the Group's journey ahead, paving way for sustainable innovation, access to new markets and cost efficiencies.

I congratulate DPL's Board of Directors, leadership team and all employees for their resolve and ambition in embarking on this journey and wish them continued success.

Mohan Pandithage,
Chairman

Overview

DEPUTY CHAIRMAN'S MESSAGE



As an organisation with a global reputation for sustainability, quality and innovation and deep-rooted relationships across supply chains, we are proud to make this commitment as we drive inclusive value across our operations.

I am pleased to present this message at the launch of DPL Pulse- demonstrating the Group's commitment to effectively managing ESG risks and opportunities in the context of its strategy and decision-making. As an organisation with a global reputation for sustainability, quality and innovation and deep-rooted relationships across supply chains, we are proud to make this commitment as we drive inclusive value across our operations.

The DPL Pulse sets out the Group's environmental, social and governance aspirations, expressed

in the form of targets, strategies, annual KPIs and action plans. Targets were determined following stakeholder dialogue, assessment of the operating landscape, and emerging threats and opportunities. Governance structures and policy frameworks have also been established to ensure the effective implementation of the Roadmap and monitoring against targets. With the launch of DPL Pulse, the Group is keen to adopt sustainability practices that both benefit the Group's profits while creating positive impacts across the environment and community.

As we embark on this journey, I believe there is a unique opportunity for each and every employee of DPL to drive positive and meaningful change in their spheres of operations. I invite you all to come together in driving a sustainability focused mindset at DPL, as we combine efforts to establish a strong foundation for sustainable value creation over the next decade.

A handwritten signature in black ink, appearing to read 'Rajitha Kariyawan'.

Rajitha Kariyawan,
Deputy Chairman

MANAGING DIRECTOR'S MESSAGE



We firmly believe that integration of ESG issues to our business strategy and risk management purposes will strengthen the resilience of our business while ensuring inclusive and sustainable value creation to our stakeholders.

It gives me great pleasure to pen this message at the launch of DPL Pulse, which marks a step change in the Company's ESG aspirations as we demonstrate our commitment towards embedding environmental preservation, inclusive growth and sound corporate governance practices to our strategy, processes and decision-making. The Roadmap clearly sets out the Company's environmental, social and governance goals for 2030, together with planned actions and strategies to achieve these targets.

Global risk landscapes have shifted significantly over the past few decades, with systemic, interconnected risks presenting a host of challenges to governments and businesses. These dynamics have transformed businesses' approach to risk management, with risk identification, measurement and mitigation measures evolving considerably. We firmly believe that integration of ESG issues to our business strategy and risk management purposes will strengthen the

resilience of our business while ensuring inclusive and sustainable value creation to our stakeholders. As an organisation relying primarily on agricultural input materials we are acutely aware of the impact that escalating implications of climate change and natural disasters can have on our business. On the other hand, given our deep-rooted relationships across Sri Lanka's latex supply chains, we believe we can play a vital role in propagating good environmental and social practices among our business partners.

The targets set out in the DPL Pulse are broadly aligned to the ESG aspirations of Hayleys PLC, which are articulated in the Group's ESG Roadmap- Hayleys Lifecode and tailored to reflect sensitivities specific to our industry. The material topics were determined following extensive stakeholder dialogue and assessment of emerging risks and opportunities in our industry. Material topics will be reviewed on an annual basis to ensure relevance. Progress against targets will be monitored

by DPL's ESG Division and reported to the Hayleys Group ESG Division, ESG Steering Committee and Group Management Committee on a quarterly basis. The scope of the Internal Audit functions at Hayleys PLC level and DPL level have also been strengthened to provide assurance on ESG factors to the respective Audit Committees.

We are proud to join hands with our colleagues, customers and value chain partners in making this commitment. I am certain that the DPL Pulse will provide an opportunity to nurture a sustainability mindset within the organisation and I invite all our valuable stakeholders to partner us in this journey as we strive to shape our business to be a force for good.

A handwritten signature in black ink, appearing to be 'Pushpika Janadheera'.

Pushpika Janadheera,
Managing Director,

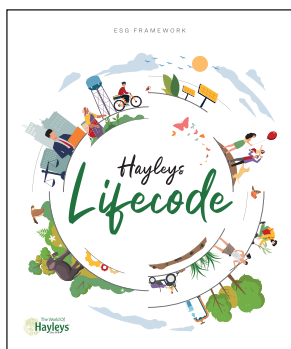
ESG Integration

INTRODUCTION

As an organisation which relies significantly on agricultural raw materials and natural resources, has a global customer base and has nurtured extensive relationships across Sri Lanka's natural latex ecosystem, we are cognizant of the critical importance of understanding our environmental, social and

governance issues. A focus on ESG issues allows DPL to manage its risks and opportunities more effectively, while safeguarding reputation and our social license to operate. With customers, supply chains and communities becoming increasingly conscious about responsible business practices, we understand the need to embed stakeholder concerns

into our strategy and decision-making processes, which in turn can support efficient resource allocation. Embracing and integrating this thinking into our business is anticipated to support the Group's sustainable growth and performance while strengthening our resilience to changing operating dynamics.



THE HAYLEYS LIFECODE

The Hayleys Lifecode was launched in January 2022 and articulates the Hayleys Group's social and environmental aspirations and sustainability roadmap for 2030. The Lifecode and its related social, environmental and governance policies are applicable as a minimum standard across all Group companies; however, Sectors are encouraged to develop their own ESG Roadmaps taking into consideration industry-specific dynamics, specific opportunities and risks and their business model. Sector goals and aspirations should be aligned to the Group goals set out by the Hayleys Lifecode while clear governance structures and reporting lines have been defined to ensure Sector-level progress is reported to Hayleys PLC and monitored on a timely basis.

VISION AND PURPOSE OF HAYLEYS LIFECODE

Our Purpose

Thriving businesses that shape better futures



Environmental

Minimise our footprint while seizing opportunities to shape a greener future



Social

Striving and thriving together for a better tomorrow

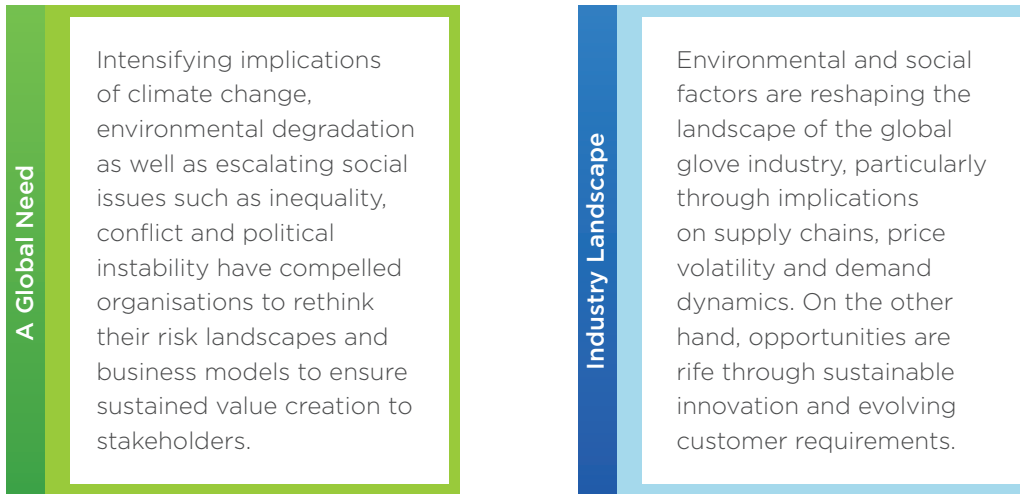


Governance

Responsibility and Responsive Corporate Citizenry

OUR ESG APPROACH

Our aspirations to embed ESG into every aspect of our operations reflect a proactive response to external and internal drivers which are shaping the transformation of our industry and business.



A Global Need

Intensifying implications of climate change, environmental degradation as well as escalating social issues such as inequality, conflict and political instability have compelled organisations to rethink their risk landscapes and business models to ensure sustained value creation to stakeholders.

Industry Landscape

Environmental and social factors are reshaping the landscape of the global glove industry, particularly through implications on supply chains, price volatility and demand dynamics. On the other hand, opportunities are rife through sustainable innovation and evolving customer requirements.

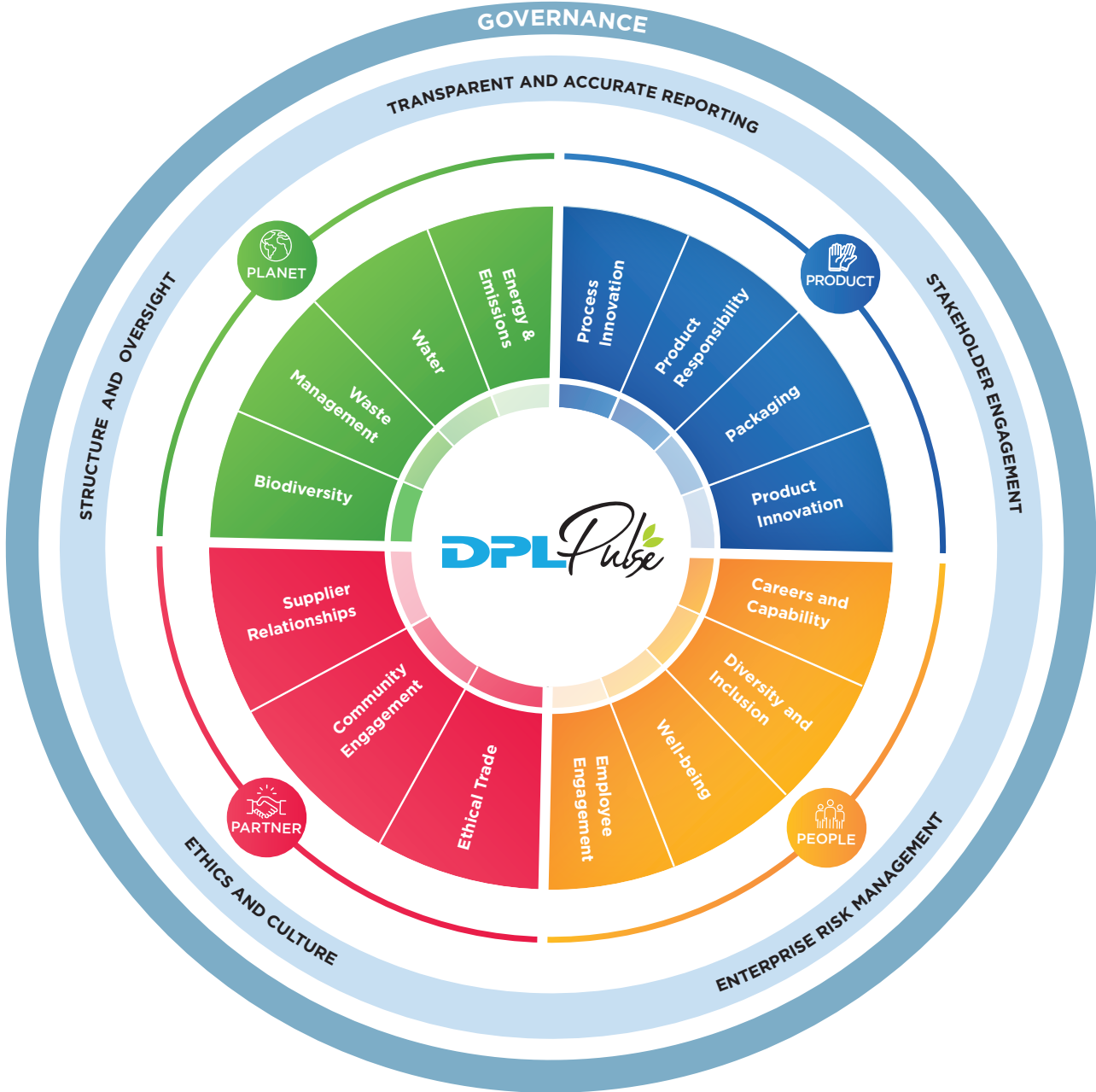
Organisational Transformation

In view of these external and internal dynamics we are committed to evolving our business model, enhancing risk management processes, propagating good social and environmental practices along our value chain, and increasing the transparency and robustness of our reporting practices.

ESG Integration

Our Focus Areas

DPL has identified the following priority ESG areas which we believe can have a significant impact on our ability to generate value and strengthen business resilience. DPL Pulse centers on these priority areas and subsequent sections of this document articulates our aspirations and planned actions in effectively managing these factors.





MATERIALITY AND SCORING

DPL conducts an annual, Group-wide materiality assessment as per the guidelines provided by Hayleys Group Material Assessment Policy which enables it to identify dynamic ESG issues which are then incorporated into the processes of strategy formulation, risk management, performance management and corporate reporting.


Scoring Methodology



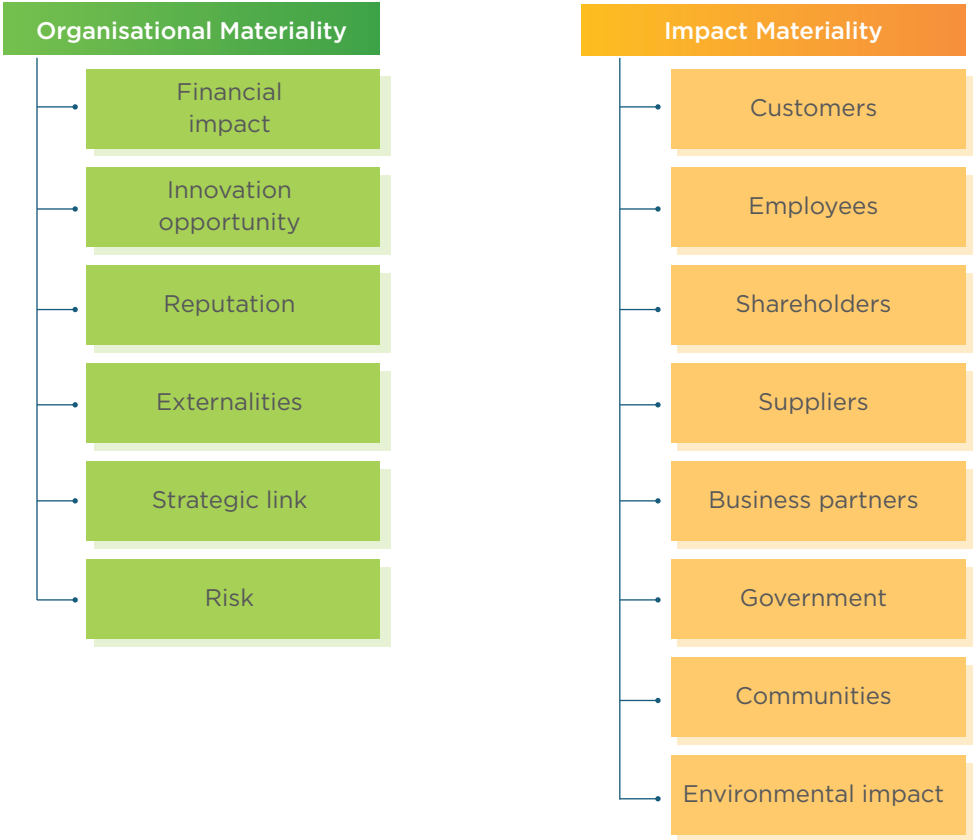
Process parameters: The Hayleys Group ESG Division will set out a list of material ESG topics which are a reference point in conducting the material assessment. These topics will be determined following assessment of emerging risks and opportunities in the internal and external landscape, feedback from stakeholders developments in the corporate reporting landscape and other relevant factors. Sectors may add new topics which are relevant to their industries and could post material risks in the future. The ‘long list’ of topics are set out below:

Pillars	Themes	Material Topics
Environment 	Climate Change	Energy Emissions
	Water Utilisation	Water
	Waste management	Effluents and Waste
	Resource consumption and Chemical management	Materials
	Preserving biodiversity	Biodiversity
Social 	Employees	Employment Freedom of association and collective bargaining Training and education Diversity and equal opportunity Labour management relations Non-discrimination

ESG Integration

Pillars	Themes	Material Topics
Social 	Health, safety, and well-being	Occupational health and safety
	Customer relationships	Customer satisfaction Product quality Timely delivery Customer health and safety Marketing and labelling Customer privacy
	Supplier relationships	Procurement practices Best practices along supply chain Forced or compulsory labour Child labour Supplier environmental assessment Supplier social assessment Human rights
Governance 	Community relationships	Local communities Indirect economic impacts
	Structure and oversight	Socioeconomic compliance Environmental compliance
	Corporate behaviour	Anti-competitive behaviour Anti-corruption

The identified long list of material topics is filtered using the following tests which are used to assess organisational and stakeholder impacts in relation to financial impact as well as social and environmental implications. Sectors will assess the impact of the material topics by scoring each factor from 1 (low impact) to 3 (high impact).

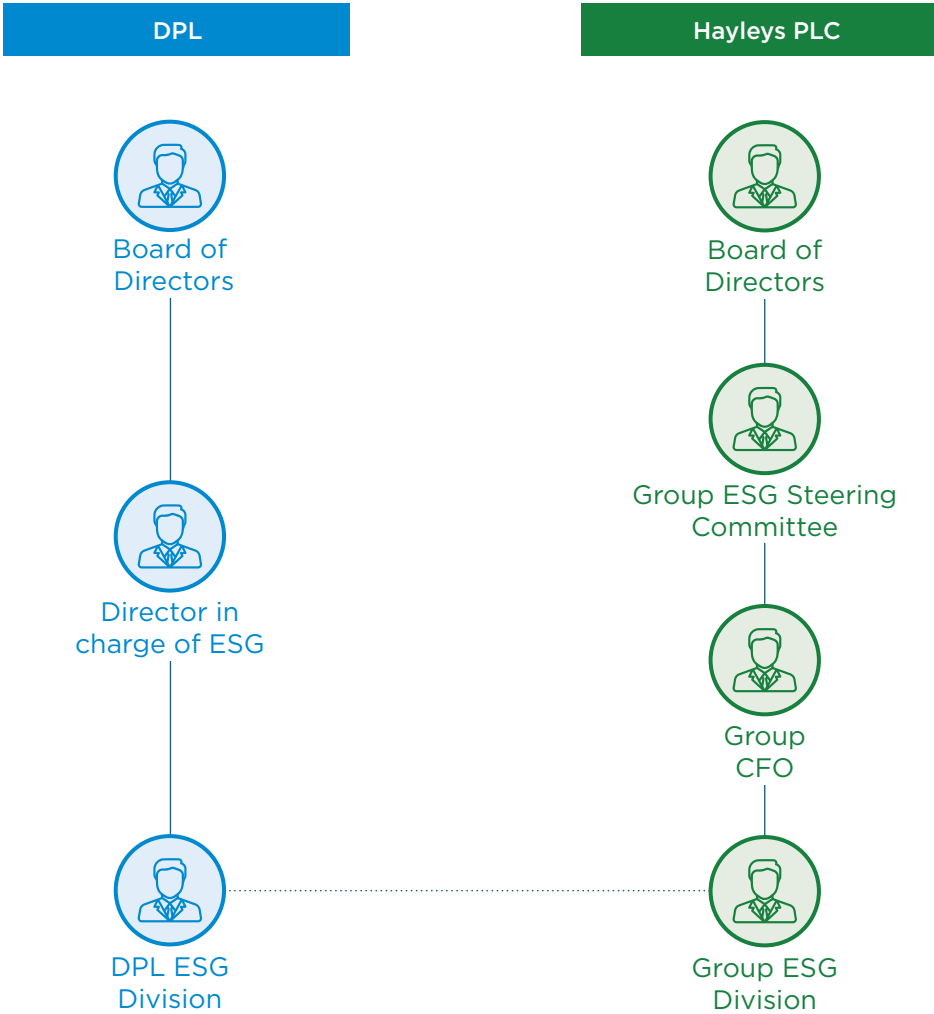


Stewardship of DPL Pulse

ROLES AND RESPONSIBILITIES

Board of Directors

DPL's Board of Directors, appointed by the shareholders, is the highest decision-making authority and has overall responsibility for determining the Group's strategic direction, shaping organisational culture, adopting a sound governance framework and setting in place robust risk management and internal control systems, including the DPL Pulse. The Board includes an Executive Director who is responsible for overseeing implementation of the DPL Pulse, including assessing the Group's impact on the environment and society and formulation of related policies. He also plays a vital role in ensuring that DPL's ESG aspirations are integrated in the Group's strategy and decision-making across functions.



Audit Committee

The mandate of the DPL Audit Committee is aligned to that of Hayleys PLC and includes oversight of ESG factors. The Audit Committee meets quarterly to assess Group-wide risks including robustness of internal controls and ESG reporting and risks will form part of their agenda.

Hayleys Group ESG Steering Committee

The Hayleys Group ESG Steering Committee is discharged with providing oversight with respect to the Group's ESG framework, strategy, policies, risks and opportunities, initiatives and external commitments. The Committee consists of 3 Executive Directors of Hayleys PLC and 3 members of the Group Management Committee (GMC) including the Group Chief Financial Officer (GCFO) and Head-Group Human Resources and Legal. The Committee receives updates at least quarterly on pertinent ESG matters across the Group including sector-level progress against targets, key KPIs and strategy implementation.

ESG Division

DPL's ESG Division is responsible for driving the Group's ESG agenda and has the following specific responsibilities;

- a. Supporting formulation of ESG policies in consultation with the Board, Board Audit Committee and Hayleys Group ESG Division

- b. Providing qualitative and quantitative information to relevant departments to support integration of ESG factors in decision-making
- c. Ensuring ESG metrics are comprehensive, material, reliable and comparable, supporting decision-making
- d. Monitoring stakeholder engagement processes, results and identifying potential risks arising from their concerns
- e. Determining material topics including business and ESG topics and addressing information requirements with regards to the same, clearly distinguishing between internal and external disclosures
- f. Providing feedback to the Board on ESG performance, areas for potential improvement and escalation of immediate concerns to GMC
- g. Providing any reports and other information or taking any further action deemed necessary to advance the DPL's ESG agenda by the Board, Audit Committee or Executive Leadership team

The Head of DPL's ESG division also acts as the Sector representative for Hayleys and works closely with the Hayleys Group ESG division in aligning with Hayleys Lifecode, reporting progress and driving any Hayleys Group ESG initiatives.

Internal Audit

The scope of Internal Audit will be enhanced to provide assurance on ESG factors to the respective audit committees, particularly on those matters which are considered material and disclosed publicly available annual reports, directly or indirectly.

Stewardship of DPL Pulse

Policy Architecture

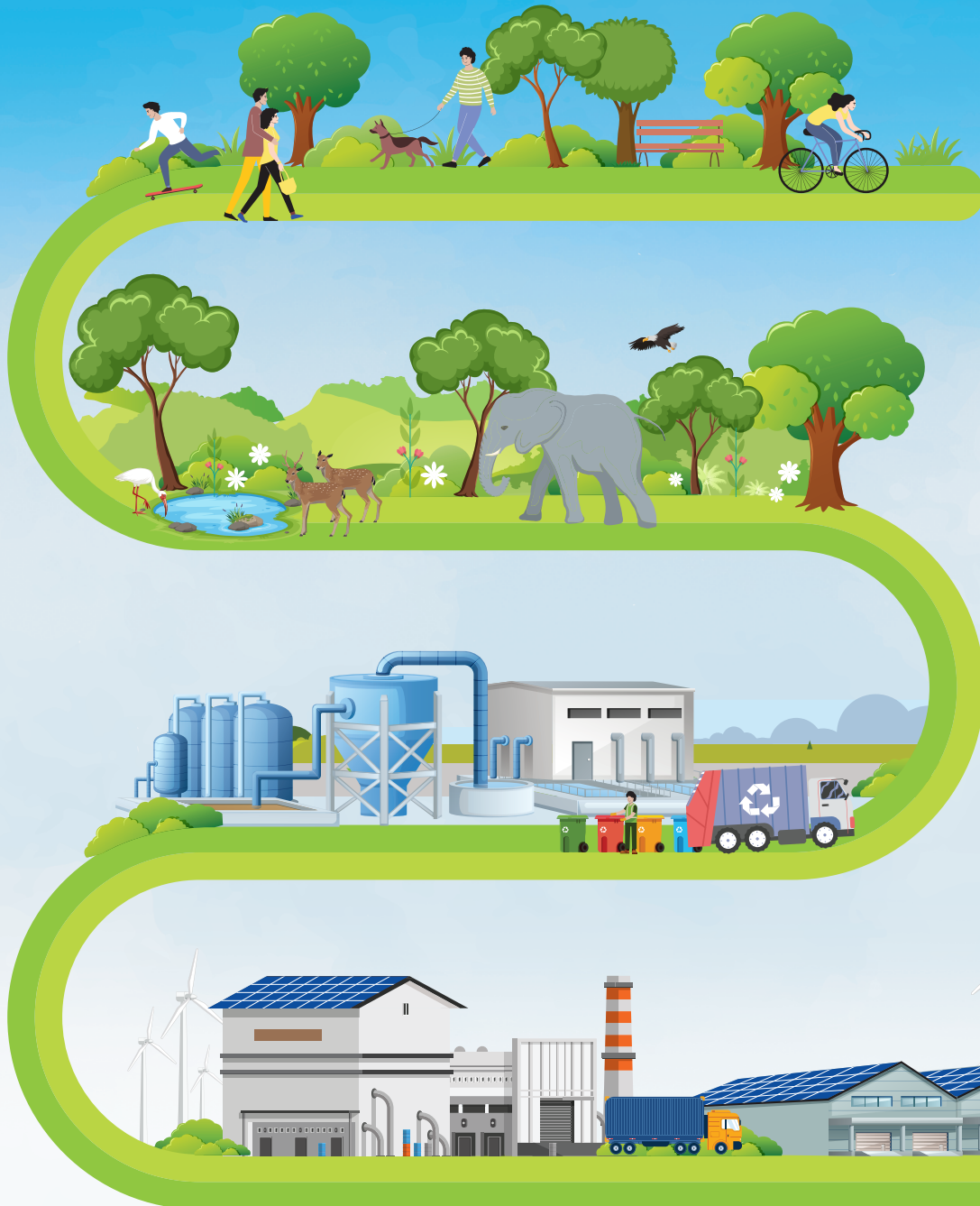
DPL's ESG-related policies are aligned to that of the Hayleys Group. The policy architecture is as follows:

Environment	Social	Governance
<ul style="list-style-type: none"> • Material and Waste Management Policy • Energy and Emissions Management Policy • Water Management Policy • Biodiversity Conservation Policy • Chemical Management Policy • Sustainability Compliance Guideline 	<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); background-color: #d9ead3; padding: 5px; margin-right: 5px;">Human Capital</div> <ul style="list-style-type: none"> • Industrial Relations Policy • Disciplinary Policy • Grievance Handling Policy • Recruitment Policy • Learning & Development Policy • Talent Management and Succession Planning Policy • Performance Management Policy • Human Rights Policy • Whistleblower Policy • Anti-Sexual Harassment Policy • Health and Safety Policy </div>	<ul style="list-style-type: none"> • Board Charter • Board Committee Charters • Stakeholder Engagement • Information Disclosure Policies • IT Policy • Intellectual Capital Policy • Information Security Policy • Business Data Back-up Policy
	<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); background-color: #d9ead3; padding: 5px; margin-right: 5px;">Social & Relationship Capital</div> <ul style="list-style-type: none"> • Customer Management Policy • Procurement Policy • CSR Policy </div>	

DPL *Pulse in action*

PLANET

We are firm in our belief that the need for business growth can be balanced with the active protection of our environment, as preserving nature and the service it provides are integral to the survival of economies, businesses and communities.




DPL Pulse in Action

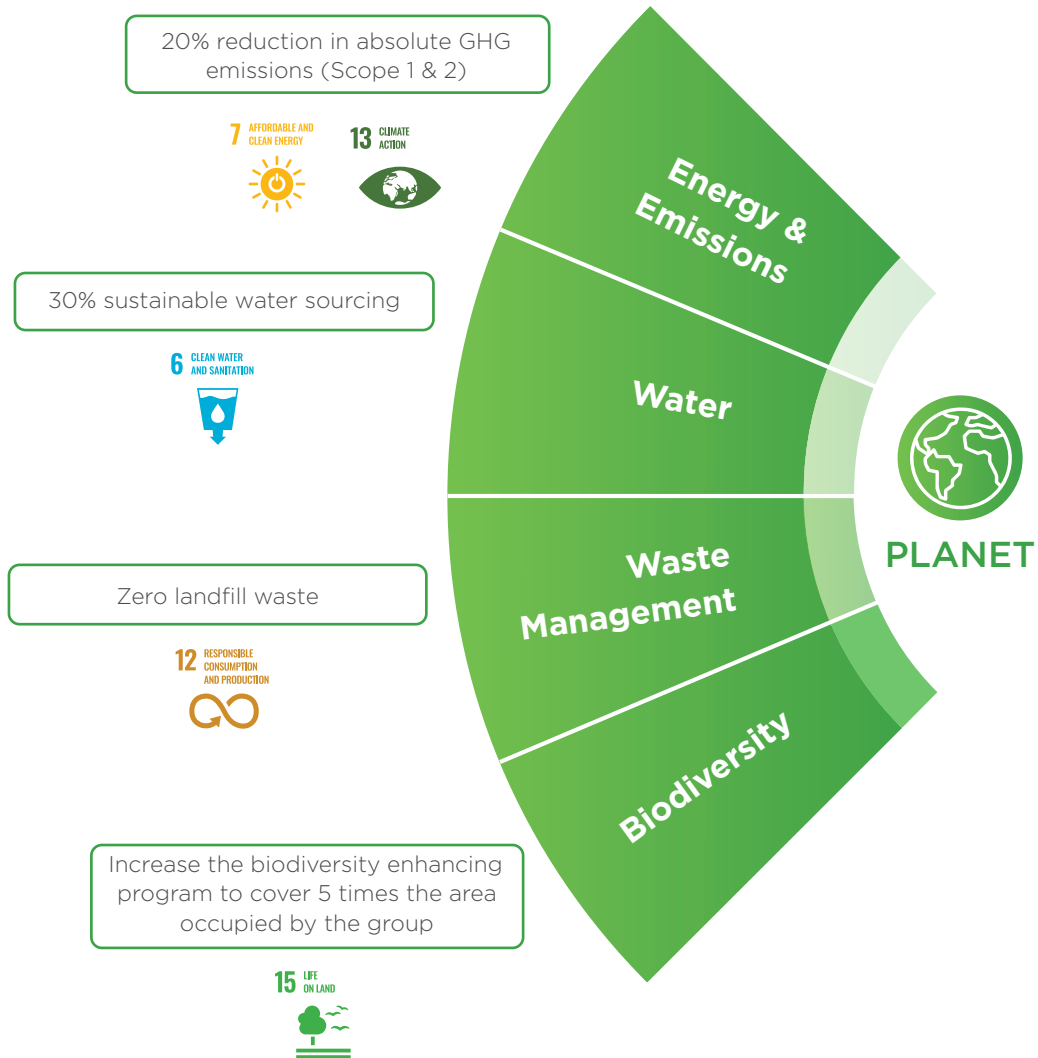
PLANET

As a business which relies significantly on natural resources, our organisation is inevitably intertwined with the natural environment, which in turn presents opportunities to deliver positive impacts and minimise our environmental footprint through innovation and allocation of necessary resources. This section sets out DPL's Environmental strategies, targets and plans for achieving the same.

Optimising the use of natural resources in our processes while minimising adverse impacts on the environment





Energy & Emissions	Water	Waste Management	Biodiversity
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Energy and Emissions



Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Energy and Emissions Management Policy 	Increase reliance on sustainable and renewable energy sources	Renewable energy 95%	<ul style="list-style-type: none"> Minimise fossil fuel usage in generating thermal energy Install solar PV systems in manufacturing locations, including energy storage applications 	93%	1% increase in renewable energy reliance (Increase by 18,000 GJ)
		100% sustainable biomass	<ul style="list-style-type: none"> Develop a biomass supply chain by collaborating with industries such as timber Partner with agricultural industries to manufacture briquettes with high calorific value Pursue opportunities in the cultivation of fuel wood and research in the use of invasive plants as fuel wood 	51%	Increase by 5%
	Phase out absolute carbon footprint (Aligning with net-zero by 2050 journey)	20% reduction in absolute GHG emissions (Scope 1 & 2)	<ul style="list-style-type: none"> Manufacturing locations to be given carbon reduction targets Obtain third party certification for capturing all direct and indirect GHG emissions across the group by 2023/24 Commit to science-based targets by 2025/26 	37,000 MT CO _{2e}	2% reduction in absolute GHG emissions (Scope 1 & 2)
		8% reduction in absolute GHG emissions (Scope 3)		-	1% reduction in absolute GHG emissions (Scope 3)
Reduce energy consumption and intensity	25% energy intensity reduction	<ul style="list-style-type: none"> Focus on high volume and energy efficient plants at design stage Work for process innovations Conduct energy reduction projects in process level 	7 MJ/pair	3.5% energy intensity reduction	
Relevant SDG and Target	Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix				

DPL Pulse in Action



Water

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Water Management Policy 	Application of sustainable water sources	30% sustainable water sourcing (rain water / water recoveries / recycled water use)	<ul style="list-style-type: none"> Construction of efficient effluent treatment plants in each manufacturing location Improve infrastructure to widen rain water harvesting 	15%	1.5% increase in sustainable water sourcing
		55% re-use of treated waste water	<ul style="list-style-type: none"> Improve efficiency of existing waste water treatment plants through adopting latest technology 	15%	5% increase in waste water recycling
	Reduce water consumption and intensity	30% water intensity reduction	<ul style="list-style-type: none"> Improve the quality of treated water and increase the reuse water quantity 	7 liters/pair	4% water intensity reduction
Relevant SDG and Target	<p><i>Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</i></p> <p><i>Target 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</i></p>				

Waste Management

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Material and Waste Management Policy 	Value addition across all waste generations	25% reduction of waste intensity	<ul style="list-style-type: none"> Process innovation to reduce waste generation Implement cleaner production initiatives 	0.124 tonne/LKR Mn	3% reduction in waste intensity
		Zero landfill	<ul style="list-style-type: none"> Evaluate all types of existing landfill waste and identify alternative sustainable methods to reduce, reuse and recycle each waste type 	180 tonne	25 tonne reduction in landfill
Relevant SDG and Target	Target 12.4: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 				

DPL Pulse in Action

Biodiversity

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Biodiversity conservation policy 	Biodiversity conservation and preservation relating to our business operations	Increase the biodiversity enhancing programme to cover 5 times the area occupied by the group	<ul style="list-style-type: none"> Establishing biodiversity conservation parks Tree planting initiatives Take initiative to develop a large scale biodiversity project 	-	Develop an area of 4 acres internally Continue to work with “Kirulu” afforestation project
<i>Relevant SDG and Target</i>	<i>Target 15.2: By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally</i>				

DPL *Pulse* in action

PEOPLE

Our team is our most valuable asset and critical to our success. The employee value proposition is vital to the social aspirations of our ESG roadmap, as we strive to create an environment in which employees can thrive.




DPL Pulse in Action

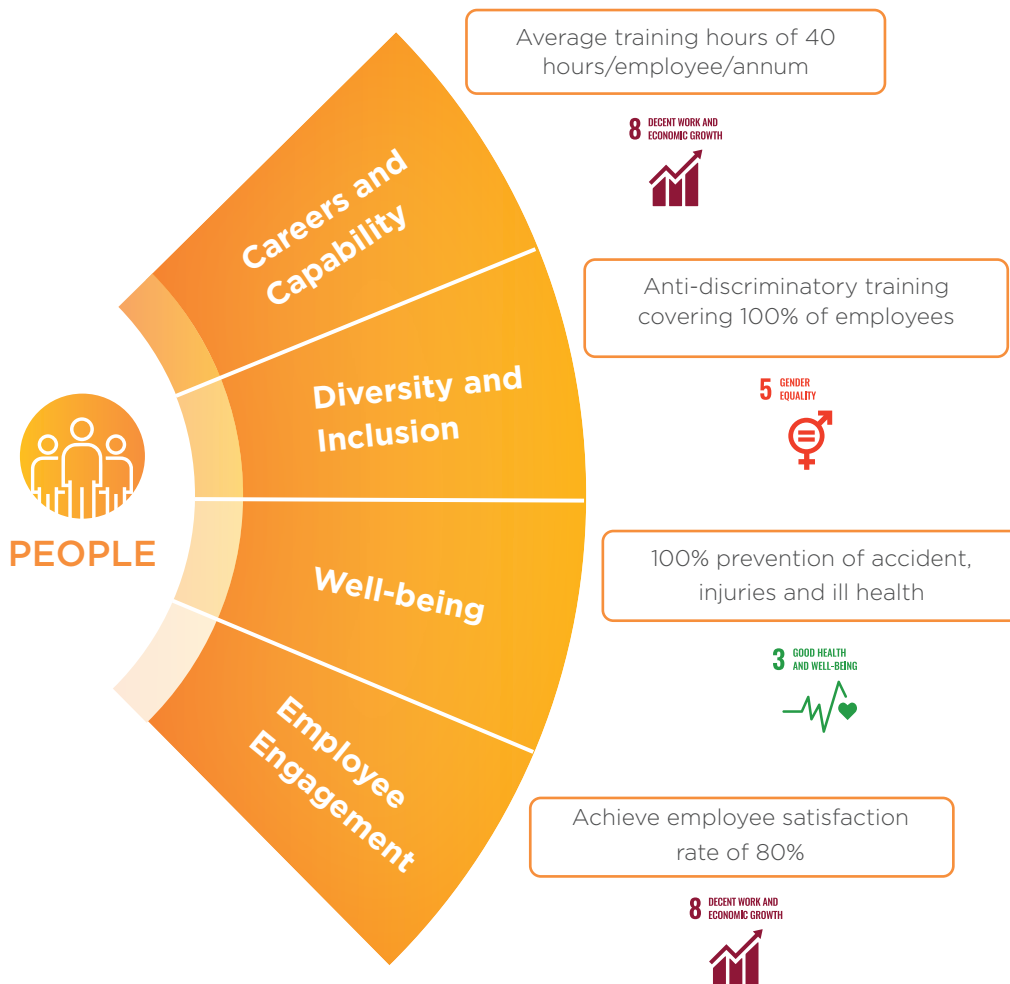
PEOPLE

DPL's team of over 2,250 employees, engaged in both local and overseas operations drive the Group's strategic agenda, powering our growth, innovation and sustainability. We are committed to creating a conducive, safe and challenging environment in which our employees can thrive, encouraging them to reach their full potential. This section sets out DPL's people related strategies, targets and plans for achieving the same.

Inspiring passion and action for a greener, more equitable world




Careers and Capability	Diversity and Inclusion	Well-being	Employee Engagement
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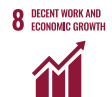
Careers and Capability

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Employment policies 	Provide opportunities for continuous learning	Average training hours of 40 hours per employee per annum	<ul style="list-style-type: none"> Formulate personal development plans for all identified successors in the Group Development and full implementation of a training plan Fully/partially sponsor higher education requirements of selected staff categories 	9 hours per Employee per annum	Average 4 hours of training increase annually
	Provide opportunities for continuous learning	Cover 95% of training average ratio for Junior Executive and above employees	<ul style="list-style-type: none"> 100% execution of yearly and long-term training plan Use modern methods to execute training events 	To be determined	Average 0.5% increase annually
	Create a performance-driven conducive work culture	100% performance evaluation process across the group including all local & foreign locations	<ul style="list-style-type: none"> Implement online performance evaluation for all foreign locations Ensure 100% employee coverage of annual performance management cycle within agreed timeline 	100% at local operations	30% per annum increment in the coverage of overseas employees
	Build talent pipelines and succession plans	100% implementation of talent management and succession planning system for all positions at the senior manager level and above	<ul style="list-style-type: none"> Implement systematic and objective approach to succession planning through the Talent Management and Succession Planning Module at Oracle HCM Cloud Formulation of individual development plans for selected successors 	-	Succession plans to be formulated for 30% of senior manager level and above positions

DPL Pulse in Action

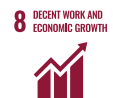
Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
	Leadership and supervisory development plan	10,000 man hours of leadership and supervisory development programmes	<ul style="list-style-type: none"> • Conducting supervisory and executive development plans • Implementation of a coaching roadmap • Conducting sales leadership programmes • Launch of mentoring programmes for selected high-performers 	2,339 man -hours	Annual increment of 1100 man hours
<i>Relevant SDG and Target</i>	<i>Target 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour intensive sectors</i>				



Diversity and Inclusion


Targets, actions and KPIs

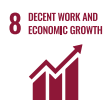
Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
	Build an inclusive and equitable organisational culture	Anti-discriminatory training covering 100% of employees	<ul style="list-style-type: none"> • Engage support from Hayleys Group HR and independent third-parties in rolling out anti-discriminatory training • Launch mentoring programmes targeting females 	To be determined	Gradual increase in coverage of employees receiving anti-discriminatory training
<i>Relevant SDG and Target</i>	<i>Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</i>				
	<i>Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</i>				



Well-being

Targets, actions and KPIs


Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Health and Safety Policy 	Ensure the health, safety and well-being of all employees	LTIFR= 0, TIFR= 0 DSCI= 100%	<ul style="list-style-type: none"> Standardise and ensure complete reporting of accident related data covering 100% of operations Achieve ISO 45001:2018 Occupational Safety and Health Management System certification for the entire DPL Group 	LTIFR below 0.3. TIFR level below 6.5 DSCI above 70%	Annual improvement in safety to reach 2030 target
		100% alignment with safe chemical management practices within the group operations	<ul style="list-style-type: none"> Improve knowledge and implement best practices related to safe chemical management in all facilities Obtain third party certifications on best chemical management practices Extend chemical management best practices across the Group 	-	15% alignment with safe chemical management practices
	Support mental well-being of all employees	100% coverage of employees in access to mental well-being services	<ul style="list-style-type: none"> Provide access to counselling services Engage independent resource persons in addressing suicide and drug abuse among employees Provide access to Yoga and other well-being activities 	To be determined	Gradual increase in coverage of employees
Relevant SDG and Target	Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment				



DPL Pulse in Action

Employee Engagement

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Employment Policies 	Developing a diverse and engaged team	Attrition rate of 9.5%	<ul style="list-style-type: none"> Initiate monitoring of new recruit attrition Strengthen employee engagement mechanisms to facilitate more effective two-way communication & set targets and strategies accordingly 	26%	2% reduction in annual attrition rate
	Nurture an engaged organisational culture in which employees can thrive	Achieve employee satisfaction rate of at least 80% among all employees	<ul style="list-style-type: none"> Roll-out holistic employee satisfaction survey covering all employees Improve the employee engagement activities based on the outcome of GPTW survey on employee engagement 	72% satisfaction rate	2% increment in satisfaction rate
	Improve employee engagement in productivity improvement	Engaging employees in productivity improvement process by involving 60 % out of permanent employees	<ul style="list-style-type: none"> 75% Junior Executive & above employees will be involved in TPM projects 100% supervisory grade employees to complete yellow belt training 60% manual employees will undergo lean white belt programme and get the Kaizen improvement 	-	2.5% increase annually
	Enhance staff involvement in engagement activities	Execute 85% of employee engagement activities from the annual plan & 90% of staff involvement	<ul style="list-style-type: none"> Execute employee engagement activities according to the event budget and maximise participation for such events 	-	Progressive increment in the engagement activities and the staff involvement

DPL *Pulse* in action

PRODUCT

We are committed to driving sustainable innovation across our product life cycle to increase the eco-efficiency of our manufacturing processes as well as in product use and disposal.



DPL Pulse in Action

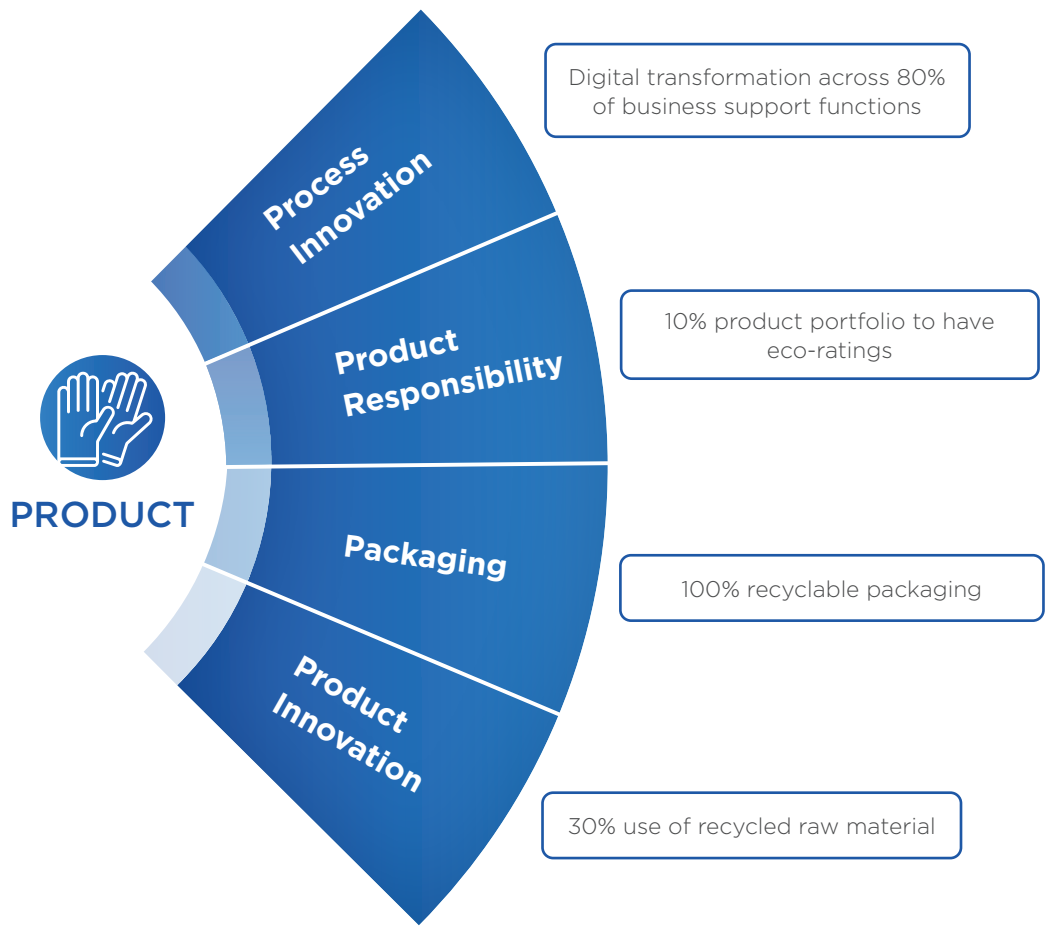
PRODUCT

DPL's extensive product portfolio comprises of supported, unsupported and disposable gloves which are produced in over 160 variants. Over the years, our product proposition has evolved to thinking beyond the product itself to optimising the entire lifecycle through minimising resource requirements, greener products and effective design.

Drive circularity across our product life cycle by intention and design




Process Innovation	Product Responsibility	Packaging	Product Innovation
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Process Innovation



Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Environmental Policy 	Process innovations to improve environmental footprint of operations	Drive initiatives to optimise resource utilisation across all manufacturing plants	<ul style="list-style-type: none"> Evaluate all manufacturing plants for points of improvement within the process Incorporation of alternative technological innovations to improve process efficiencies and optimise resource utilisation 	-	Incremental evaluation of manufacturing plants to identify and implement process innovations
		Digital transformation across 80% of business support functions	<ul style="list-style-type: none"> Identify business functions with the potential to be digitalised and implement solutions to transition towards paperless operations 	-	Incremental implementation of digitalisation across identified functions

DPL Pulse in Action



Product Responsibility

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Customer Management Policy 	Satisfy growing customer demand for eco-friendly products	Obtain eco-ratings for 10% of product	<ul style="list-style-type: none"> Obtain product certifications on eco-friendly products 	-	1.5% products to obtain eco-ratings
Energy and emission management policy 		Determination of emission intensity for 10% of products	<ul style="list-style-type: none"> Map and calculate the emission intensity for in-demand products Obtain verification for the calculated emission intensity levels with ISO 14067 	-	2% of products to obtain verified emission intensity levels

Packaging





Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Environmental Policy 	Use of recycled/renewable input material in packaging	30% Usage of recycled material in packaging	<ul style="list-style-type: none"> Map all the existing packing material suppliers Knowledge improvement in the areas of recyclable packaging design Develop new material/packaging solutions with new and existing packing material suppliers 	-	4% Usage of recycled material in packaging
	Recyclable packaging material	100% Recyclable packaging		-	15% Recyclable packaging
	Increase compostable and biodegradable packaging	20% compostable and biodegradable packaging		-	3% compostable and biodegradable packaging
Relevant SDG and Target	Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources				

DPL Pulse in Action

Product Innovation

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Material Management Policy 	Increase reliance on recycled input material	30% reliance on renewable and recycled input materials (Eg: Chemicals, Yarns/liner etc.)	<ul style="list-style-type: none"> Building up of technical capability and knowhow within Technical / R & D Team to improve reliance on recycled input material in newly-developed products 	-	4% reliance on renewable and recycled input
Environmental Policy 	Introduce a series of Eco-friendly products to the product portfolio	10% of compostable and biodegradable products	<ul style="list-style-type: none"> Development of eco-friendly products (including biodegradable and compostable products) 	-	1.5% of compostable and bio degradable products
Chemical Management Policy 	Increase use of sustainable chemicals	10% of total sustainable chemical consumption applications	<ul style="list-style-type: none"> Innovative products which use sustainable chemicals Taking action to replace possible non process chemicals with sustainable chemicals 	-	1.5% of sustainable chemical consumption applications
Relevant SDG and Target	<i>Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources</i>				

DPL *Pulse* in action

PARTNER

Addressing the world's critical challenges requires systems thinking and collaboration across stakeholders; we are determined to engage our diverse partners in this journey.




DPL Pulse in Action

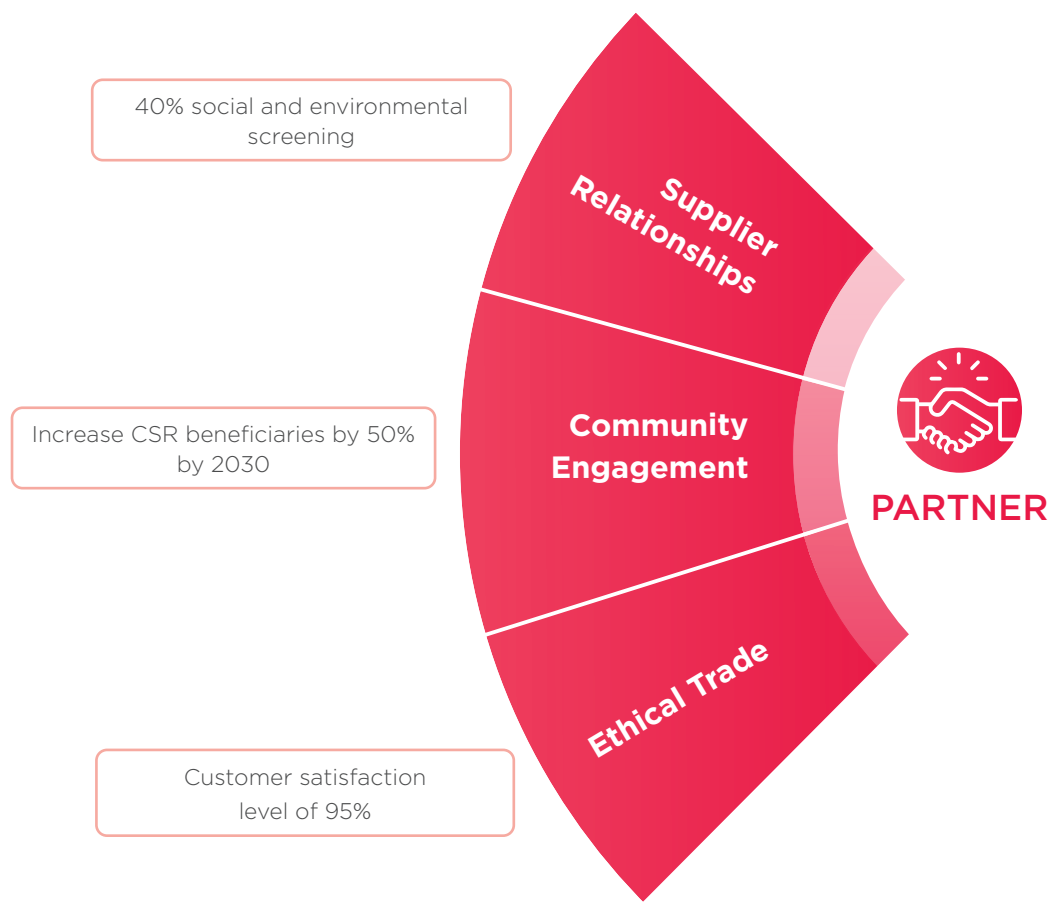
PARTNER

As an organisation which has nurtured extensive relationships across its value chain, we are acutely aware of the importance of maintaining our social license to operate through meaningful, mutually-value adding partnerships. We also view this network as an opportunity to propagate good social and environmental practices across our ecosystem of suppliers and other business partners.

Striving and thriving together to shape better futures






Supplier Relationships	Community Engagement	Ethical Trade
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Supplier Relationships



Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Procurement Policy 	Propagate strong social and environmental practices along supply chain	Achieve 40% social and environmental screening of total suppliers	<ul style="list-style-type: none"> Map and evaluate all existing suppliers (both packaging and raw material) based on their social and environmental practices Provide guidance to incorporate strong social and environmental practices to existing suppliers 	-	6% of social and environmental screening of total suppliers annually
Chemical Management Policy 	Responsible chemical management practices along supply chain	30% of supply chain to implement chemical management practices	<ul style="list-style-type: none"> Map all the chemical suppliers and introduce chemical management into supply chain (both process and non-process related) Conduct supplier evaluations based on the chemical management performances Provide guidance to ensure the sustainable chemical management practices to existing suppliers 	-	4% of supply chain to implement chemical management practices annually
Relevant SDG and Target	<p>Target 12.4: By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment Indicators</p>				

DPL Pulse in Action


Community Engagement

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Community Relationships 	Uplifting livelihoods and empowering communities	Increase farmer based beneficiaries by 50% through community engagement programmes	<ul style="list-style-type: none"> Expand scope and coverage for farmer families & villages through DPL Firstlight Develop new farmer base from areas such as Kegalle and Rathnapura 	4000 farmers currently engaged through DPL Firstlight for supplier development	10% increase in farmer based communities
		Increase CSR beneficiaries by 50% by 2030	<ul style="list-style-type: none"> Identify and implement need-based CSR activities for the communities around each manufacturing facility 	-	10% increase in CSR beneficiaries
Relevant SDG and Target	<p>Target 1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day</p> <p>Target 1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions</p>				

Ethical Trade

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
Customer Management Policy 	Exceed customer expectations through identifying and responding to customer needs	Achieve customer satisfaction levels of 95%	<ul style="list-style-type: none"> Identify areas with gaps and take necessary actions to bridge them in order to meet the sector target. 	80% customer satisfaction rate	Achieve 2% customer satisfaction rate increase annually
		Gradual reduction of customer complaints	<ul style="list-style-type: none"> Take corrective and preventive measures to minimise the possibilities of recurrence and report back to the customer with a solution to build the confidence on them that the issue will not be repeated. 	-	Reduction in customer complaints by 3% annually
	Adopt Responsible Marketing Practices	Ensure 100% accessibility for all the products and technical data for all our products allowing customers to make informed purchase decisions	<ul style="list-style-type: none"> Develop the new website so that all the product information including specifications, certificates and promotional materials can be downloaded easily. Further, new mobile app to be developed to access the product as well as technical data using mobile devices. 	-	Maintain 100% accessibility and continuously improve by incorporating new marketing tools.

Governance

DPL's corporate governance framework is broadly aligned to that of its parent entity, Hayleys PLC and refined to reflect specific industry dynamics, regulatory requirements and stakeholder expectations of the Sectors in which DPL operates. The Governance Framework seeks to effectively balance entrepreneurial leadership and prudent management to deliver long-term stakeholder value.

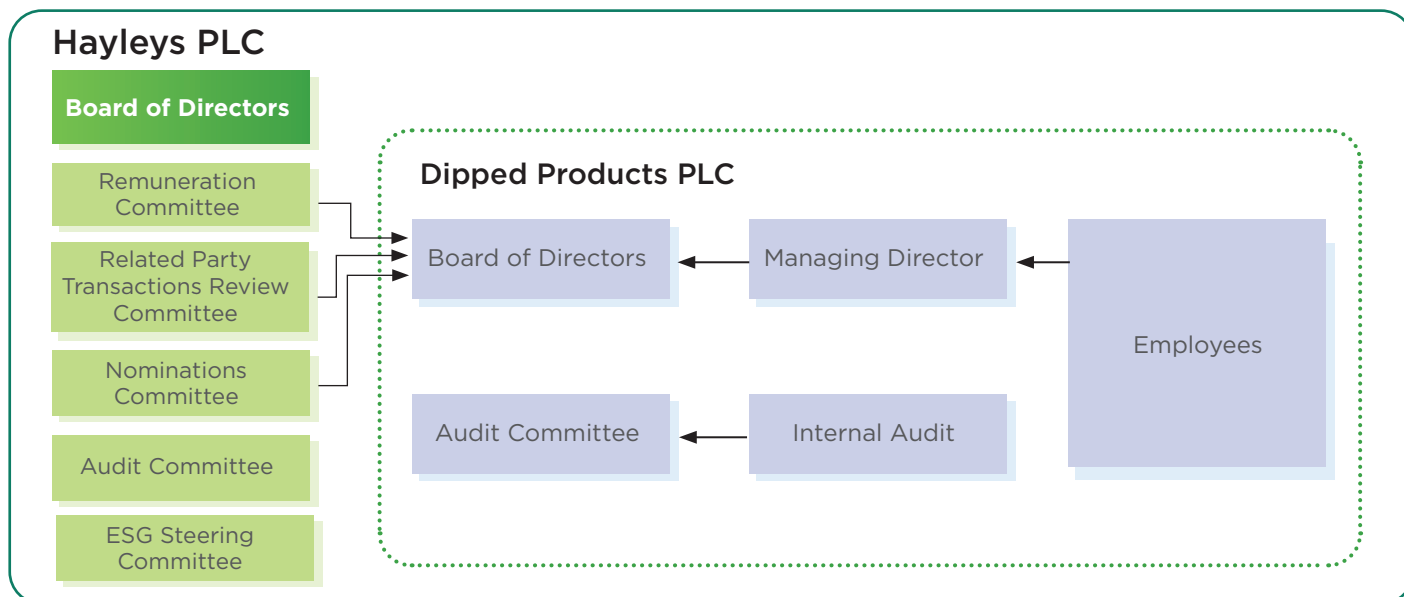
Responsible and responsive corporate citizenry

Structure and Oversight	Stakeholder Engagement	Transparent and Accurate Reporting	Enterprise Risk Management	Ethics and Culture
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STRUCTURE AND OVERSIGHT

The Board of Directors is the apex governing authority and is empowered to delegate responsibilities pertaining to specific functions to any committee or committees as it thinks fit. Accordingly, the Board is supported by 3-sub committees which have oversight responsibility on specific areas delegated to them, thereby allowing the Board to devote its time to strategic agenda items. The Remuneration Committee, Nomination Committee and Related Party Transactions Review Committees of Hayleys PLC, assist the Board of DPL, as permitted by the listing rules of the CSE. DPL’s Audit Committee reports to the Hayleys PLC Audit Committee on financial reporting, internal controls and risk management-related issues.



Board Committees

Sub-Committee	Composition	Mandate
Audit Committee	3 Independent Non-Executive Directors	Provide oversight on financial reporting, internal controls and functions relating to internal and external audit
Remuneration Committee	1 Non-Executive Director 3 Independent Non-Executive Directors	Formulation and review of Remuneration policies and set goals and targets relating to Directors, Managing Director and Key Management Personnel (KMPs)
Related Party Transactions Review Committee	1 Executive Director 2 Independent Non-Executive Directors	Assess all transactions with related parties to ensure that related parties are treated on par with other stakeholders
Nomination Committee	Chairman 1 Non-Executive Director 1 Independent Non-Executive Director	Provides recommendations to the Board on all new appointments
ESG Steering Committee	3 Executive Directors 3 GMC members including Group CFO and Group Head of Human Resources and Legal	

Governance

STAKEHOLDER ENGAGEMENT

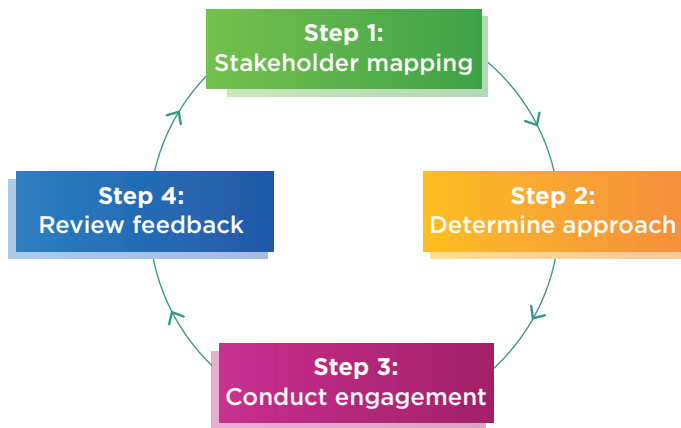
DPL has nurtured extensive relationships with diverse stakeholders across who play a vital role in enabling the Group to identify, mitigate and manage ESG opportunities and risks before a problem arises. Feedback received also informs DPL’s materiality assessment (refer to page 11), ESG strategy and reporting. DPL’s approach to stakeholder engagement is aligned to that of the Hayleys Lifecode and is set out below:

Stakeholder Value

The value propositions for the Group’s key stakeholders are set out below;

Stakeholder	Value proposition
Shareholders	Deliver sustainable returns commensurate with the risk undertaken and long-term growth
Employees	Create an inclusive and dynamic work environment which values employee well-being and satisfaction.
Customers	Consistently deliver high-quality, innovative solutions with excellent customer service.
Business Partners	Create opportunities for long-term business growth and sustainable value creation.
Community	Address the social and environmental impacts of our operations through responsible business practices and drive meaningful change in communities.

Approach to Stakeholder Engagement



Step 1: Stakeholder mapping

Criteria for identifying and prioritising stakeholders

Step 2: Determine engagement approach and mechanisms

Determine the intensity, frequency, and logistics

Step 3: Conduct engagement

Step 4: Review feedback

Identify risks/opportunities from feedback and determine actions

Stakeholder Groups

- **Capital/debt providers**
(Shareholders, investors, banks, funding agencies analysts, rating agencies)
- **Employees**
(Current and future employees)
- **Customers**
(Direct and indirect customers)
- **Suppliers**
(Direct suppliers, out-growers)
- **Business partners**
(Principals, distributors, retailers)
- **Government**
(Public authorities, regulators)
- **Civil society organisations**
(NGOs, opinion leaders, activists)
- **Industry counterparts**
(Competitors, industry associations)
- **Community**
(Residents in operating areas, community organisations, resident associations, public)

Stakeholder Mapping

In the identification stage, all parties who currently have an interest in the Group's business or are likely to have an interest in the future should be considered (list set out alongside). Prioritise and select stakeholders to engage with based on the criteria set out below. The selected stakeholders do not remain static over time but evolve with changes in the internal and external operating environments.

- **Influence:** The level of influence the stakeholder has over the organisation directly or through other stakeholders
- **Vulnerability:** The degree to which the stakeholder will be impacted by the Group's activities
- **Expertise:** The expertise, level of information and guidance that can be given by the stakeholder
- **Orientation:** The nature of the relationship (i.e collaborative or combative)

Approach

Mechanisms

Consult/
Collaborate

Satisfaction surveys
Meetings/workshops
Stakeholder forums
Projects/ development programmes

Message

Corporate reporting
Press releases/ Corporate website/social media platforms
Marketing campaigns
Newsletter/mass e-mail

Monitor

Online/social media monitoring
Tracking relevant research/news reports

Action Plan and Review

Feedback and insights obtained from stakeholders are documented, analysed and reviewed. This feedback will be a key input when conducting DPL's materiality assessments and setting strategy. Where necessary, action plans are also formulated to address specific concerns/grievances of stakeholders, which could give rise to material problems and/or opportunities in the future.

Determine Engagement Approach and Mechanisms

The engagement approach is set based on the relative importance of the stakeholder (as prioritised above), expectations and nature of relationship. The approach can range from collaborative dialogue to monitoring stakeholders' positions through research. Engagement mechanisms should be determined based on the approach (as set out below) and should consider factors such as time, financial and human resource requirements.

Conducting Engagement

The facilitator should consider factors such as channel (i.e face to face/ online), formality, expected level of participation and atmosphere when planning and conducting the engagement. To ensure effective engagement, the relevant facilitator will define roles and responsibilities, provide adequate time for participants to prepare, develop agenda and set rules of engagement. According to the Hayleys Lifecode, all sectors within the Hayleys Group should conduct satisfaction surveys with employees and customers at least annually. Sectors which are reliant on critical supply chains should also conduct supplier surveys at least annually.

Governance

TRANSPARENT & ACCURATE REPORTING

The Board of Hayleys PLC is committed to facilitating transparency and accurate reporting to its investors and other market participants.

Financial and Operating Results

Quarterly financial statements and the Annual Report serve as regular communication of our financial performance which is disseminated through the Colombo Stock Exchange. Material developments that arise between these reporting dates are announced through the Colombo Stock Exchange to facilitate equal access to information by investors and market participants. Additionally, we also issue press releases on our quarterly financial performance and material developments that arise in the interim period to facilitate timely dissemination of information.

Sustainability and ESG Reporting

DPL has in recent years, sought to enhance its corporate reporting in alignment with Hayleys PLC and as global best practice. Our reporting continues to receive recognition at various award competitions, attesting to the meaningfulness, relevance and readability of the information provided. Key aspects of the Group's Sustainability Reporting are as follows:

- Adoption of the <IR> Framework of the International Integrating Reporting Council

- Global Reporting Standards (GRI) for Sustainability Reporting
- Systematic materiality assessment procedure in line with the Hayleys Group

Related-party Transactions

Related party transactions are reported in line with the requirements of the CSE Listing Rules. Each Group company is expected to ensure that effective processes are in place to comply with the requirements of the same and that all Board members and key management personnel of the company are aware of their roles, responsibilities, obligations and duties in this regard.

Other Information

The Annual Reports of the Group and listed companies of the Group should provide information on the following:

- Company objectives
- Value created for stakeholders
- Environmental, Social and Governance information
- Issues regarding employees and other stakeholders
- Foreseeable risk factors

Information provided in the Annual Reports must be accurate, reliable, comparable and consistent. The Annual Reports must also provide a balanced view of the performance and standing of the company, explaining both positive and negative aspects in a responsible manner.

We encourage public listed companies within the Group to prepare Annual Reports adopting international best practice using reputed standards, codes and frameworks.

ETHICS AND CULTURE

DPL's Directors and all employees are governed by the Hayley's Group's Internal Code of Conduct- the Hayleys Way which explicitly sets out the behaviour expected from an employee in reinforcing the Group's organisational values.



ENTERPRISE RISK MANAGEMENT

DPL is exposed to a range of internal and external risks which are affected by numerous factors beyond the Group's control. The approach to managing these risks is aligned to its parent entity, Hayleys PLC which adopts a robust Enterprise Risk Management (ERM) system with structures and tools in place to identify, manage and mitigate risks in a consistent manner. Accordingly, clearly defined governance structures, framework of policies and allocation of responsibilities for risk identification, measurement, mitigation and monitoring forms the foundation of DPL's risk management framework.

Risk Management Framework

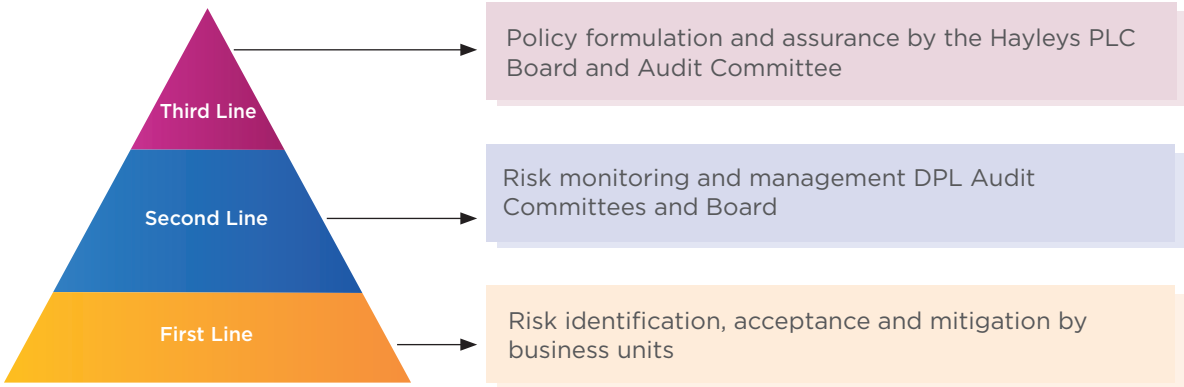
Risk Governance Structure and Committees: The Board of Directors hold apex responsibility for managing the Group's risks in an effective manner. The Audit Committee play a key role in identifying, monitoring and managing risk. Furthermore, the minutes of these Audit Committee meetings are tabled to the Hayleys PLC Audit Committee, thereby ensuring that main Board Directors are kept abreast of emerging risks which could affect sectors.

Governance

Risk Management Framework & Principles

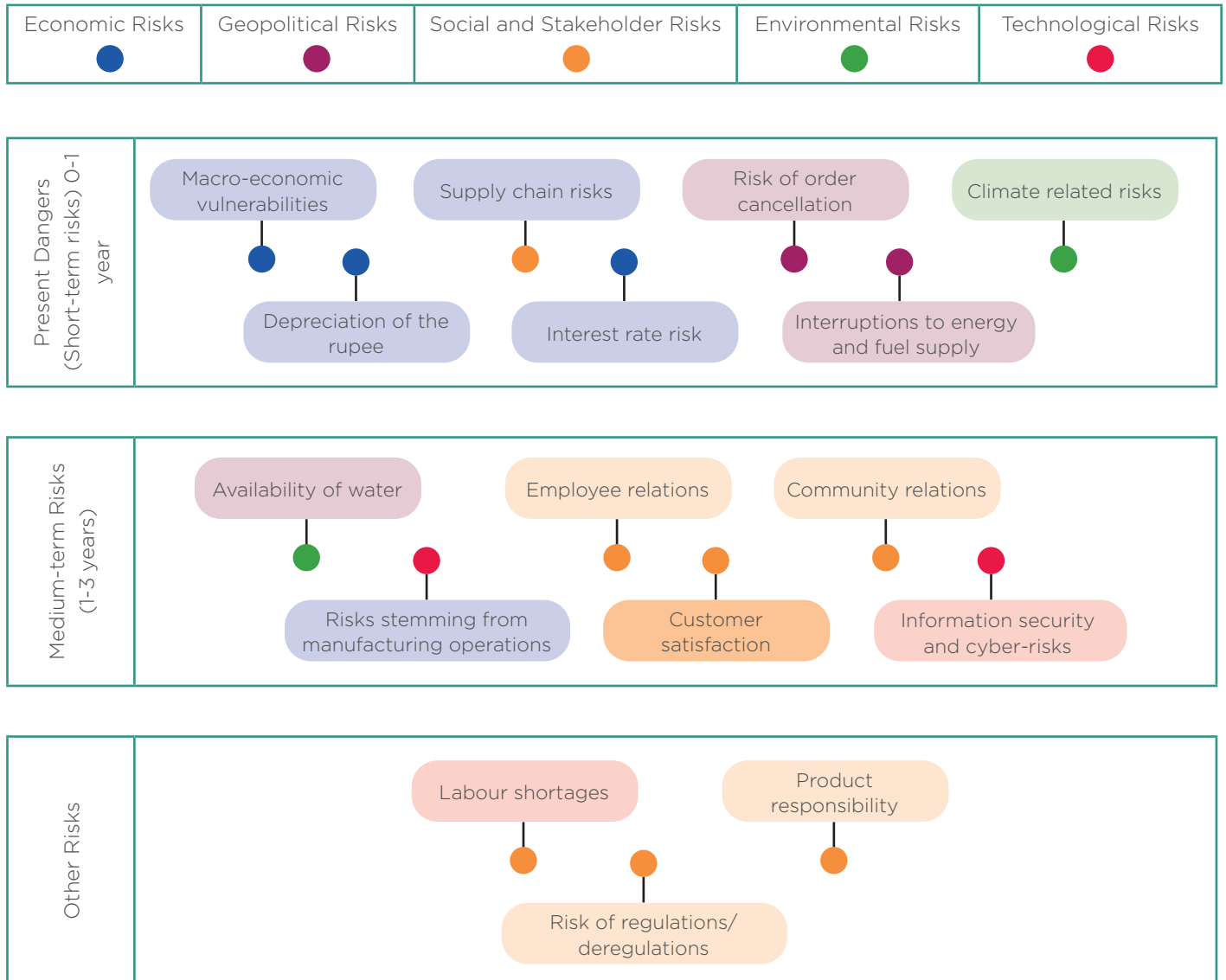


DPL adopts the globally accepted three lines of defence model in understanding, managing and measuring its risks, thereby ensuring clear segregation of duties in risk management.



Risk Universe

DPL's risk landscape changed dramatically during the year, reflecting both pandemic-led challenges and severe macro-economic challenges. These dynamics had implications on both the Hand Protection and Plantations sectors as discussed below: The following discussion provides an overview of the Group's top risks in terms of impact and likelihood; this list is not exhaustive, and the Group duly monitors other emerging risks on an ongoing basis.



DPL
Handling you with care