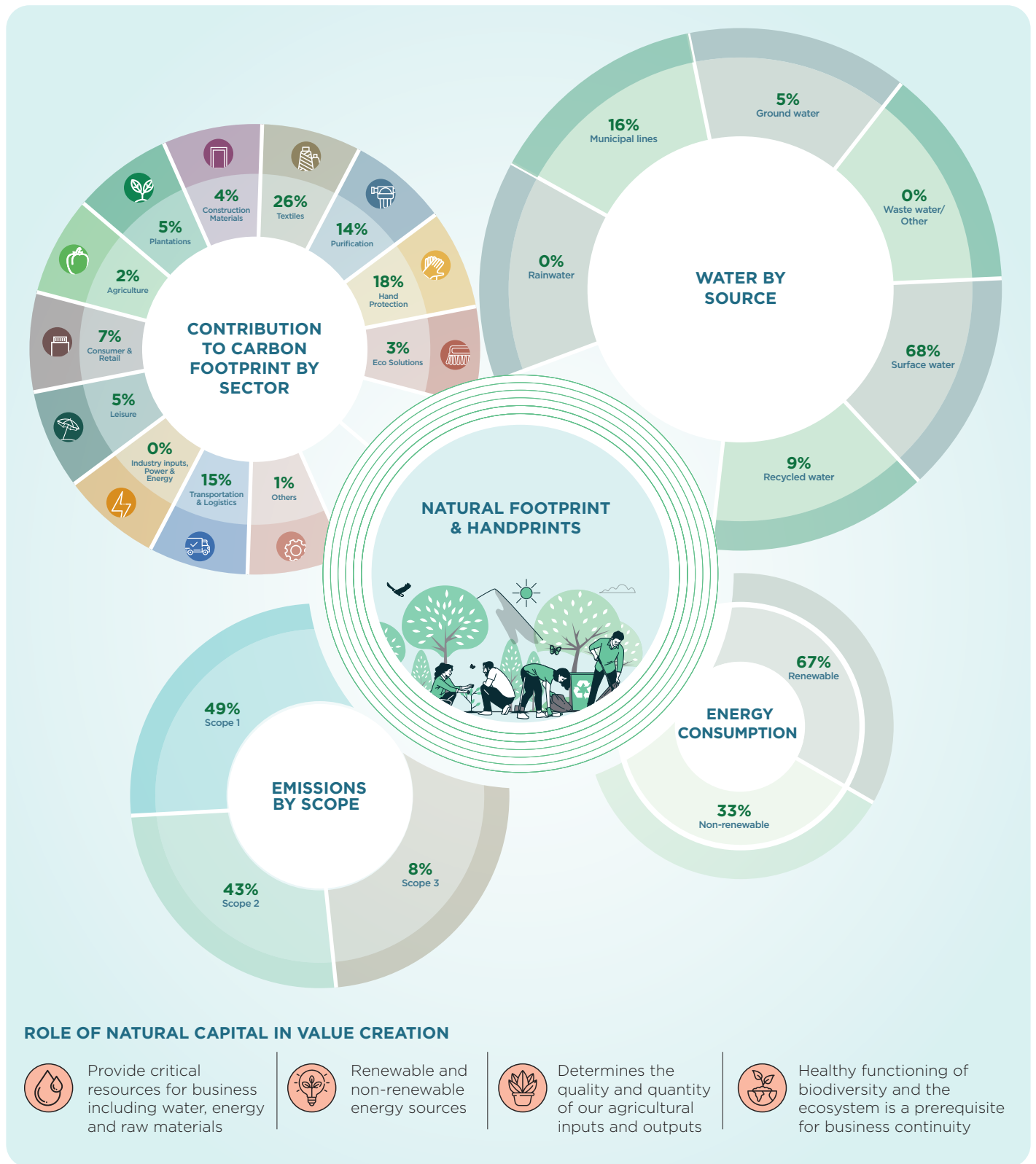


NATURAL CAPITAL

“To deepen our understanding of and mitigate our footprint on the natural environment, we are committed to driving efforts to keep our operations resilient to environmental risks while adopting environment and climate-positive action across our business”



ROLE OF NATURAL CAPITAL IN VALUE CREATION



Provide critical resources for business including water, energy and raw materials



Renewable and non-renewable energy sources

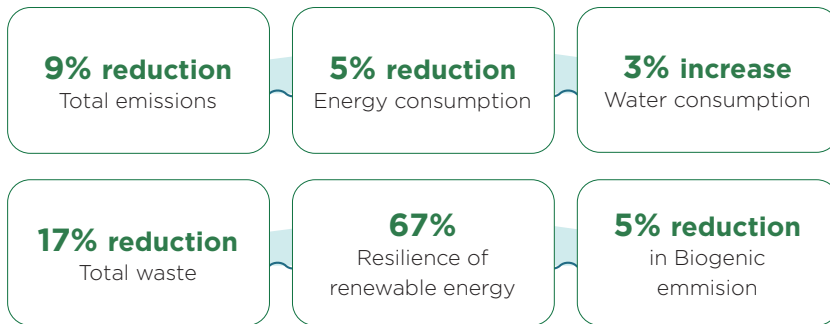


Determines the quality and quantity of our agricultural inputs and outputs



Healthy functioning of biodiversity and the ecosystem is a prerequisite for business continuity

HOW WE MEASURE SUCCESS



HIGHLIGHTS 2022/23

- Innovation centring on mitigating environmental impacts of products across its lifecycle
- Independent verification of GHG inventory in multiple sectors
- Ongoing focus on transitioning to renewable energy sources

GOVERNING OUR ENVIRONMENTAL IMPACTS AND PERFORMANCE

As a Group with an extensive manufacturing footprint and reliance on natural resources, we understand the adverse effects our operations can have on the environment.

Environmental consciousness has long been embedded into our thinking and decision-making, as the collectively strives to decarbonise its operations, optimise water consumption and drive circularity.

Policies and procedures

The Group's approach to managing its environmental impacts are clearly set out in the Hayleys Lifecode which details the Group's key areas of focus, targets, aspirations and action plans. The Lifecode also includes a comprehensive framework of environmental policies which have been designed to align with regulatory frameworks, environmental certifications and voluntary standards including UN Global Compact Principles 7 to 9.

- Energy & Emission Management Policy
- Water Management Policy
- Material & Waste Management Policy
- Chemical Management Policy
- Biodiversity Conservation Policy






Environmental Certifications

Group companies comply with an array of domestic and international environmental certifications, in line with relevant industry requirements and vulnerabilities. Key certifications include, ISO 14001: Environmental Management Systems, Forest Stewardship Council Certification, Rainforest Alliance among many others.

Alignment with international best practice standards

In addition to the GRI Standards on sustainability reporting and the SASB Standards, we are implementing and aligning with the TCFD Framework, which will be incorporated into the ISSB Sustainability Disclosure Framework.

2030 Environmental aspirations of the Hayleys Lifecode

 Energy and Emissions	30% reduction in Scope 1 & 2 GHG emissions
 Water Utilisation	50% sustainable water sourcing
 Materials & Waste	Zero landfill waste
 Chemical Management	100% safe chemical management practices
 Biodiversity	Enhance biodiversity by 5 times the area occupied by the Group

NATURAL CAPITAL

CLIMATE ACTION

CONTEXT

- Human induced global warming has led to unprecedented changes in the Earth’s climate
- Severe and widespread climate impacts on people and ecosystems
- Urgent, systemwide transformations to secure a net-zero, climate resilient future

OUR COMMITMENT

Hayleys Group operates within the framework of an Energy and Emission Management Policy that is aimed towards minimising adverse environmental impacts caused by natural resource depletion

and greenhouse gas emissions. The Group is driving organisation-wide efforts to gradually shift from non-renewable energy sources and increase reliance on renewable energy such as solar, wind, biomass energy etc

The Group made an ambitious commitment to reduce its Scope 1 & Scope 2 emissions by 30% and reduce energy intensity by 30% by 2030. This is to be achieved through Group-wide efforts to increase reliance on renewable energy, reduce energy consumption and reduce dependence on fossil fuels. Sector level targets have also been allocated to ensure that the that the journey to net zero remains a common goal, The Group measures its carbon footprint in line with the WBCSD/WRI Greenhouse Gas (GHG) Protocol Corporate Standard, ISO 14064 and the PAS 2050.

DEVELOPMENTS IN 2022/23

Carbon footprint verification

- Hayleys PLC commenced a Group-wide verification of its GHG inventory in partnership with Sri Lanka Climate Fund. This comprehensive exercise is expected to provide valuable inputs in improving the accuracy and integrity of our emission calculation
- At Sector level, Talawakelle Tea Estates PLC, Hayleys Fabric PLC obtained verification of the GHG inventory while the assessment is ongoing for Advantis and Kelani Valley Plantations PLC

Science-Based-Targets-Initiative (SBTI)

- Talawakelle Tea Estates PLC emerged as the first Sri Lankan Company to obtain verification of its targets in its commitment to the SBTI. Hayleys Fabric PLC has also committed to the SBTI.

Decarbonising our products and processes

- The Construction Materials Sector launched ‘Ozon’- a low carbon aluminium, which through the use of recycled aluminium entails a 95% reduction in the energy requirement
- 9 refrigerator brands produced by Singer received the Minimum Energy Performance Label awarded by the Sri Lanka Sustainable Energy Authority (SLSEA)
- Hayleys Fabric commenced a programme towards the target of fully eliminating the use of furnace oil by 2024/25

PERFORMANCE AGAINST TARGETS

30% reduction in GHG emissions by 2030

Actual: 9% decrease in GHG emissions

90% sustainable and renewable energy applications

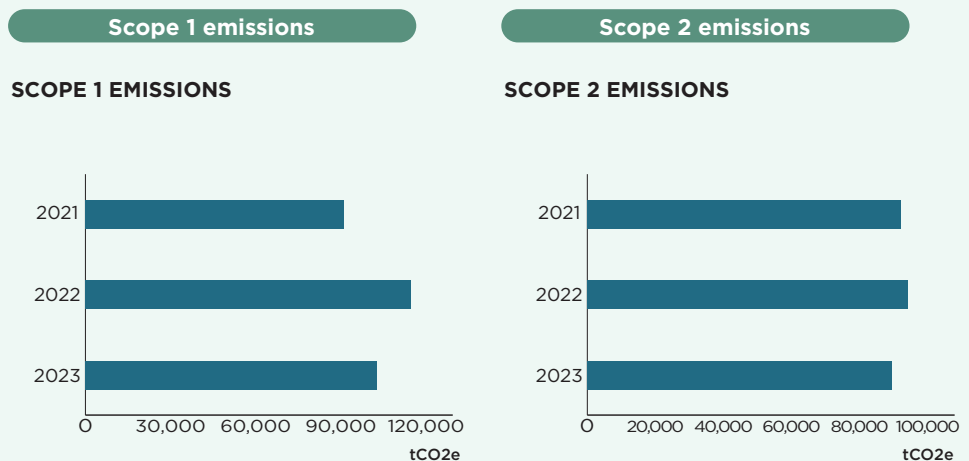
Actual: 67% reliance on renewable energy

30% reduction in energy intensity

Actual: 34% reduction in energy intensity

30% reduction in GHG emissions (Scope 1 & 2)

Actual: 8% reduction



IMPROVING THE COMPLETENESS AND RELIABILITY OF OUR GHG INVENTORY

Following the anticipated completion of the Group-wide GHG verification exercise, we hope to improve the completeness of our GHG inventory through including the following emission sources.

Scope 1

Inclusion of emissions stemming from refrigerants, fire extinguishers, fertilizer usage and waste water treatment plants

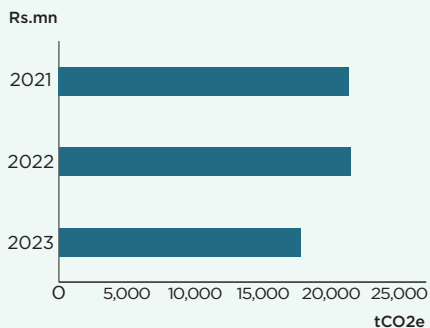
Scope 3

Increasing coverage of emissions generated in employee commuting, which is currently captured partially



Scope 3 emissions

SCOPE 3 EMISSIONS



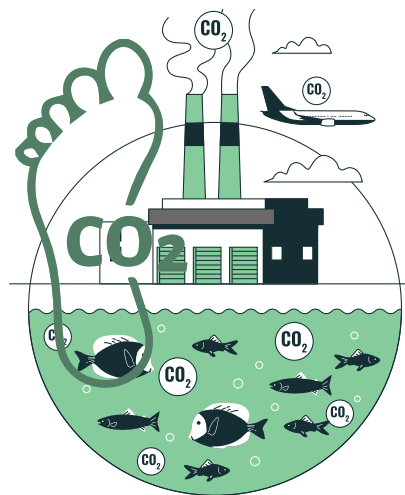
CARBON FOOTPRINT INDICATORS 2022/23

As demonstrated in the highlights below, the Group made significant progress in driving towards the environmental aspirations set out under the Hayleys Lifecode. In line with the strong financial performance, the Group achieved a reduction in both its absolute GHG emissions and emission intensity. It is noteworthy that 10 out of 12 Sectors recorded declines in the carbon footprint.

9% reduction
in total carbon footprint

5% reduction
in biogenic emissions

37% reduction
in emission intensity



Sector	Scope 1	Scope 2	Scope 3	Sector Total 2023	% Share by sector (2023)	Sector Total 2022
MANUFACTURING						
Eco Solutions	1,614	2,862	851	5,327	3	5,039
Hand Protection	19,356	16,175	1,498	37,029	18	40,758
Purification	11,132	17,937	916	29,985	14	30,212
Textiles	32,303	20,968	1,687	54,958	26	57,728
Construction Materials	4,070	3,738	502	8,310	4	11,946
AGRICULTURE AND PLANTATIONS						
Agriculture	1,653	1,048	1,869	4,570	2	4,667
Plantations	5,104	5,889	278	11,271	5	11,760
SERVICES						
Transportation & Logistics	22,215	2,867	5,931	31,013	15	41,760
Consumer & Retail	271	10,731	3,477	14,479	7	15,046
Leisure	4,561	5,957	309	10,827	5	8,609
Industry Inputs Power & Energy	7	174	304	485	-	562
Others	325	1,180	117	1,622	1	1,966
Total by Scope	102,611	89,526	17,739	209,876	100	230,052

NATURAL CAPITAL

TCFD ALIGNMENT AT A GLANCE

Disclosure requirement	Progress made				
GOVERNANCE	<ul style="list-style-type: none"> Environmental targets, including emission reduction goals are set out in the Hayleys Lifecode. Sector-level ESG roadmaps which are aligned to the Hayleys Lifecode articulate targets relevant to each business An ESG Steering Committee was established at Board level during the year, tasked with the responsibility of providing oversight on ESG related aspects The Hayleys Group GMC is responsible for implementing the ESG framework across the Group and the Group ESG Division supports the delivery of this. Sectors Report all relevant non-financial performance indicators to the Group ESG Division on a quarterly basis, which is then presented to the Steering Committee and the GMC. A Lifecode Champion is appointed at Sector level who reports directly to Director/Head in charge of sustainability in the Sectors. 				
STRATEGY	<ul style="list-style-type: none"> Key risks/opportunities relating to climate change on the Group's operations including the following; <table border="1"> <thead> <tr> <th>Risks</th> <th>Opportunities</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> Physical risks including impact of adverse weather on the security and quality of the agricultural supply chains Implications of natural degradation on the Group's Plantation and Agricultural Sector Evolving customer demands on sustainable design and products Increasing stringency of ESG related regulations, particularly in the European region Potential damage to properties and other assets Transition risks associated with policy changes in moving to a low-carbon economy </td> <td> <ul style="list-style-type: none"> Opportunity to increase reliance on renewable energy Customers' increasing propensity towards climate-friendly, sustainable products Drive process and product innovation </td> </tr> </tbody> </table>	Risks	Opportunities	<ul style="list-style-type: none"> Physical risks including impact of adverse weather on the security and quality of the agricultural supply chains Implications of natural degradation on the Group's Plantation and Agricultural Sector Evolving customer demands on sustainable design and products Increasing stringency of ESG related regulations, particularly in the European region Potential damage to properties and other assets Transition risks associated with policy changes in moving to a low-carbon economy 	<ul style="list-style-type: none"> Opportunity to increase reliance on renewable energy Customers' increasing propensity towards climate-friendly, sustainable products Drive process and product innovation
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RISK MANAGEMENT	Climate related risks are assessed through the relevant functions in the respective Sectors; these functions include procurement, engineering, marketing and operations. Risks are monitored at Sector level and reported to the respective Audit Committees for monitoring and follow-up. Relevant risks are also reported to the Group ESG Steering Committee through the Group ESG Division. The Hayleys PLC is also apprised of emerging climate risks through the Internal Audit function and respective sector Audit Committees.				
METRICS AND TARGETS	<ul style="list-style-type: none"> GHG Emissions- Scope 1, 2 and 3 emissions (computation based on the GHG Protocol)- refer to page 274 Emission intensity- tCO₂e/per Revenue Rs.mn 				

ENERGY

Our main energy sources are electricity from the national grid, fossil fuels and renewable energy for power generation. The Group's energy strategy in recent years has centred on gradually reducing dependence on fossil fuels through opting for sustainable and renewable energy sources. In addition to large-scale wind, solar and mini hydro projects operated by the Group's Industry Inputs, Power & Energy Sector, other energy-intensive sectors such as Hand Protection, Plantations, Eco Solutions and Textiles have increasingly moved towards renewable energy in recent years



ENERGY FOOTPRINT IN 2022/23

5% decrease

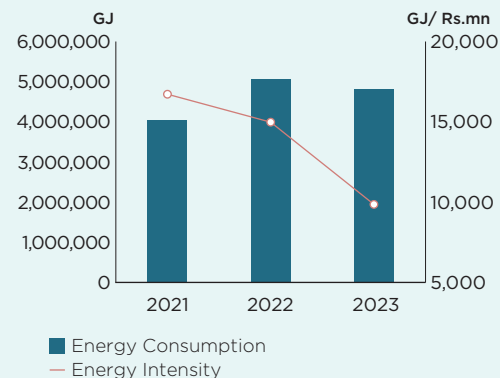
Total energy consumption

34% reduction

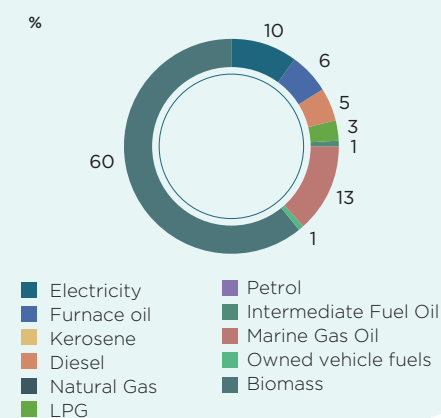
energy intensity

	Energy consumption			% renewable energy
	GJ	Y-o-y change(%)	% composition	
Eco Solutions	84,435	-8	2	60
Hand Protection	1,961,446	-4	41	93
Purification	271,342	1	6	-
Textiles	1,502,909	-2	31	69
Construction materials	80,984	-30	2	-
Plantations	384,259	-3	8	83
Agriculture	30,853	2	1	-
Consumer & Retail	70,668	-2	1	-
Leisure	98,817	45	2	-
Industry Inputs, Power & Energy	1,193	-	-	-
Transportation & Logistics	308,947	-30	6	-
Others	11,914	20	-	-

ENERGY CONSUMPTION (3 YEAR TREND)



ENERGY CONSUMPTION BY SOURCE



ENERGY HANDPRINT IN 2022/23

The Group's energy handprint demonstrates how our interventions during the year helped reduce our own carbon emissions as well as that of our employees and customers.

Renewable energy generation

- Installed capacity of over 50MW of renewable energy through the Power & Energy Sector
- Fentons Group is the leader in the solar solutions industry in the country and is estimated to have installed over 125MW of solar power during the year
- Reliance on biomass energy by several sectors including Hand Protection, Eco Solutions, Plantations and Textiles

67%

Reliance on Renewable Energy

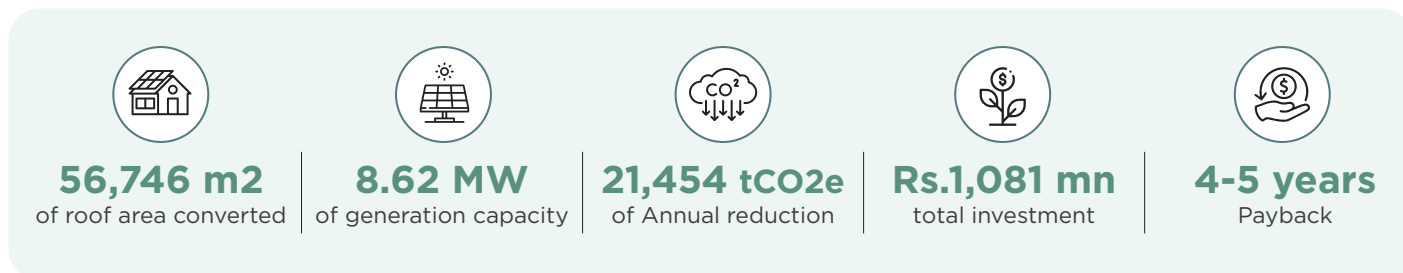
>169,000MWh

Renewable energy generation

NATURAL CAPITAL

ROOFTOP SOLAR PROJECT

In 2020, the Group launched an organisation-wide rooftop solar installation project, the details of which are set out below. Our aspiration is to install a solar project on the roofs of all the Group’s factories. Progress made to date is given below:



OPTIMISING FUEL USAGE

During periods of severe fuel shortages in the first quarter of 2022/23, the Group deployed 22 buses (at Head Office), along 14 commuting routes to facilitate the transportation of employees. This initiative now continues as an ongoing programme, with nearly 850 employees commuting to work daily through the employee transport service.

ENERGY-EFFICIENT BUILDING AND INFRASTRUCTURE

- DPL’s Sports Glove factory is currently pursuing the Platinum LEED certification awarded by the US Green Building Council, which certifies that buildings that are designed, constructed, maintained, and operated for improved environmental and human health performance.
- Alumex’s state-of-the-art recycling plant features regenerative burners and low-emission scrubbing units.
- Talawakelle Tea Estates PLC’s Hollyrood factory emerged as the first tea factory in Sri Lanka to obtain ISO 50001:2018 Energy Management certification



WATER

CONTEXT

Water security and our ability to safeguard bodies of freshwater resources are increasingly at risk. With the global increase in demand for water, the World Resource Institute projects that there we a deficit in water supply of about 56\$ by 2030. Currently about 25% of the global population lives in countries that suffer from water stress.



COMMITMENT

The Group’s Water Management Policy seeks to conserve and optimise water obtained from various sources, seek avenues of recycling and reusing waste-water and responsible disposal of waste-water generations in its operations.



2030 TARGETS

30% sustainable water sourcing across the Group by 2030

Actual: 11% sustainable water sourcing

30% reduction in water intensity by 2030

Actual: 29% reduction in water intensity

The Group’s interaction with water as a shared source stems primarily from its use in manufacturing operations, in which certain sectors such as Textiles, Hand Protection and Purification are relatively water intensive. Water is also used for cleaning and employee usage across the Group. The Hayleys Lifecode emphasises the importance of gradually reducing the quantum of water withdrawn for its operations through focus on re-using water and treating water discharged from these processes as well as increasingly reliance on sustainable water sources. Mechanisms are currently in place to continuously monitor water consumption trends and identify areas for improving water efficiency.

The Group’s water sources include groundwater, surface water, pipe borne water and harvested rainwater. Metering is available for main water inputs and wastewater outputs, ensuring the complete and accurate reporting of all relevant date on a timely basis to Hayleys Group ESG Division

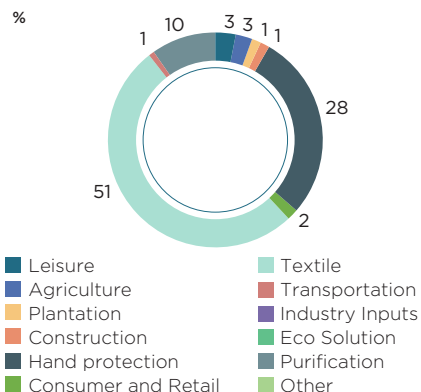




WATER FOOTPRINT IN 2022/23

The Group's total water consumption increased by 3% to 6.79 mn litres during

WATER CONSUMPTION BY SECTOR



the year. Textile and Hand Protection Sectors are the most significant consumers of water within the Group, collectively accounting for nearly 80% of total water consumption. The increase in consumption reflects higher operational activity across key manufacturing sectors.

(Litres mn)	Water withdrawal by source			
	2022/23	2021/22	2020/21	Change y-o-y (%)
Surface water	4,710	4,419	3,261	+36
Ground water	371	314	296	+6
Rainwater	2	22	21	+2
Municipal lines	1,081	1,157	1,179	-2
Waste water or other	8	110	103	+7
Recycled Water	760	567	465	+55
Water intensity	13,937	19,494	22,072	-29



WATER HANDPRINT 2022/23

The Group has implemented several ongoing measures to reduce its water withdrawal, increase reliance on sustainable water sources and drive increased water efficiency. As a result of these measures, the Group's water intensity reduced by 29% during the year. Meanwhile sustainable water sourcing also increased by 57% during the year, reflecting a significant increase in the use of recycled water during the year. Key interventions to improve the Group's water handprint during the year included the following:

Surakimu Ganga by KVPL

KVPL in partnership with IUCN launched the Surakimu Ganga initiative which strives for collaboration between the private, sector and international organisations to adopt nature-based solutions for greening the river basin in We Oya catchment area in the Kelani river.

Rainwater harvesting

Several sectors engage in rainwater harvesting including Hand Protection, Agriculture and Transportation & Logistics. In the Agriculture Sector's

seed production facility in Borlanda, integrated water collection tanks connecting greenhouse rooftop gutters to a centralised tang fulfil 30% to 35% of water requirement for more than 500,000 plants.

Integrated water management in our estates

Our regional plantation companies have comprehensive water management programmes in place, which aim to preserve water sources on estates and drive the sustainable use of water. Regular research and impact assessments

11%
sustainable water sourcing

57% increase
in sustainable water sourcing

29% reduction
in water intensity

water consumption is also carried out when developing water management strategies. Key initiatives in the Plantation Sector include the following:

- Chemical free buffer zones
- Mechanical fences and meshes to prevent water contamination
- Monitoring and reducing agrochemical usage
- Water quality testing

Resource use and circularity

In recent years the Group has sought to embed the principles of circularity across its business through increasing reliance on recycled and renewable materials. This agenda continues to feature prominently in product design/development phase and progress made in this front is summarised below. Other aspects of the Group's material management include minimising chemical usage, use of eco-friendly raw materials and responsible sourcing.

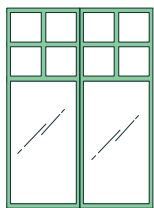
NATURAL CAPITAL

USE OF RECYCLED RAW MATERIALS



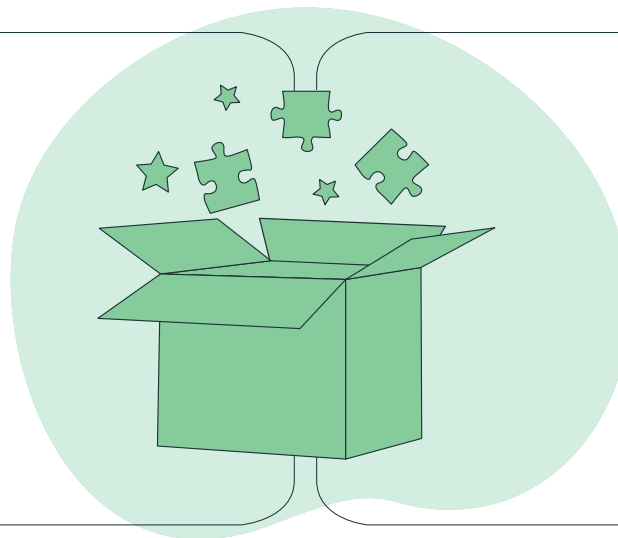
Launch of Warna by Mahogany by Textiles Sector

A pioneering waste to fashion initiative which extracts dye in house using waste material generated by the local furniture industry



The Construction Materials Sector continues to increase the use of recycled aluminium in its production process, thereby reducing the need for virgin aluminium

51% Use of recycled aluminium



The Textile Sector uses recycled PET yarn as an input for a special sustainable fabric



The Hand Protection Sector uses recycled PET yarn to as an input to a sustainable glove that is manufactured under its range

Sector	Metric	2022/23
RENEWABLE MATERIALS		
Purification	Coconut charcoal (MT)	46,592
	Coconut Shells (MT)	112,293
Hand protection	Latex (MT)	16,056
Plantations	Green Leaf (MT)	37,307
	Latex (M3)	2,455
Eco Solutions	Coconut fibre (MT)	700
	Fibre pith (MT)	19
	Palmyrah fibre (MT)	156
Textile	Grieg (Kg)	646
	Yarn (Kg)	4,991
Agriculture	Fertilizer (KG)	34,755
NON-RENEWABLE MATERIALS		
Construction materials	Aluminium billets (MT)	1,245,430
Plantations	Agro-chemicals (Litres)	9,524
	Agro-chemicals (KG)	1,307
Textile	Yarn (recycled)	2,051
	Yarn (non-renewable and other than recycled) (Kg)	3,202
	Grieg (Kg)	1,017
	Dyes and Chemicals (Kg)	11,277

WASTE MANAGEMENT

CONTEXT

Waste including plastics, e-waste and other types of waste pollutes land and waterways and contaminates the air we breathe. The systems and infrastructure in place is not adequate to effectively collect and redistribute the increasing quantum of materials that are consumed by the global population. As a result,

COMMITMENT

The Hayleys Group strives to minimise waste generation and seeks to effectively manage the waste generated through sustainable disposable methods

2030 TARGETS

Zero waste to landfill

Actual in 2022/23: 14% waste to landfill

25% reduction of waste intensity

Actual in 2022/23: 42% reduction

The Hayleys Lifecode sets out a clear target of achieving zero landfill waste by 2030. All Sectors have stepped up efforts to engage in the segregation and responsible disposal of waste, in compliance with regulatory requirements and industry best practice. Key types of waste generated from our operations include agricultural waste, industrial waste, glass, polythene, plastic, food waste and paper among others.

WASTE MANAGEMENT IN 2022/23

The Group's total waste generated decreased by 17% to 19.23 mn kilogrammes during the year, with non-hazardous waste accounting for 78% of total waste. Key waste related KPIs for the year are set out below:

17% decrease

in waste generated to 19.2 mn KG

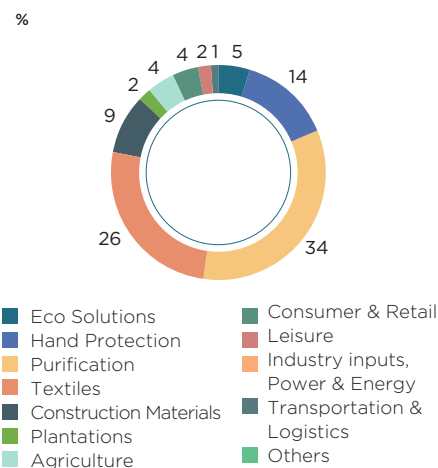
42% reduction

waste intensity

14%

Waste to land-fill ratio

WASTE REPORTED BY SECTORS



The Group's key waste management developments during the year are summarised below:

E-WASTE COLLECTION BY SINGER

Singer leverages its extensive branch network to conduct a largescale, island-wide e-waste collection initiative, through which customers are encouraged to return used electronic items. With over 414 collection points around the island Singer directly contributes towards reducing the country's landfill waste. The Group has a scheduled waste management license from the Central Environmental Authority to collect and transport e-waste. The collected waste is subsequently given to CEA approved third-party recyclers, with transportation and other expenses being incurred by Singer

3,746 Televisions

820 Refrigerators

550 Washing machines

47,556 Batteries

502 other

Waste by type 2022/23

MT	2022/23	
	Hazardous	Non-hazardous
Reuse	91	7,994
Recycling	458	2,954
Composting	-	885
Recovery	-	21
Incineration	3,656	233
Deep well injection	-	1
Landfill	11	2,325
On-site storage	16	344
Other	21	278
TOTAL	4,253	14,976

NATURAL CAPITAL

COMMUNITY WASTE MANAGEMENT IN OUR PLANTATIONS

Community waste generated from our estates which house estate employees and their families accounts for a significant proportion of the waste generated by the Plantations Sector. In line with the certification standards of the Rainforest Alliance and ISO 14,001: 2015 Environmental Management System, the Sector conducts ongoing awareness building initiatives and training programmes on the responsible disposal of biodegradable and non-biodegradable waste.

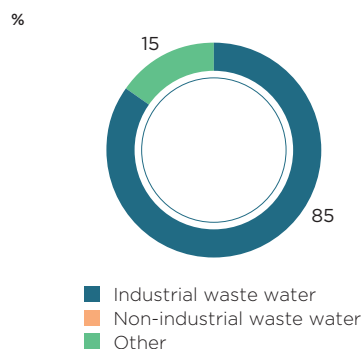
ECO ONE: INNOVATIVE WASTE MANAGEMENT SOLUTIONS

During the year, Hayleys Aventura introduced Eco One-an organic additive that accelerates biodegradation of plastic and polythene, thereby drastically shortening the timespan such products are retained in landfills from centuries to a few years. It is estimated that adding 1% of Eco-one to plastic compound improves the rate of degradation of the item to 18 months, with complete degradation possible within 3 years.

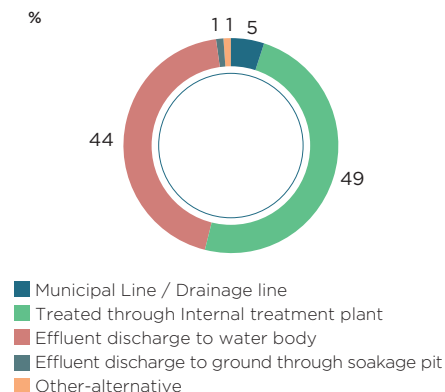
Effluents

The Group's manufacturing processes involve the discharge of wastewater and most facilities have installed effluent treatment plants to responsibly dispose of effluents. Wastewater is typically treated and recycled for re-used for gardening and/or organic farming purposes. As manufacturing facilities expand capacity, parallel emphasis has been placed on expanding the effluent treatment plants. Effluents discharged from our operations comply with the requisite water quality standards of BOD, COD, TSS, pH and oil and grease levels are checked on a regular basis by independent assessors to ensure it meets compliance levels.

EFFLUENTS BY TYPE



EFFLUENTS BY METHOD OF DISPOSAL



BIODIVERSITY AND ECO-SYSTEM PRESERVATION

CONTEXT

The unsustainable use of land and resources has led to significant losses in biodiversity habitats, severely threatening the balance of the ecosystem and emerging as a key environmental risk facing the world today

COMMITMENT

We are mainstreaming the concept of biodiversity across value chains and adopting the precautionary approach for sustainable management of biodiversity in all decision making processes.

2030 TARGETS

Increase biodiversity conservation and preservation relating to our business operations

Actual: 53,442 Trees planted

The operations of several of our sectors are closely linked to the health of the natural ecosystems surrounding our locations of operations. The Group's ongoing programmes on biodiversity preservation are summarised below:

Kirulu Programme

Project Kirulu is the Group's flagship biodiversity programme, which seeks to leverage the Group's extensive land bank, cross-sector synergies and insights on ecosystems to preserve Sri Lanka's rich and vibrant ecosystems. Hayleys has partnered the Mahaweli Authority of Sri Lanka who serves as the project's technical partner through offering advisory services, while the University of Wayamba will engage its students to conduct annual biodiversity assessments of areas covered under the project.

The project is conducted under two phases:

Phase 1: Talawakelle Tea Estates PLC engaged in an initial tree-planting program of 1000 saplings, while adopting GPS mapping to analyse the ecosystem and ecological behaviour at identified sites and ensure the sustenance of plant nurseries through frequent biodiversity assessments.

Phase 2: Expansion of biodiversity conservation to adjacent areas of importance, including rainforest reservations and waterfall ecosystems with the participation of Hayleys Group companies

Progress made to date in the Kirulu programme is summarised below:

Sector	Confirmed Contribution (No. of Trees)	No of trees planted to date
Agriculture	500	150
Construction Material	250	150
Eco Solutions	500	150
Hand Protection	500	150
Industry Input, Power & Energy	250	150
Other - HBSI	150	150
Other -Fentons	500	150
Other -Hayleys PLC	250	150
Purification	500	150
Textile	250	150
Leisure	500	138
Transportation	500	520
TOTAL	4,650	2,158

BIODIVERSITY CORRIDORS BY HAYLEYS PLANTATIONS

The Plantation Sector’s tea and rubber estates in the hill country and low country wet zones are rich in biodiversity and we are committed to preserving the natural habitats and ecosystems in these areas. The Sector has obtained and complies with Rainforest Alliance while both our plantations are also part of Biodiversity Sri Lanka, a national platform established to promote strong engagement of the corporate sector in biodiversity and environmental conservation in Sri Lanka. The Sector has established biodiversity corridors as well as a programme to promote ecosystem restoration at St.Clair’s Falls which includes a self-sustaining business model.

Conservation Status	Number of species
Globally threatened	-
Critically endangered	6
Endangered	44
Vulnerable	37
Near threatened	26
Other	113

244 hectares with rich biodiversity

Watershed and catchment areas feeding national rivers Nilwala, Gin, Kotmale Oya and Nanu Oya

Great Western, Radella and Holyrood estates are located near Kikiliyamana Natural Forest Reserve

Calsay estate, Nanuoya borders the Conical Hill National Forest, Agrabopaththalawa

Partnerships to strengthen biodiversity preservation

The Halgolla Estate of KVPL was selected as a pilot project on the Netherlands-Sri Lanka initiative “Agroforestry on Tea Plantations in Sri Lanka” The Project will facilitate a public-private partnership on agroforestry development in the plantations sector to strengthen socio-economic and environmental sustainability.

In January 2023, Hayleys Plantations Sector companies (KVPL, TTE and HPL) entered an MOU with the the Wildlife and Nature Protection Society (WNPS) and Preserve Land and Nature Trust (PLANT) to,

- 1 Partner to protect and further develop the forest eco system and biodiversity,
- 2 Engage in reforestation activities to enhance the footprint of Forest corridors within the Lands
- 3 Carry out research, to assess progress and
- 4 Publish findings and conduct exposure programmes to educate communities and other entities, who are keen to ensure sustainability in different parts of the planet.

GREEN BELT AND WETLAND BIODIVERSITY ZONE AT HAYLEYS FABRICS

The Group’s Textile Sector has reserved 20 acres and 9 acres of land adjoining the factory as a Green Belt and Wetland Biodiversity Zone respectively. Conducted under the guidance of the Central Environment Authority, the initiative included a biodiversity survey by the Environmental Ministry Secretariat, which identified 146 plant species belonging to 63 families and 149 animal species, including 2 endemic plant species and 18 endemic animal species.

WAY FORWARD

In line with the aspirations of the Hayleys Lifecode, the Group is mainstreaming environmental consciousness, seeking to embed environmental factors into its decision making, key performance indicators and business models. Despite the volatile operating conditions, we are on target to achieve our 2030 Lifecode aspirations as we seek to rewire our business through reengineering processes, driving sustainable