



MAHAWELI COCONUT PLANTATIONS PLC

CORPORATE GOVERNANCE POLICIES

Policy on Environmental, Social, and Governance Sustainability

Company's environmental footprint is primarily determined by the use of resources such as energy, paper, water, and the emission of pollutants. Company is mindful of the environmental impact of the business operations and actively takes measures to minimize it.

Company's Environmental, Social and Governance policy aims to develop an approach to managing Environmental, Social and Governance Risk. The company needs to integrate the assessment of Environmental, Social and Governance Risks into the Corporate Strategy from ESG policy with aiming at mitigating the environmental impacts of the business activities.

I. Environmental Policies

A. Commitment to Environmental Protection

Regulatory Compliance: Adherence to all relevant environmental laws and regulations.

Sustainability Goals: Setting clear sustainability goals to minimize environmental impact.

B. Resource Management

- Water Conservation: Implementing practices to use water efficiently and reduce wastage.
- Energy Efficiency: Using energy-efficient technologies and renewable energy sources where feasible.
- Waste Management: Reducing, reusing, and recycling waste materials to minimize landfill use.

C. Sustainable Agricultural Practices

- Soil Health: Promoting soil conservation practices, such as crop rotation and organic fertilizers, to maintain soil fertility.
- Chemical Use: Minimizing the use of synthetic fertilizers and pesticides, and promoting the use of organic alternatives.

D. Environmental Awareness and Training

- Employee Training: Educating employees about environmental policies and practices.
- Community Engagement: Raising awareness and engaging with local communities on environmental issues.

E. Continuous Improvement

- Monitoring and Reporting: Regularly monitoring environmental performance and publicly reporting progress.
- Innovative Practices: Continuously seeking and implementing innovative practices to improve environmental sustainability.

Energy Consumption within the Organization

Continuous improvements in solar power are being made, which will reduce fuel and energy costs.

key initiatives to reduce environmental pollution

- Improvements of using solar energy to power the irrigation system.
- Adoption of online staff training sessions to minimize fuel expenditure and costs associated with commuting.
- Investment in Coco Peat production (Eco-friendly production) project.
- Enhance interest among the working group on clean and green environment within the premises.
- Encourage employees to use electricity in a responsible manner in their day-to-day activities.

II. Social Policy

A. Employee Welfare:

- Ensuring fair wages and safe working conditions.
- Providing training and development opportunities for employees.

Invest in employee welfare programs, including health and wellness initiatives, skill development workshops, and support for work-life balance.

B. Community Engagement:

- Supporting local communities through social initiatives and charitable activities.
- Encouraging employee volunteerism.

I. Governance Sustainability Policy

A. Corporate Governance Framework

- Board Structure: Ensuring a balanced and diverse board composition with a mix of independent and non-independent directors.
- Committees: Establishing key committees such as Audit, RPT, Nomination, and Remuneration Committees to oversee specific areas.

B. Ethical Leadership

- Code of Conduct: Implementing a code of conduct that promotes ethical behavior and decision-making.
- Anti-Corruption Policies: Enforcing strict anti-corruption and anti-bribery policies.

C. Transparency and Accountability

- Disclosure Practices: Maintaining transparent and timely disclosure of financial and non-financial information.
 - Reporting Standards: Adhering to recognized reporting.

D. Stakeholder Engagement

- Communication: Establishing clear channels for communication with stakeholders, including shareholders, employees, customers, and the community.
- Feedback Mechanisms: Implementing mechanisms to gather and respond to stakeholder feedback.

E. Risk Management

- Risk Assessment: Regularly identifying and assessing risks that could impact the company's sustainability.
- Mitigation Strategies: Developing and implementing strategies to mitigate identified risks.

F. Compliance

- Regulatory Adherence: Ensuring compliance with all relevant laws and regulations.
- Internal Audits: Conduct regular internal audits to ensure adherence to policies and procedures.

G. Continuous Improvement

- Training and Development: Providing ongoing training for directors and employees on governance and sustainability issues.
- Performance Evaluation: Regularly evaluating the performance of the board and its committees.