

# United National Global Compact

## Summary of our contribution to the 10 principles– Hayleys PLC

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### Introduction

This is a summary document containing the key information with regards to the compliance of Hayleys PLC to the 10 principle of United Nations Global Compact. We are submitting our Annual Integrated Report prepared in compliance with the GRI guidelines and integrated reporting format, for a detailed reference of the information provided herein.

### 1. Human Rights

Hayleys PLC has a comprehensive process and a policy on Human Rights, that is implemented across the group as well. It is one of key social policies of Hayleys, that supports our role in responsible and inclusive business conduct. During the financial year ended 31<sup>st</sup> March 2022, there were zero records of the Human Rights violations in Hayleys PLC.

Reporting on Product Responsibility on pages 254 to 260 of the Annual report 2021/22.

- **Ensure workers are provided safe, suitable and sanitary work facilities**

The company has a host of procedures and practices in place to ensure that the workers are well protected and provided with suitable and sanitized working conditions. The practices we employ are;

- Use best in class Safety Management practices across the company and the group that are in line with accepted Health and safety certifications including ISO 45001.
- Implementation of a comprehensive occupational health and safety management system by transportation and logistics sector. – pg 223
- Have in place a Lifecode target - Zero workplace injuries; provide accident free environment for all employees
- Have in place a separate Health and safety policy

Our approach with regards to Occupational Health and safety is outlined in the Annual report 2021/22 pages 247-248.

The Systems processes and certifications with regards to the safe and suitable work place management is given in pages 265 – 267.

- **Protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats**

Hayleys PLC is an equal opportunity employer, with policies in place for anti-sexual harassment, nondiscrimination and grievance handling to prevent workers from subjecting to undue harassment and difficulties in the workplace. (Further details - Annual Report 2021/22, pages 103, 245,252)

- **Take measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products**

We are a practitioner of best management methods in terms of Product Quality and Food safety. To ensure the compliance to the best practices, we are conforming to all available and relevant standards and certifications with regards to food safety, product responsibility and product quality.

Product responsibility and quality is one of the material topics of Hayleys PLC as well.

Eg: ISO 22000: 2005 Food Safety Management Systems, HACCP - Hazard Analysis Critical Control Point & TASL-SGS - Food Safety Management Systems, Global Good Agricultural Practice Certificate – GAP

The Systems processes and certifications with regards to the safe and suitable work place management is given in pages 265 – 267.

### **Measurement of outcomes**

During the period under review there were no alleged incidents of Human Rights abuses or Investigations, legal cases, rulings, fines and other relevant events related to Human Rights.

## **2. Labor**

Our workforce is one of our most valuable assets. We employ globally accepted labor management best practices to ensure the highest level of satisfaction and protection.

Reporting on Labour Practices on pages 242 to 253 of the Annual report 2021/22.

- **Ensure that the company does not participate in any form of forced or bonded labour**

The company does not participate in any form of forced or bonded labor, nor we are engaging suppliers who are practicing such activities in their businesses.

We adhere to the fundamental principles and rights at work set out in the ILO Declaration, which includes, (Page 245)

- Recognising employees' freedom of association and the right to collective bargaining
- Elimination of forced or compulsory labour
- Abolition of child labour
- Elimination of discrimination in respect of employment and occupation

- **Comply with minimum wage standards**

We are following the minimum wage standards, with a decent, correct package to compensate the efforts of our work force.

- **Ensure that employment-related decisions are based on relevant and objective criteria**

We always strive to provide the best working conditions and compensation for all our employees. All the employment related decisions are based on relevant and objective criteria without any discrimination or personal bias.

### **Measurement of outcomes**

- **Demographics of management and employees by diversity factors (e.g. gender, ethnicity, age, etc.)**

Hayleys group employs 32,840 (as of end March 2022) members in 238 locations. No of employees engaged in offshore operations is 2,040.

Employee diversity details (page 244)

- **Describe how your company deals with incidents of violations of Labour principles**

We ensure that such incidents will not take place through well laid out policies, practices and processes, along with close monitoring

- **Investigations, legal cases, rulings, fines and other relevant events related to Labour**

During the period under review the total amount of monetary losses as a result of legal proceedings associated with labour law violations was zero (More details in Annual report 2021/22 page 196)

- **External audits (e.g. SA 8000)**

We undertake SA 8000 - Social Accountability Certification (More details in Annual report 2021/22 page 265).

### 3. Environment

Environment is one of the key sustainability priority areas in Hayleys. We have a separate program to manage the Environmental footprint of our company through our Lifecode with designated goals and targets in place to promote environmental sustainability.

Reporting on the Environment including Environmental performance is on pages 271 to 283 of the Annual report 2021/22.

- **Avoid environmental damage via regular maintenance of production processes and environmental protection systems (air pollution control, waste, water treatment systems, etc.)**

There are several policies in place and standards we abide by to ensure the prevention of harming the environment whilst engaging in our business operations.

The policies and standards:

- Material and waste management policy
- Energy and emission management policy
- Chemical Management policy
- Water management policy
- Biodiversity conservation policy
- UNGC Water Mandate
- Sustainability compliance guidance
- Guidelines of the Responsible Care Council

Highlights of the intervention during the period under review are on page 271, and further details are illustrated in pages 280– 282 of the Annual report 2021/22.

- **Ensure emergency procedures to prevent and address accidents affecting the environment and human health**

There are comprehensive processes and procedures in place to manage the environmental risks that threatens the environment as well as human health. There are also designated certifications and standards we comply with in order to ensure that the safety concerns are addressed appropriately.

Further details are on page 279 of the Annual report 2021/22.

- **Minimize the use and ensure safe handling and storage of chemicals and other dangerous substances**

We have a designated ESG target that is to employ 100% safe chemical management practices under our ESG Lifecode.

Chemical Management policy is in place covering all aspects related to safe chemical management.

Specific details with regards to chemical management are on pages 154, 174, 265 and 281 of the Annual report 2021/22.

The Systems processes and certifications with regards to the safe and suitable work place management is given in pages 265 – 267.

#### **Measurement of outcomes**

We regularly monitor and measure the outcome of our environmental performance. (Annual report 2021/22 page 270).

We also monitor and measure the compliance to the recommended disclosures of the Task Force on Climate Related Financial Disclosures (TCFD) and Industry standards of the Sustainability Accounting Standards Board (SASB) – Pages 138, 156, 166, 176, 186, 196, 214 and 226 in the Annual report 2021/22.

## **4. Anti-Corruption**

- **Assess the risk of corruption when doing business**
- **Mention “anti-corruption” and/or “ethical behavior” in contracts with business partners**
- **Ensure that internal procedures support the company’s anti-corruption commitment**

During the year under review, we have strengthened disclosures on Anti- Corruption programs and Country by- Country reporting in line with the recommendations of Transparency International Sri Lanka. We have a zero tolerance on Anti corruption and anti bribery elements and activities set out in the Lifecode has reinforced the efforts and commitment at the sector level to maintain the stance.

#### **Measurement of outcomes**

Our code of conduct “Hayleys Way” explicitly states our approach on anti-corruption and acceptable gifts. (More details on page 64, Annual report 2021/22).

**“THE HAYLEYS GROUP AND ITS EMPLOYEES SHALL NEITHER RECEIVE NOR OFFER OR MAKE, DIRECTLY OR INDIRECTLY, ANY ILLEGAL PAYMENTS, REMUNERATION, GIFTS, DONATIONS OR COMPARABLE BENEFITS THAT ARE INTENDED, OR PERCEIVED, TO OBTAIN UNCOMPETITIVE FAVOURS FOR THE CONDUCT OF ITS BUSINESS. THE COMPANY SHALL COOPERATE WITH GOVERNMENTAL AUTHORITIES IN EFFORTS TO ELIMINATE ALL FORMS OF BRIBERY, FRAUD AND CORRUPTION.”**

**The Hayleys Way**

There were zero incidents of anti-corruption reported during the period under review.