

# DPL *Pulse in action*

## PLANET

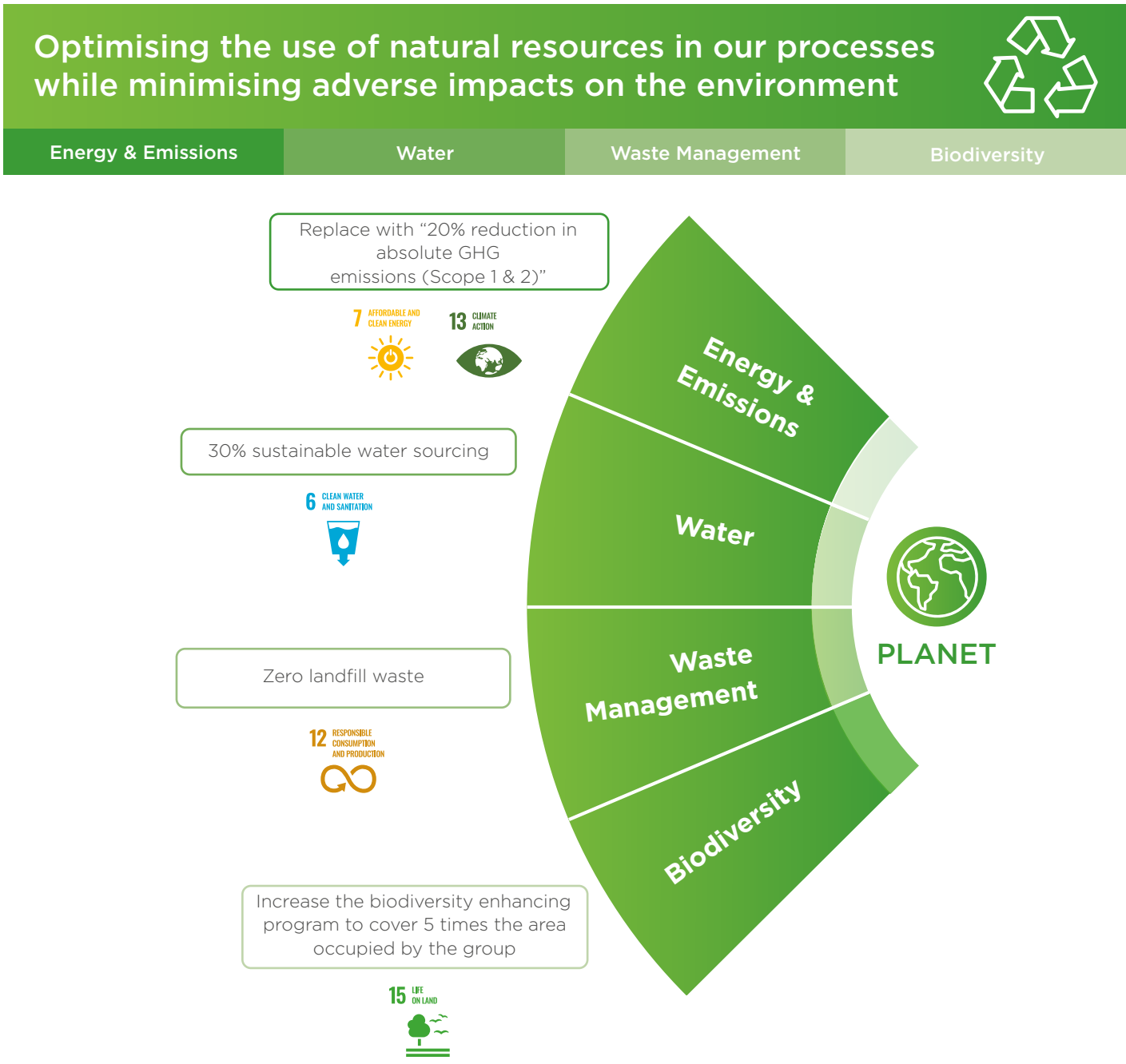
We are firm in our belief that the need for business growth can be balanced with the active protection of our environment, as preserving nature and the service it provides are integral to the survival of economies, businesses and communities.



# 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.



## Energy and Emissions



Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
<b>Energy and Emissions Management Policy</b> 	Increase reliance on sustainable and renewable energy sources	Renewable energy 95%	<ul style="list-style-type: none"> <li>Minimize fossil fuel usage in generating thermal energy</li> <li>Install solar PV systems in manufacturing locations, including energy storage applications</li> </ul>	93%	1% increase in renewable energy reliance (Increase by 18,000 GJ)
		100% sustainable biomass	<ul style="list-style-type: none"> <li>Develop a biomass supply chain by collaborating with industries such as timber</li> <li>Partner with agricultural industries to manufacture briquettes with high calorific value</li> <li>Pursue opportunities in the cultivation of fuel wood and research in the use of invasive plants as fuel wood</li> </ul>	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"> <li>Manufacturing locations to be given carbon reduction targets</li> <li>Obtain third party certification for capturing all direct and indirect GHG emissions across the group by 2023/24</li> <li>Commit to science-based targets by 2025/26</li> </ul>	37,000 MT CO <sub>2e</sub>	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"> <li>Focus on high volume and energy efficient plants at design stage</li> <li>Work for process innovations</li> <li>Conduct energy reduction projects in process level</li> </ul>	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
<b>Water Management Policy</b> 	Application of sustainable water sources	30% sustainable water sourcing (rain water / water recoveries / recycled water use)	<ul style="list-style-type: none"> <li>Construction of efficient effluent treatment plants in each manufacturing location</li> <li>Improve infrastructure to widen rain water harvesting</li> </ul>	15%	1.5% increase in sustainable water sourcing
		55% re-use of treated waste water	<ul style="list-style-type: none"> <li>Improve efficiency of existing waste water treatment plants through adopting latest technology</li> </ul>	15%	5% increase in waste water recycling
	Reduce water consumption and intensity	30% water intensity reduction	<ul style="list-style-type: none"> <li>Improve the quality of treated water and increase the reuse water quantity</li> </ul>	7 liters/pair	4% water intensity reduction
<b>Relevant SDG and Target</b>	<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 minimizing 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
<b>Material and Waste Management Policy</b> 	Value addition across all waste generations	25% reduction of waste intensity	<ul style="list-style-type: none"> <li>Process innovation to reduce waste generation</li> <li>Implement cleaner production initiatives</li> </ul>	0.124 tonne/LKR Mn	3% reduction in waste intensity
		Zero landfill	<ul style="list-style-type: none"> <li>Evaluate all types of existing landfill waste and identify alternative sustainable methods to reduce, reuse and recycle each waste type</li> </ul>	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
<b>Biodiversity conservation policy</b> 	Biodiversity conservation and preservation relating to our business operations	Increase the biodiversity enhancing program to cover 5 times the area occupied by the group	<ul style="list-style-type: none"> <li>Establishing biodiversity conservation parks</li> <li>Tree planting initiatives</li> <li>Take initiative to develop a large scale biodiversity project</li> </ul>	-	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

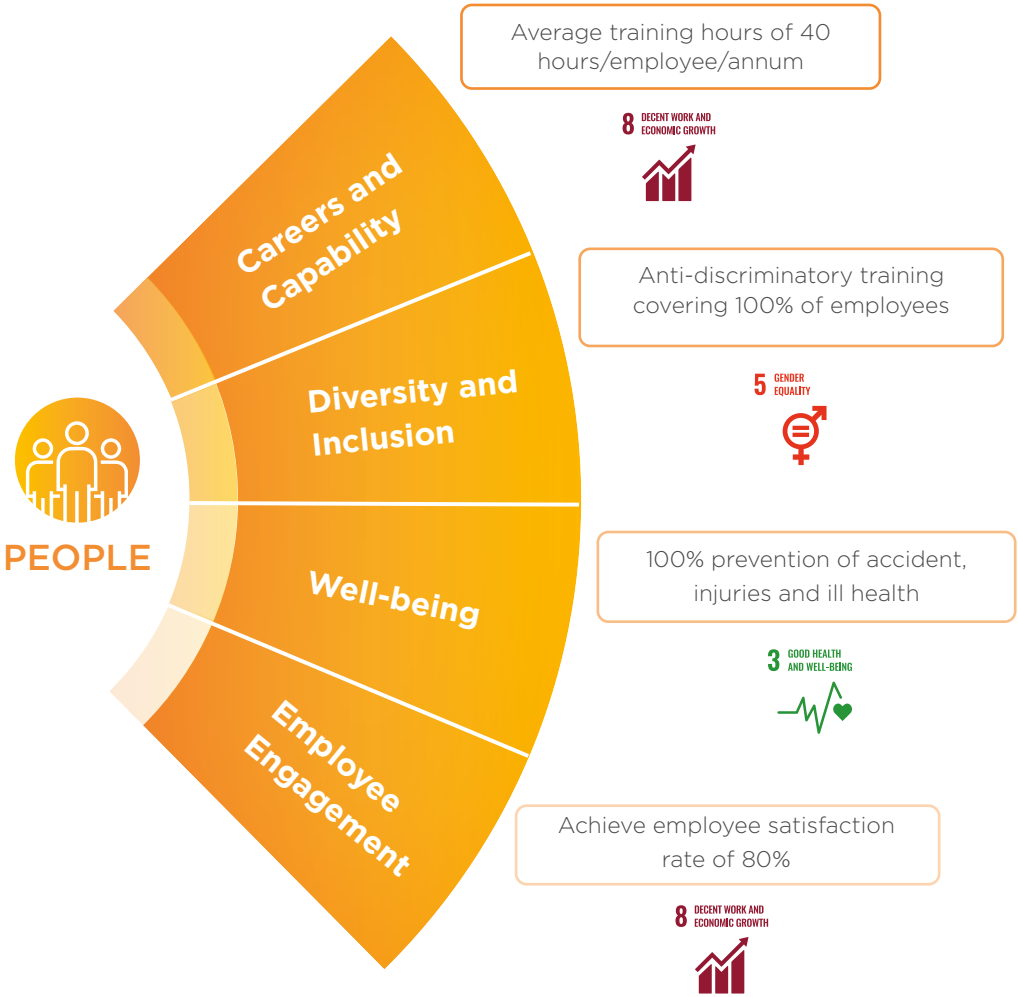
## PEOPLE

DPL’s team of over 2250 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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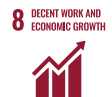
## Careers and Capability

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
<b>Employment policies</b> 	Provide opportunities for continuous learning	Average training hours of 40 hours per employee per annum	<ul style="list-style-type: none"> <li>Formulate personal development plans for all identified successors in the Group</li> <li>Development and full implementation of a training plan</li> <li>Fully/partially sponsor higher education requirements of selected staff categories</li> </ul>	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"> <li>100% execution of yearly and long term training plan</li> <li>Use modern methods to execute training events</li> </ul>	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"> <li>Implement online performance evaluation for all foreign locations</li> <li>Ensure 100% employee coverage of annual performance management cycle within agreed timeline</li> </ul>	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"> <li>Implement systematic and objective approach to succession planning through the Talent Management and Succession Planning Module at Oracle HCM Cloud</li> <li>Formulation of individual development plans for selected successors</li> </ul>	-	Succession plans to be formulated for 30% of senior manager level and above positions

# DPL Pulse in Action

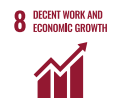
Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
	Leadership and supervisory development plan	10,000 man hours of leadership and supervisory development programs	<ul style="list-style-type: none"> <li>• Conducting supervisory and executive development plans</li> <li>• Implementation of a coaching roadmap</li> <li>• Conducting sales leadership programmes</li> <li>• Launch of mentoring programmes for selected high-performers</li> </ul>	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

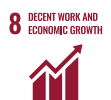
Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
	Build an inclusive and equitable organisational culture	Anti-discriminatory training covering 100% of employees	<ul style="list-style-type: none"> <li>• Engage support from Hayleys Group HR and independent third-parties in rolling out anti-discriminatory training</li> <li>• Launch mentoring programmes targeting females</li> </ul>	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
<b>Health and Safety Policy</b> 	Ensure the health, safety and well-being of all employees	LTIFR= 0, TIFR= 0 DSCI= 100%	<ul style="list-style-type: none"> <li>Standardize and ensure complete reporting of accident related data covering 100% of operations</li> <li>Achieve ISO 45001:2018 Occupational Safety and Health Management System certification for the entire DPL Group</li> </ul>	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"> <li>Improve knowledge and implement best practices related to safe chemical management in all facilities</li> <li>Obtain third party certifications on best chemical management practices</li> <li>Extend chemical management best practices across the Group</li> </ul>	-	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"> <li>Provide access to counselling services</li> <li>Engage independent resource persons in addressing suicide and drug abuse among employees</li> <li>Provide access to Yoga and other well-being activities</li> </ul>	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
<b>Employment Policies</b> 	Developing a diverse and engaged team	Attrition rate of 9.5%	<ul style="list-style-type: none"> <li>Initiate monitoring of new recruit attrition</li> <li>Strengthen employee engagement mechanisms to facilitate more effective two-way communication &amp; set targets and strategies accordingly</li> </ul>	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"> <li>Roll-out holistic employee satisfaction survey covering all employees</li> <li>Improve the employee engagement activities based on the outcome of GPTW survey on employee engagement</li> </ul>	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"> <li>75% Junior Executive &amp; above employees will be involved in TPM projects</li> <li>100% supervisory grade employees to complete yellow belt training</li> <li>60% manual employees will undergo lean white belt programme and get the Kaizen improvement</li> </ul>	-	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"> <li>Execute employee engagement activities according to the event budget and maximize participation for such events</li> </ul>	-	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

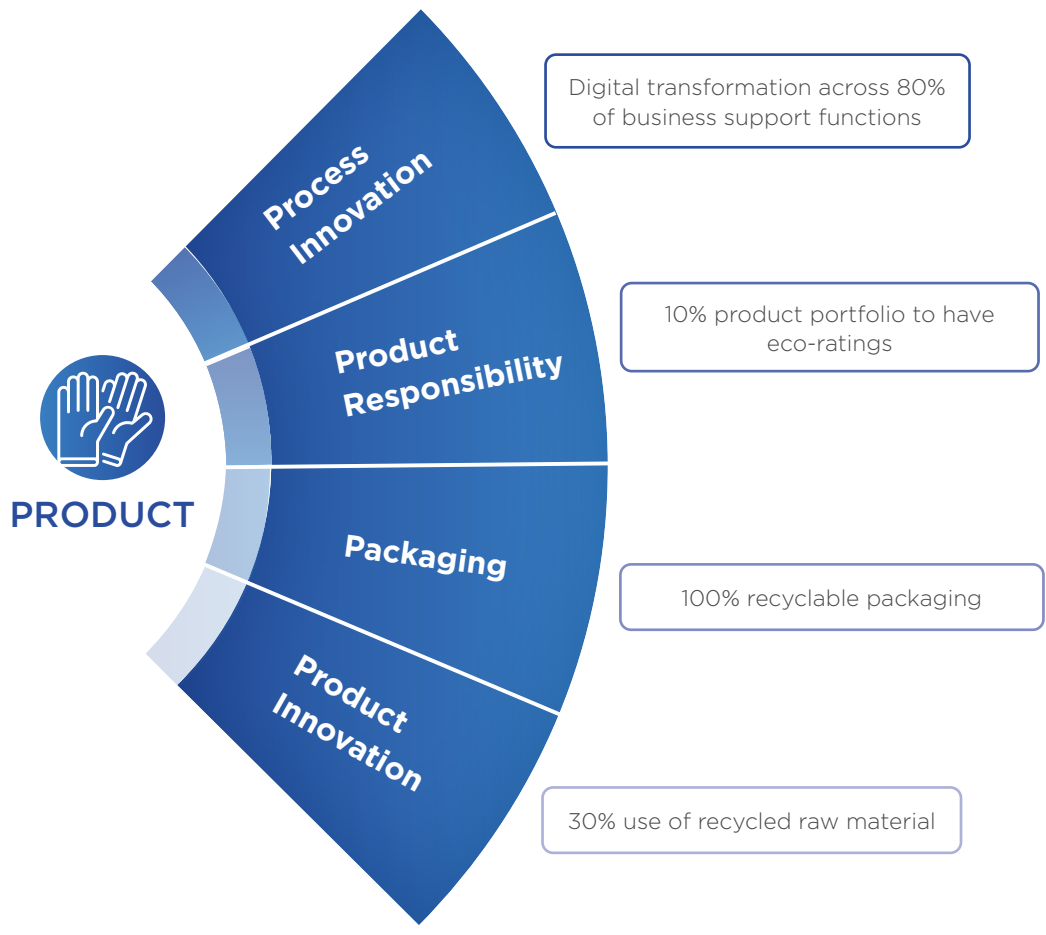
## PRODUCT

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 optimizing 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
<b>Environmental Policy</b> 	Process innovations to improve environmental footprint of operations	Drive initiatives to optimise resource utilisation across all manufacturing plants	<ul style="list-style-type: none"> <li>Evaluate all manufacturing plants for points of improvement within the process</li> <li>Incorporation of alternative technological innovations to improve process efficiencies and optimize resource utilization</li> </ul>	-	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"> <li>Identify business functions with the potential to be digitalised and implement solutions to transition towards paperless operations</li> </ul>	-	Incremental implementation of digitalization 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
<b>Customer Management Policy</b> 	Satisfy growing customer demand for eco-friendly products	Obtain eco-ratings for 10% of product	<ul style="list-style-type: none"> <li>Obtain product certifications on eco-friendly products</li> </ul>	-	1.5% products to obtain eco-ratings
<b>Energy and emission management policy</b> 		Determination of emission intensity for 10% of products	<ul style="list-style-type: none"> <li>Map and calculate the emission intensity for in-demand products</li> <li>Obtain verification for the calculated emission intensity levels with ISO 14067</li> </ul>	-	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
<b>Environmental Policy</b> 	Use of recycled/renewable input material in packaging	30% Usage of recycled material in Packaging	<ul style="list-style-type: none"> <li>Map all the existing packing material suppliers</li> <li>Knowledge improvement in the areas of recyclable packaging design</li> <li>Develop new material/packaging solutions with new and existing packing material suppliers</li> </ul>	-	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
<b>Material Management Policy</b> 	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"> <li>Building up of technical capability and knowhow within Technical / R &amp; D Team to improve reliance on recycled input material in newly developed products</li> </ul>	-	4% reliance on renewable and recycled input
<b>Environmental Policy</b> 	Introduce a series of Eco-friendly products to the product portfolio	10% of compostable and biodegradable products	<ul style="list-style-type: none"> <li>Development of eco-friendly products (including biodegradable and compostable products)</li> </ul>	-	1.5% of compostable and bio degradable products
<b>Chemical Management Policy</b> 	Increase use of sustainable chemicals	10% of total sustainable chemical consumption applications	<ul style="list-style-type: none"> <li>Innovative products which use sustainable chemicals</li> <li>Taking action to replace possible non process chemicals with sustainable chemicals</li> </ul>	-	1.5% of sustainable chemical consumption applications
Relevant SDG and Target	Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources				

# 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

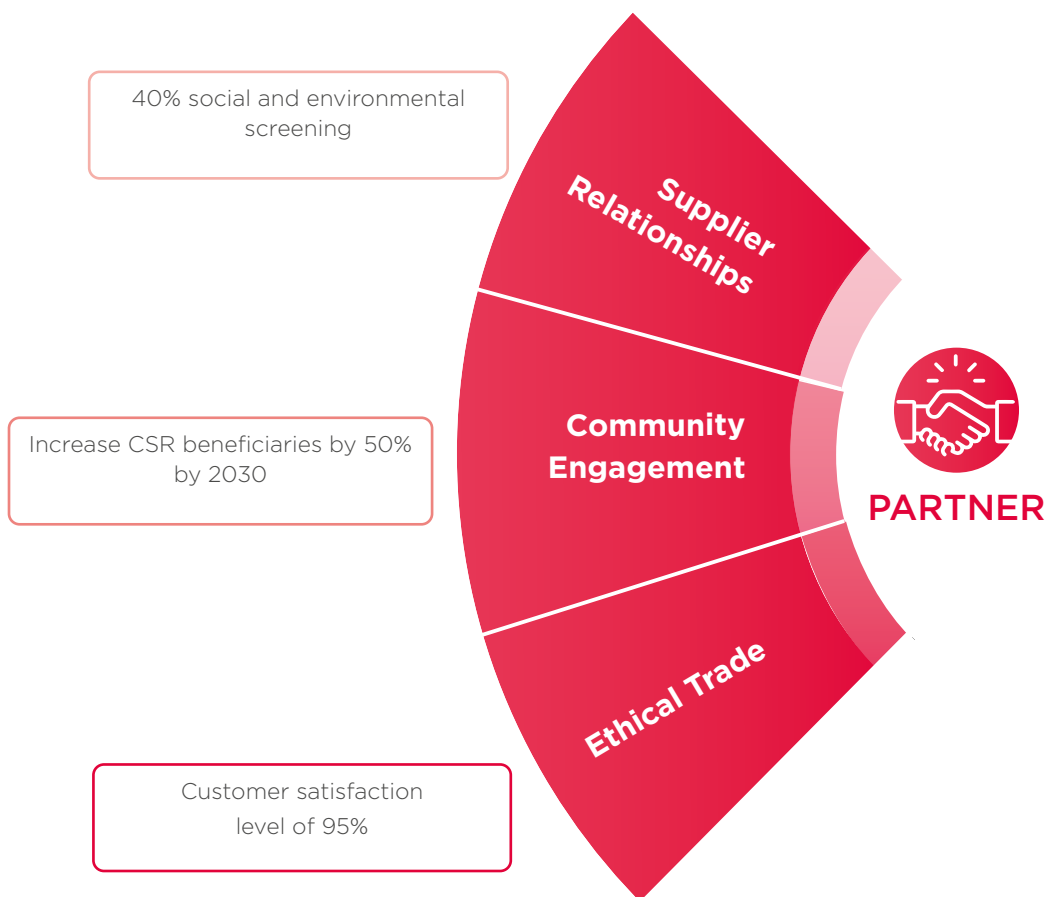
## PARTNER

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**






<b>Supplier Relationships</b>	<b>Community Engagement</b>	<b>Ethical Trade</b>
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## Supplier Relationships



Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
<b>Procurement Policy</b> 	Propagate strong social and environmental practices along supply chain	Achieve 40% social and environmental screening of total suppliers	<ul style="list-style-type: none"> <li>Map and evaluate all existing suppliers (both packaging and raw material) based on their social and environmental practices</li> <li>Provide guidance to incorporate strong social and environmental practices to existing suppliers</li> </ul>	-	6% of social and environmental screening of total suppliers annually
<b>Chemical Management Policy</b> 	Responsible chemical management practices along supply chain	30% of supply chain to implement chemical management practices	<ul style="list-style-type: none"> <li>Map all the chemical suppliers and introduce chemical management into supply chain (both process and non-process related)</li> <li>Conduct supplier evaluations based on the chemical management performances</li> <li>Provide guidance to ensure the sustainable chemical management practices to existing suppliers</li> </ul>	-	4% of supply chain to implement chemical management practices annually
<b>Relevant SDG and Target</b>	<i>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 minimize their adverse impacts on human health and the environment Indicators</i>				

# DPL Pulse in Action


## Community Engagement

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
<b>Community Relationships</b> 	Uplifting livelihoods and empowering communities	Increase farmer based beneficiaries by 50% through community engagement programs	<ul style="list-style-type: none"> <li>Expand scope and coverage for farmer families &amp; villages through DPL Firstlight</li> <li>Develop new farmer base from areas such as Kegalle and Rathnapura</li> </ul>	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"> <li>Identify and implement need-based CSR activities for the communities around each manufacturing facility</li> </ul>	-	10% increase in CSR beneficiaries
<b>Relevant SDG and Target</b>	<p><i>Target 1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day</i></p> <p><i>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</i></p>				

## Ethical Trade

Targets, actions and KPIs

Policy	Aspiration	Target for 2030	Actions	Baseline Performance (2020/21)	Annual KPI
<b>Customer Management Policy</b> 	Exceed customer expectations through identifying and responding to customer needs	Achieve customer satisfaction levels of 95%	<ul style="list-style-type: none"> <li>Identify areas with gaps and take necessary actions to bridge them in order to meet the sector target.</li> </ul>	80% customer satisfaction rate	Achieve 2% customer satisfaction rate increase annually
		Gradual reduction of customer complaints	<ul style="list-style-type: none"> <li>Take corrective and preventive measures to minimize 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.</li> </ul>	-	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"> <li>Develop the new web site 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.</li> </ul>	-	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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