



ENVIRONMENT, SOCIAL & GOVERNANCE POLICY

H V A Foods PLC.



SEPTEMBER 30, 2024

H V A FOODS PLC

118, Braybrooke Place, Colombo 02, Sri Lanka.

1 Introduction

H V A Foods PLC., as a listed company on the Colombo Stock Exchange (CSE), recognizes its responsibility to operate in a manner that promotes environmental sustainability, social responsibility, and strong governance practices. This Environmental, Social, and Governance (ESG) Sustainability Policy reflects our commitment to these principles.

2 Environmental Sustainability

H V A Foods PLC., is committed to reducing its negative environmental impacts by implementing environmentally responsible practices, conserving natural resources, and minimizing waste. Similarly, we will strive to make a positive impact on the environment through project based initiatives.

- A. **Compliance with Environmental Laws** - We shall comply with all applicable environmental laws, regulations, and standards at the local, national levels.
- B. **Materials & Waste** – H V A Foods PLC. is committed to:
 - a) effectively managing its consumption of materials,
 - b) eliminating waste and rejects through effective quality assurance processes.
 - c) exploring use of alternative materials with a lower carbon footprint
- C. **Energy & Emissions** – H V A Foods PLC. is committed to:
 - a) Investing in energy-efficient technologies
 - b) Implementing practices to reduce our carbon footprint and improve energy efficiency
 - c) shifting to low carbon solutions in sourcing our energy requirements
- D. **Water & Effluents** – H V A Foods PLC. recognizes that Sri Lanka is a water stressed country and is committed to effective management of water through:
 - a) Reducing water withdrawals
 - b) Treating waste water prior to discharging in accordance with the operating license
- E. **Preserving Biodiversity** – H V A Foods PLC recognizes that our operations are located in areas of biodiversity and commit to:
 - a) Understanding and assessing our impacts on biodiversity on land and in water
 - b) Impacts on biodiversity stemming from changes to business model, strategy or business processes
 - c) Steering our business model, strategies and processes to minimize impacts or enhance positive impacts on biodiversity
 - d) Assessing risks to biodiversity along our supply chains and minimizing the same

3 Social Responsibility

- A. **Employee Welfare** - We are committed to providing a safe, inclusive, and fair work environment that promotes the well-being and development of our employees.

- B. **Community Engagement** – H V A Foods PLC., actively engages with the local communities where we operate. We will contribute positively to these communities through outreach programs and support for local development.
- C. **Human Rights** - We respect and uphold human rights, and we will not engage in or support any form of discrimination, forced labor, or child labor.
- D. **Supply Chain Responsibility** - We expect our suppliers and partners to adhere to social responsibility principles that are in line with this policy.

4 Governance Practices

- A. **Board Oversight** - The Board of Directors will provide oversight of our ESG practices, ensuring that they align with our long-term strategy and risk management.
- B. **Accountability and Transparency** – H V A Foods PLC. is committed to maintaining accountability and transparency in all our operations and communications. This includes open and fair disclosure of material ESG information.
- C. **Compliance with Governance Standards** - We will comply with all governance standards and codes that apply to listed companies in the CSE and strive for best practices.

5 Anti-Corruption and Ethics

H V A Foods PLC., has a zero tolerance policy for corruption, and we expect all employees to act ethically and with integrity. The H V A Foods PLC., Anti-Bribery & Corruption Policy provides further guidance in this regard.

6 Review and Amendment

This policy will be reviewed periodically to ensure alignment with changing regulatory requirements and emerging best practices. Amendments may be made when necessary.