



TeaForward 2030

ESG ROADMAP



Mabroc Teas (Pvt) Ltd




mabroc
Teas®

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Executive Summary

The TeaForward 2030 framework represents Mabroc Tea's pioneering response to the sustainability imperative designed in harmony with Hayleys Group's "Lifecode" - an ambitious framework that integrates Environment, Social and Governance related targets and goals into business strategy. This alignment positions Mabroc as a sustainability leader within the Hayleys ecosystem while advancing the Group's vision "To Inspire an Inclusive World and a Thriving Planet".



Environmental

Focuses on climate action, resource use, emissions, and energy efficiency



Social

Emphasizes employee well-being, community impact, diversity and ethical sourcing



Governance

Involves leadership transparency, compliance, reporting integrity, and data protection

ESG STRATEGY CYCLE

This roadmap provides structure, purpose and accountability as we work towards a sustainable and inclusive future.



Tea export regulatory bodies and regulations

Tea exports from Sri Lanka are governed by a comprehensive framework of national regulatory bodies, international standards organizations, importing country regulations, voluntary certification schemes, and trademark protections. The focus on ESG, sustainability and climate action are strongly emerging regulatory trends in the tea export sector.

Sri Lanka Tea Board (SLTB)



Role: Primary regulatory and administrative body for Sri Lankan tea industry

Established: 1976 under Sri Lanka Tea Board Law No. 14 of 1975

Colombo Tea Traders Association (CTTA)



Founded: August 9, 1894

Role: Conducts weekly tea auctions under SLTB delegation

Affiliation: Ceylon Chamber of Commerce

Tea Exporters Association Sri Lanka (TEA)



Incorporated: 1999

Role: Promotes and protects interests of tea exporters

Membership: Leading tea exporting companies

International Organization for Standardization (ISO)



ISO 3720: Minimum quality standards for tea (adopted by Sri Lanka)

ISO 3103: Standardized tea brewing and tasting methodology

ISO/TC 34/SC 8: Technical Committee for Tea Standards

ISO/DIS 20715: Tea classification standards

Codex Alimentarius Commission (CAC)



Established: 1963 by FAO and WHO

Role: International food safety and quality standards

Relevance: Referenced by WTO SPS Agreement

Coverage: Food safety, labelling, contaminants, pesticide residues

Membership: 188 countries including Sri Lanka

Message from Chairman



TeaForward 2030 marks a major milestone in the sustainability journey of the Group's Tea Exports arm, Mabroc Teas Pvt Ltd as it aligns with the ESG aspirations of the Hayleys Group. I take this opportunity to congratulate the Board of Directors of Mabroc Teas Pvt Ltd, the leadership team and all employees for their commitment and courage in embarking on this journey as they seek to embed ESG consciousness across all operations in a holistic manner.

As an organisation that is heavily reliant on an agricultural crop, the implications of climate change and biodiversity loss have a direct and significant impact on the Company's operations. This necessitates a strategic and integrated approach to climate adaptation and environmental preservation in ensuring the long-term sustainability of the business. On the other hand, customer requirements on sustainability are escalating presenting both risks and opportunities to the Company, particularly as it seeks to widen its market presence. Against this backdrop, I applaud the Mabroc Team for taking definitive steps to future-proof its business while committing to equitable value creation.

I invite each and every employee to play their part in fulfilling this collective responsibility.

Mohan Pandithage
Chairman & Chief Executive
Hayleys PLC

Message from Deputy Chairman



Mabroc Teas (Pvt) Ltd is committed to creating long-term value for our stakeholders by integrating Environmental, Social and Governance principles into our core business. We also recognize that responsible corporate citizenship not only strengthens our business resilience but also supports sustainable development in the communities in which we operate.

In light of this, we have conscientiously named our ESG roadmap as
"Tea Forward 2030"

Aligning with Hayleys PLC "Lifecode framework" we continue to be committed to consistent improvement and data driven reporting to inspire and instill an all inclusive world and a thriving planet.

Niran Ranatunga
Deputy Chairman
Mabroc Teas (Pvt) Ltd

Message from Managing Director



At the heart of our TeaForward 2030 vision lies a deep-rooted commitment to building a more sustainable, responsible, and resilient future for the tea industry. I am proud to share this strategic framework that aligns our core business operations with the environmental, social, and governance (ESG) priorities that matter most to our stakeholders.

Over the past decade, the global tea industry has faced growing challenges – climate volatility, changing consumer expectations, ethical sourcing demands, and heightened scrutiny around corporate responsibility. Tea Forward 2030 is our proactive response. It is a roadmap to future-proof our operations, elevate the livelihoods of those in our value chain, and safeguard the natural ecosystems on which our business depends.



Rajeev Samarasinghe
Managing Director
Mabroc Teas (Pvt) Ltd

Scope and Boundary

The TeaForward 2030 ESG Framework of Mabroc Teas (Pvt) Ltd defines its scope and boundary based on the organizational and operational structure of the company.

Legal Entities Covered

The framework applies to the following legal entities:

- 🌿 Mabroc Teas (Pvt) Ltd – Sri Lanka
- 🌿 Mabroc East Africa Limited – Kenya

Operational Boundaries

The ESG framework encompasses all manufacturing, processing, and value adding activities carried out within the legal entities listed above, specifically including:

- 🌿 Cleaning, blending, and packing of teas, flavor teas and herbal teas.

Inclusion of New or Ceased Businesses

New locations, facilities, or business ventures commenced under Mabroc or its subsidiaries are required to comply with the TeaForward 2030 ESG reporting requirements within the same financial year of their commencement. Similarly, cessation of businesses or closure of facilities will be reflected in ESG reporting from the year of discontinuation.

Baseline Year

The baseline year for TeaForward 2030 ESG framework reporting is the financial year 2024/25. All subsequent progress and performance evaluations will be measured against this baseline.

Mabroc ESG Philosophy

TeaForward 2030's philosophy is centered around redefining sustainability in the tea industry. It reflects Mabroc Teas' unwavering commitment to:



Environmental Consciousness

Actively practicing good earth citizenship



Respect for People

Fostering respect, dignity, and growth for all employees and communities



Integrity

Conducting business transparently and ethically

Stakeholder Engagement Cycle

This framework takes a policy-driven, stakeholder-centric approach to address ESG goals across the board. It ensures comprehensive value creation through strategic harmony with corporate values and group level standards



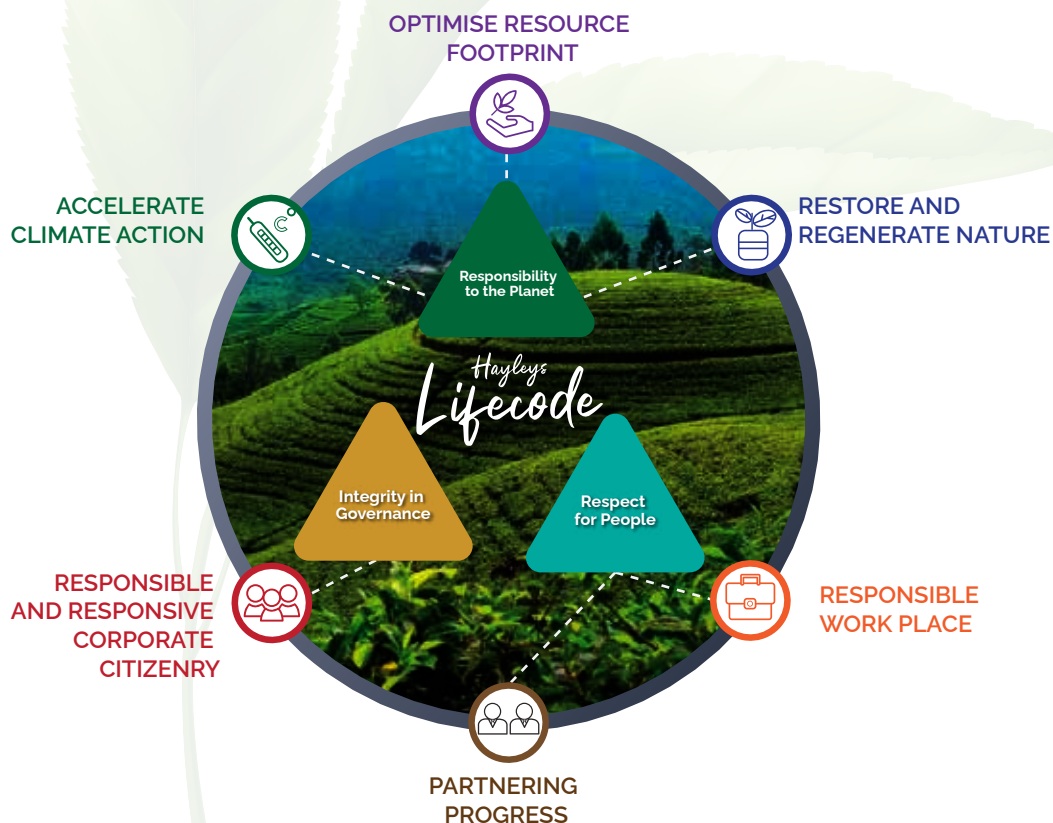
Strategic Alignment with Hayleys Lifecode 2.0

Mabroc Teas' ESG vision is strategically aligned with the parent group's overarching sustainability doctrine the Hayleys Lifecode 2.0. This alignment ensures that all business practices are embedded within a robust, future-focused sustainability framework.

The TeaForward 2030 Pillars mirror the themes defined under Lifecode 2.0, which emphasizes:



This shared foundation promotes synergy in reporting, strategic execution, and long-term value creation across the Hayleys Group.



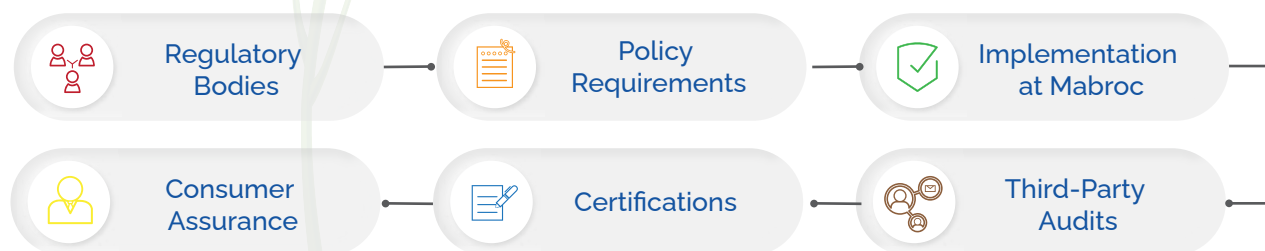
Complying with Global and Local Tea Industry Standards

Mabroc Teas operates within a highly regulated industry governed by both local and global authorities. To maintain ethical, safe and sustainable operations, we adhere to a number of industry regulations and certifications that shape our product quality, traceability, and environmental responsibility.

Key regulatory bodies and frameworks include:

Regulatory Body / Standard	Category	Focus Area
SLTB	National	Licensing, Export Quality
CTTA	National/Trade	Auctions, Trade Ethics
ISO, FSSC, BRCGS	International	Food Safety & Risk Management
GMP & HACCP	International	Manufacturing Quality
Codex Alimentarius	UN/WHO Standard	Consumer Health, Food Safety
Rainforest Alliance	Global Ethical	Fair Wages, Sustainability

These standards not only ensure product quality but also enforce environmental stewardship, fair labour practices, and transparent traceability in the supply chain.



Our ESG Framework at a Glance

The TeaForward 2030 ESG Framework is built around three interdependent pillars – Environmental, Social and Governance – serving as the foundation of Mabroc's sustainability journey.

This framework ensures we align our efforts with:

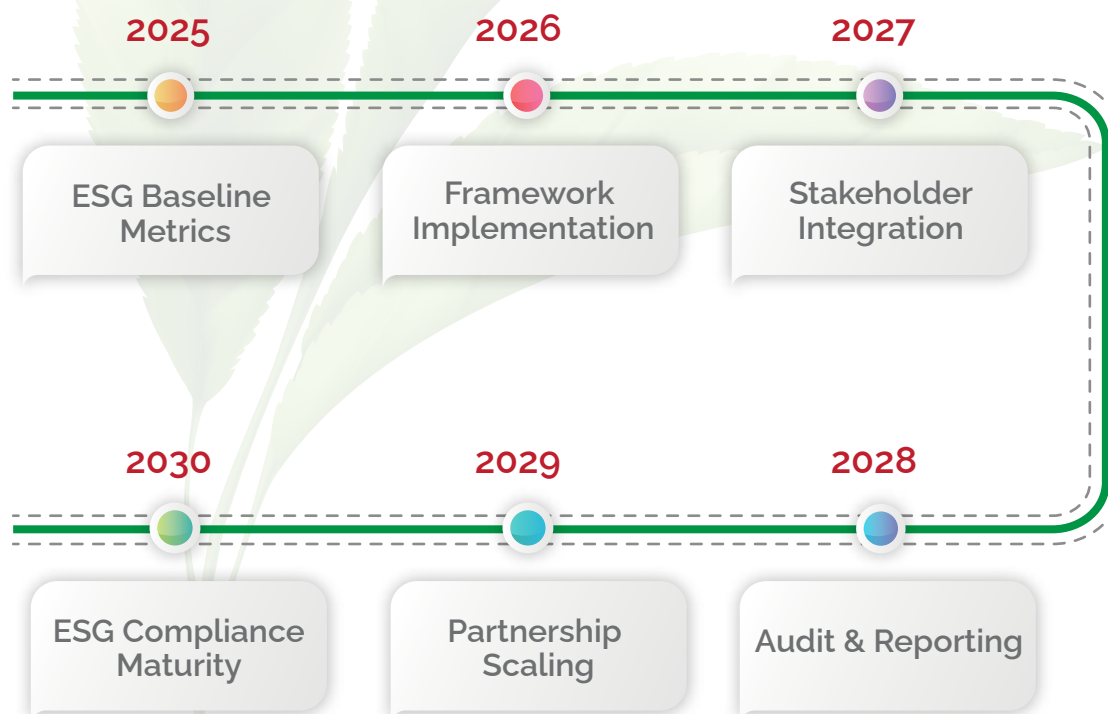
National priorities

Global ESG standards

Industry dynamics and
Stakeholder needs

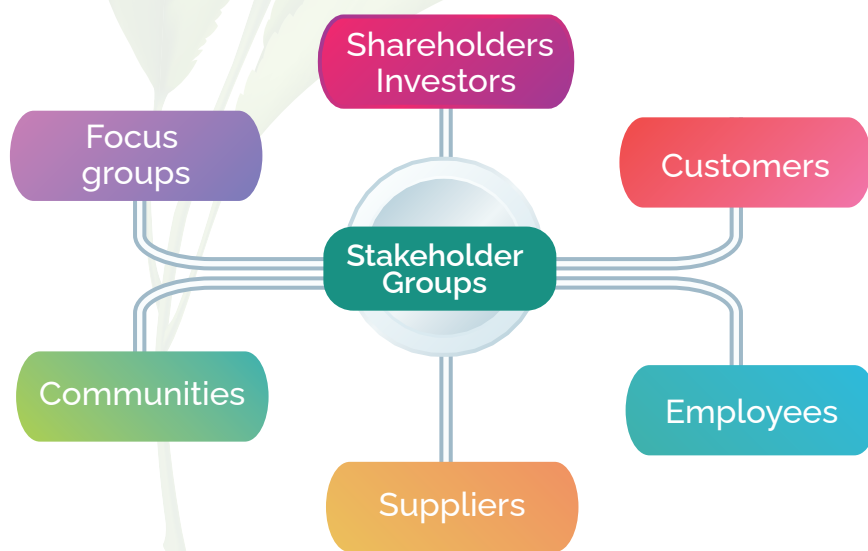
Hayleys Lifecode

The roadmap outlines our strategy from 2025 to 2030, with each year tied to clear objectives and deliverables under each pillar.



Stakeholders in Focus

Mabroc's ESG journey is built on deep stakeholder engagement. We continuously identify, consult and act upon the needs of those who are directly or indirectly impacted by our operations. Our engagement process ensures transparency, responsiveness and alignment with both internal values and global sustainability expectations.



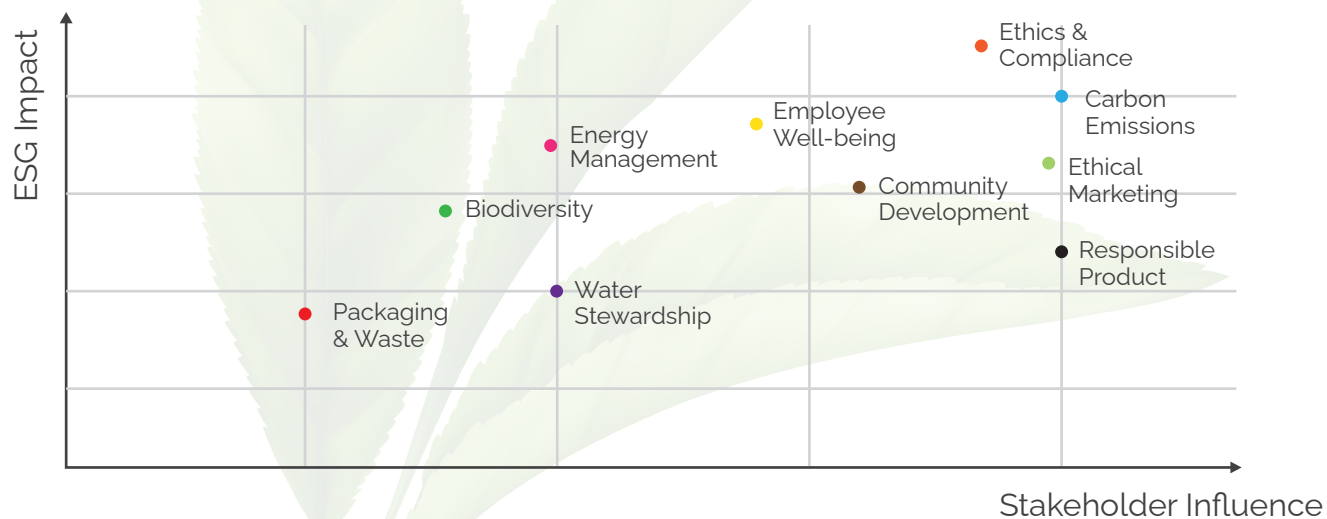
ESG Materiality & Stakeholder Priorities

Mabroc's ESG strategy is shaped by a rigorous materiality assessment process designed to align with stakeholder priorities and industry relevance.

The process involved:

- 🌱 **Internal consultations** with leadership, staff and supply chain actors
- 🌱 **External engagement** with certifiers, trade professional bodies, communities and focus groups
- 🌱 **Industry benchmarking** aligned with global ESG disclosure standards

Through this, we identified critical ESG topics based on their significance to both Mabroc and its stakeholders. The outcome is a Materiality Matrix mapping Stakeholder Influence against ESG Impact.



Suppliers



Employees



Focus groups



Shareholders



Customers



Communities

ESG Priorities That Matter Most




Mabroc's materiality analysis resulted in a clear identification of priority topics under each ESG pillar. These material issues reflect both internal focus and stakeholder expectations, enabling us to direct strategy and reporting with accuracy.

Environmental	Social	Governance
Energy and Emissions	Responsible work place	Ethics & Governance
Material and Waste Management	Health, safety and well-being	Reporting Transparency
Biodiversity	Supplier and customer relationship	Risk Management
Water Stewardship	Community Engagement	Regulatory Compliance



Measuring Where We Stand

Through consolidated understanding of baseline ESG, we measured current performance across:

-  **Environmental**
-  **Social**
-  **Governance** pillars of the business.

These metrics help identify gaps, set realistic benchmarks and drive transparent tracking through to 2030.

ESG Metrics

 Environmental	 Social
<ul style="list-style-type: none"> GHG Emissions Energy Consumption and Intensity Water Consumption and Intensity Biodiversity Preservation Waste Generation	<ul style="list-style-type: none"> Employee Health, Safety and Well-being Training and Capacity Building Responsible Sourcing and Procurement Consumer Satisfaction CSR Projects and Beneficiaries



Key Focus Areas

To steer Mabroc's sustainability vision, we have established key ESG KPIs aligned with international best practices. These indicators allow us to measure performance, ensure accountability, and continuously improve across Environmental, Social, and Governance pillars.

Benchmarks have been set for 2025 and 2030, guiding our transformation and enabling stakeholders to monitor our progress.

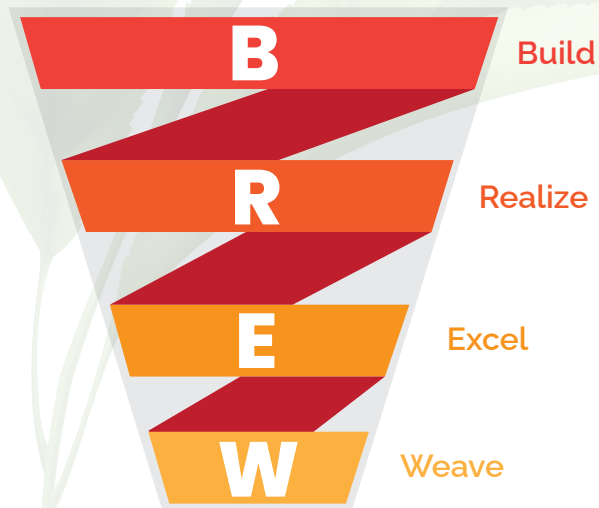


Brewing Sustainable Success

Mabroc's sustainability journey is guided by that BREW highlights a strategic framework that ensures every action we take is intentional, impactful and aligned with our ESG vision. BREW stands for:

- B** - **Build** - Establish strong foundations for ESG integration across departments and value chains.
- R** - **Realize** - Implement measurable actions that deliver environmental and social outcomes.
- E** - **Excel** - Surpass industry standards by fostering innovation and transparency.
- W** - **Weave** - Embed sustainability into the fabric of Mabroc's culture, processes and partnerships.

This four-phase strategy creates a continuous loop of improvement, pushing Mabroc toward long-term excellence and global leadership in sustainable tea.







The BREW model integrates SDGs and GRI standards and aligns with the parent company's Hayleys Lifecode 2.0

Environmental Pillar

Mabroc's Environmental commitment is structured around four key themes:

- 🌿 **Energy and Emissions**
- 🌿 **Material and Waste Management**
- 🌿 **Biodiversity**
- 🌿 **Water Stewardship**

These areas align with national sustainability goals and the Hayleys Lifecode's environmental priorities. Each theme includes short and long-term objectives and actions such as emission tracking, water reuse, zero waste practices and ecosystem restoration.

Pillar	KPI	Baseline performance	2030 Target
Environmental 	Energy and Emissions		
	 Sustainable and renewable energy sources	30% of renewable energy	60% sustainable and renewable energy applications
	 Reduction in energy intensity	Energy intensity 24/25 - 0.686 GJ per USD mn Revenue	30% energy intensity reductions
	 Reduction in absolute carbon footprint (aligning with net-zero by 2050 journey)	Scope 1: 67 tCO ₂ e Scope 2: 178 tCO ₂ e Scope 3: 5942 tCO ₂ e	30% reduction in absolute GHG emissions of scope 1 & 2 by 2030 10% reduction in absolute carbon emissions of scope 3



Material and Waste Management

Value additions on all waste generation

Total waste generated:
195,564 Kg
Waste intensity:
44.81 kg per
USD Mn Revenue

Achieve traceability of all waste categories

25% reduction of waste intensity

40% of solid waste recycled

20% Recyclable, Reusable, or Compostable Packaging

Biodiversity

Biodiversity conservation and preservation relating to our business operations

Currently, an area 5 times the size of the Mabroc premises is used for biodiversity enhancement.

Increase the biodiversity Enhancing program to cover 10 times the built area occupied by company

Water stewardship

Reduction in water intensity through Efficiency improvements

Total water consumption:
4, 111,000 liters
Water intensity:
942 litre per
USD mn Revenue

30% reduction in water intensity

Social Pillar

Mabroc's social responsibility journey focuses on enhancing human capital, ensuring inclusion and equity, and promoting overall well-being. The Social Pillar under TeaForward 2030 encompasses:

- 👤 Responsible work place
- 👤 Health, safety and well-being
- 👤 Supplier and customer relationship
- 👤 Community Engagement



Pillar	KPI	Baseline performance	2030 Target
Social 	Responsible work place		
	👤 Developing a diverse, engaged team	Attrition rates Managerial: 13% Executive: 32% Non-Executive: 31% Baseline year 2024/25	Attrition rates Managerial: 12% Executive: 25% Non-Executive: 25%
	👤 Provide opportunities for continuous learning	10 hours of average training per employee	Each employee to receive an average of 20 training hours per annum
	👤 Create a performance-driven, conducive work culture	100% of employees receive performance Appraisals (Executives)	100% of selected employee categories to receive performance Appraisals (Executives, clerical)
	👤 Building an inclusive and equitable organizational culture	Programme rolled out in 2024/25	All employees to undergo training and awareness on anti-discrimination



Health, safety and well-being

- Ensure the health, safety, and wellbeing of all employees

3 work-related injuries and occupational diseases in 2024/25
No fatalities

Safest workplace with zero significant workplace injuries/ occupational diseases

Procurement

- Propagate good social and Environmental practices across our supply chain

15% screening of total supplier profile.
Baseline to be established following roll out of Responsible Procurement Strategy in 2025/26

Achieve 40% screening of total supplier profile

Customer Management Policy

- Exceed customer expectations identifying and responding to customer needs

Currently conduct systematic satisfaction surveys covering 40% of customers

Customer satisfaction surveys covering 100% of customer base

- Adopt responsible Marketing practices

Baseline to be established in 2025/26

40% of all products and services to include relevant product information, which enables customers to make informed purchasing decisions.

Community Relationships

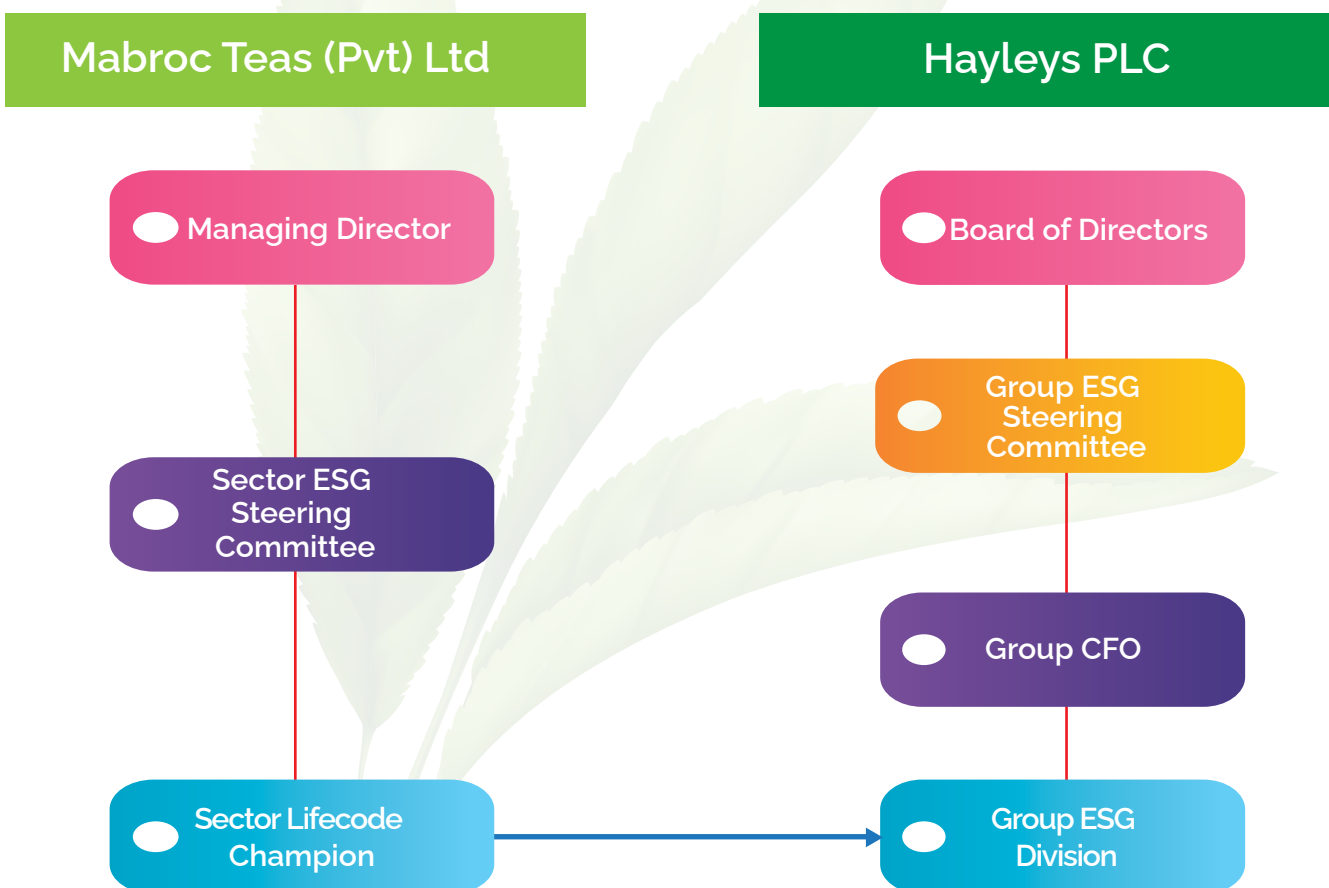
- Uplifting livelihoods and Empowering communities

250 beneficiaries

Increase CSR beneficiaries by 100% by 2030

Governance Pillar

The Board of Directors hold oversight responsibility for implementing the Company's ESG strategy. This is actioned through the Management Committee, headed by the Managing Director. The Mabroc ESG Committee is tasked with supporting the management in this responsibility and oversees the implementation, effective monitoring and reporting of progress against targets while identifying emerging sector level ESG risks and opportunities.



ESG Steering Committee

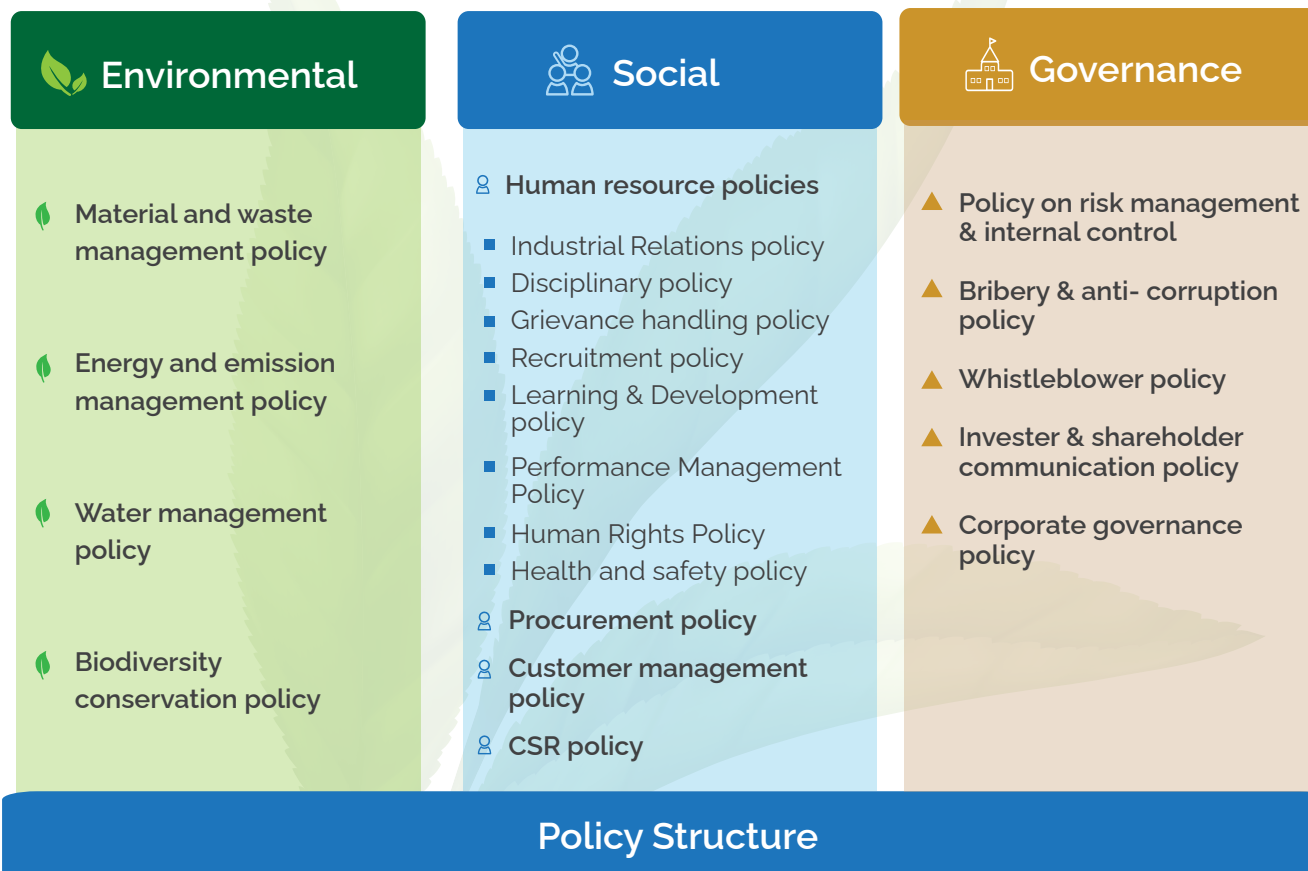
The ESG Steering Committee is headed by the Director/ CFO, who is also a member of the Mabroc Management Committee. It comprises representatives from diverse functions across the company including Finance, Procurement, Human Resources, Quality Assurance, Maintenance, Tea Department, Factory Operations and Marketing. The mandate of the Committee includes the following:

- Provide oversight and monitor the execution of Mabroc's ESG Roadmap -TeaForward 2030 including progress against environmental, social and governance targets in the short, medium and long-term.
- Identify ESG related risks, opportunities and impacts and recommend the implementation of appropriate measures to effectively address these dynamics.
- Review and provide guidance on ESG related policies and programmes required to drive Mabroc's ESG strategy
- Review and approve Mabroc's stakeholder engagement strategy which allows management to identify, understand and respond to stakeholders' legitimate concerns.
- Receive updates quarterly and when required, on ESG matters including progress against targets, key KPIs and strategy implementation.
- Review, approve and make recommendations in respect of sustainability and ESG factors in corporate reporting and external communications.
- Review emerging trends and issues in the ESG areas and assess potential impact on Mabroc.



Policy Structure

The policy structure of TeaForward 2030 is given below aligning with Hayleys Lifecode 2.0.



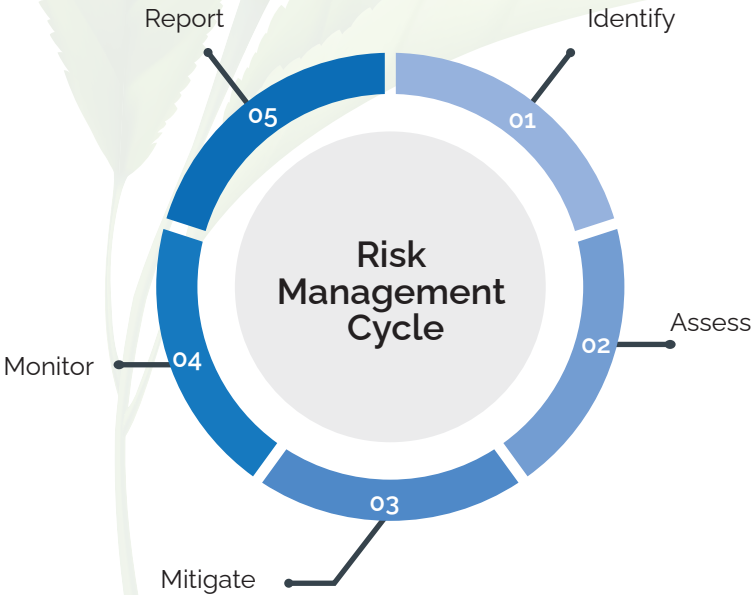
ESG Risk Management Framework

Mabroc's risk management strategy ensures that environmental, social and governance risks are identified early, assessed appropriately and mitigated effectively. This proactive framework aligns with international ESG expectations and internal governance protocols. Key Risk Areas:

Category	Risk Description
Environmental	Climate variability, resource depletion, carbon emissions, biodiversity loss
Social	Labor rights issues, community unrest, health & safety concerns
Governance	Non-compliance, ethical lapses, data security, reporting failures

Mitigation Approach

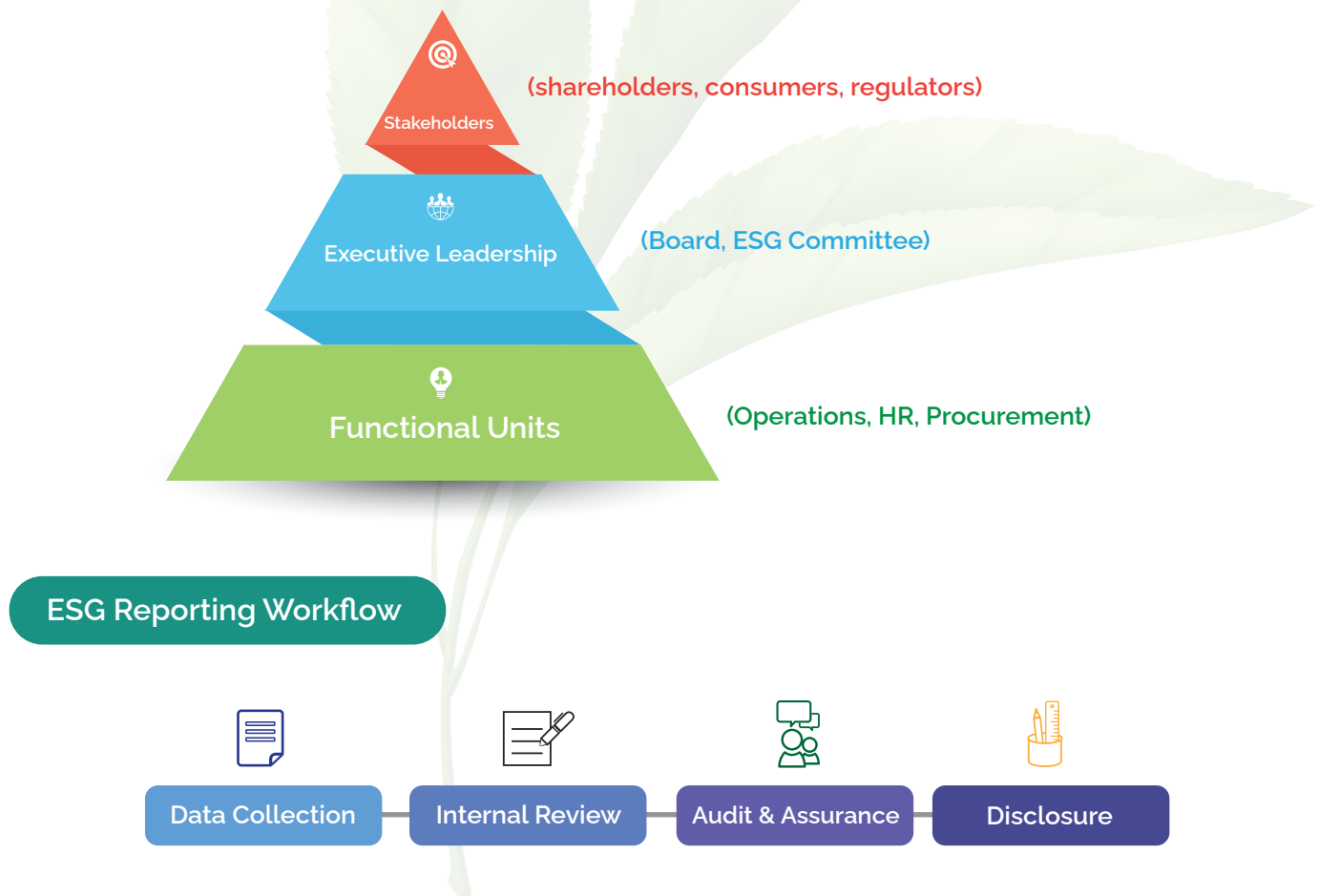
- Regular ESG audits
- Stakeholder risk mapping
- Internal compliance training
- Crisis preparedness drills



ESG Reporting & Audit Framework

Mabroc Teas has instituted a robust ESG reporting system that ensures both internal transparency and external accountability. Reporting is aligned with international standards such as the GRI, ISO, and Hayleys Group policies, ensuring consistency and credibility. Key Components:

- Internal Reporting: Department-level data input, centralized ESG dashboard, monthly review meetings.
- Audit System:
 - Internal ESG Audits (quarterly)
 - Third-party verifications (annually)
 - Gap assessments with compliance action plans



Certifications & ESG Compliance

Mabroc Teas is committed to exceeding regulatory compliance by aligning with globally recognized certifications and standards that validate its sustainability, product safety, ethical sourcing and responsible operations. These certifications serve as a benchmark for excellence and reflect our transparency, quality assurance, and commitment to continuous improvement.

	Certification	Description / Scope
	ISO FSSC, BRCGS	Food safety management systems
	Rainforest Alliance	Sustainable agriculture & ethical sourcing
	HACCP	Hazard analysis & critical control points
	GMP	Good manufacturing practices
	Ceylon Tea Board Standards	National quality and export compliance

Compliance Tracker Diagram



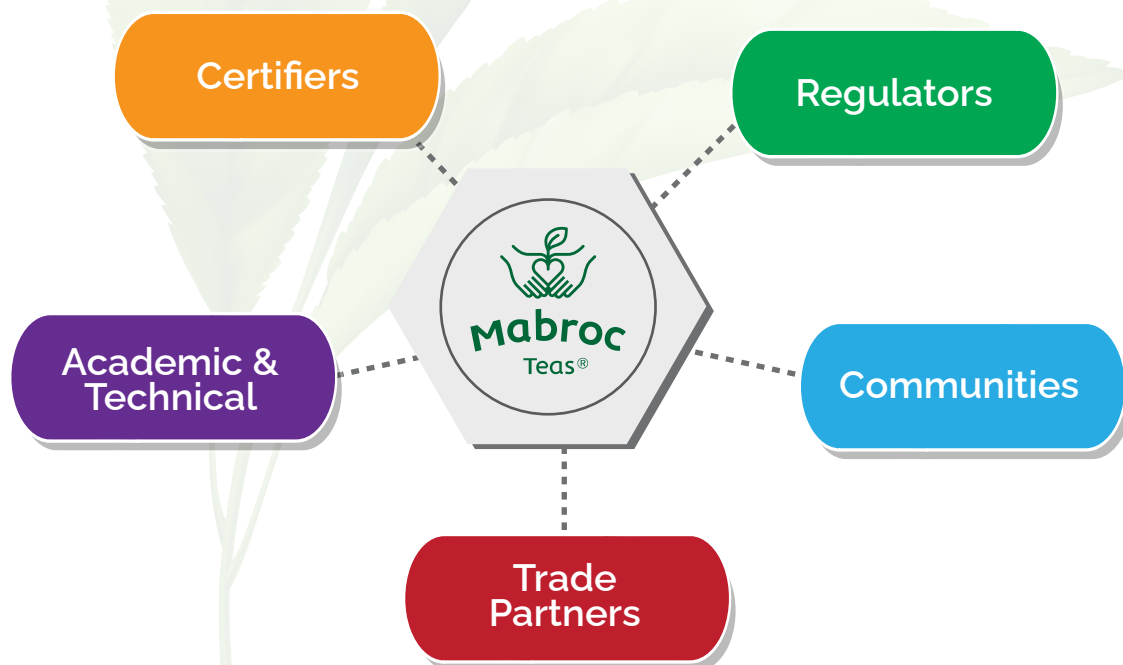
Partnerships & Collaborations

Mabroc's ESG journey is strengthened through long-standing collaborations with a variety of stakeholders across public, private, and international sectors. These partnerships provide access to technical expertise, compliance support, community outreach, and environmental stewardship.

Key partner categories include

- 🌿 Certifying Bodies: Rainforest Alliance, ISO
- 🌿 Regulatory Partners: Sri Lanka Tea Board, Export Development Board, CTTA
- 🌿 Communities: Rural development groups, Women's empowerment collectives
- 🌿 Export & Trade Partners: Global buyers and eco-conscious markets
- 🌿 Academic & Technical Partners: Agricultural universities, research labs

These partnerships reflect our shared vision of creating a resilient, inclusive and sustainable tea industry for Sri Lanka.

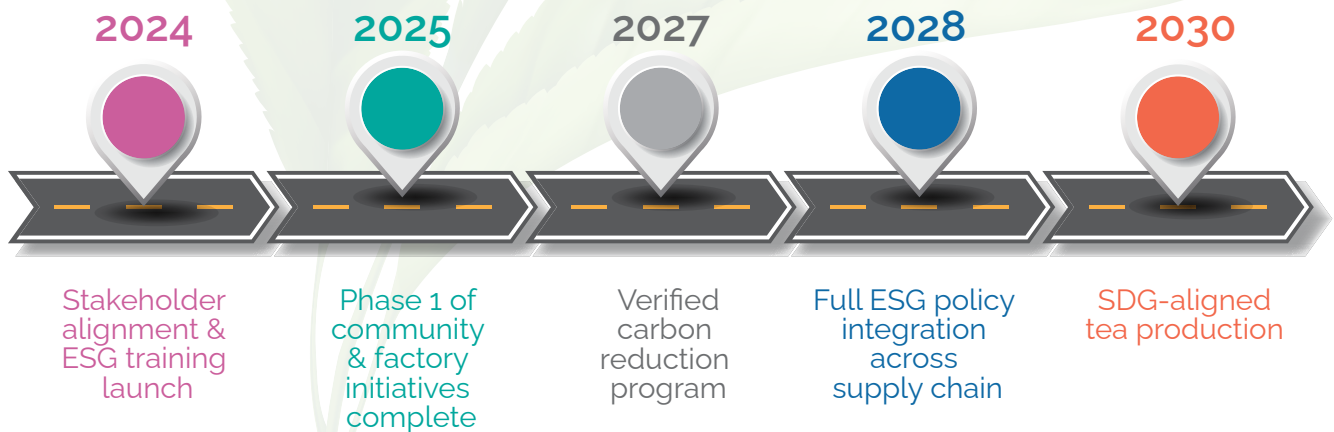


Vision 2030

Mabroc's TeaForward 2030 ESG vision is not just about reaching a destination it is about walking a long, meaningful journey together. It is built on accountability, innovation and integrity. We believe this is something we can only achieve by working hand in hand, which is why we're inviting everyone our employees, partners, communities and consumers to join us in shaping a more responsible future for tea. By 2030, Mabroc aims to:

- 🌱 Be a benchmark in sustainable tea sourcing and production
- 🌱 Fully integrate ESG into strategic decision-making
- 🌱 Foster resilient livelihoods in all supply regions
- 🌱 Maintain transparency through continual reporting and third-party verification

This vision is guided by courage, commitment and our belief in creating value beyond profit.



Glossary of Key ESG Terms

Create a well-organized glossary featuring essential ESG terms used throughout the report. Use alphabetical headings (A–Z) and brief, clear definitions. Include both technical ESG terms and company-specific concepts such as:

Biodiversity	Variety of life in a particular habitat or ecosystem.
BREW	Mabroc's ESG strategy: Build, Realize, Excel, Weave.
Carbon Footprint	Total emissions caused directly/indirectly.
CUBE Metrics	Mabroc's Baseline ESG Data Model.
ESG	Environmental, Social, Governance.
Governance	Corporate accountability and ethical oversight.
HACCP	Food safety protocol.
Lifecode 2.0	Hayleys' sustainability code.
Materiality	Significance of an ESG issue to business and stakeholders.
Rainforest Alliance	Sustainability certification for farms and forests.
Stakeholders	Individuals or groups affected by or affecting a company.
Sustainable Development Goals	UN global goals for 2030.



As Mabroc Teas concludes the publication of its TeaForward 2030 ESG Roadmap, this document serves not only as a strategic blueprint but as a living commitment to accountability, transparency and action. Each goal set forth is a promise to our planet, people and future generations.

We acknowledge that sustainability is not a destination but a dynamic journey. The success of this roadmap depends on continued collaboration, internal ownership, and adaptive innovation across the value chain. We invite all stakeholders, employees, partners, certifiers and customers to walk with us on this journey toward a more sustainable tea industry and a better world.





TeaForward 2030

ESG ROADMAP

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