



## DILMAH BUSINESS CONDUCT AND ETHICS POLICY

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## DILMAH BUSINESS CONDUCT AND ETHICS POLICY

### 1. Introduction

The Board of Directors ('Board') of Dilmah Ceylon Tea Company PLC has adopted the following Business Conduct and Ethics Policy for its Directors, employees and supply partners.

This Policy sets out the standards that reflect our heritage. It explains the standard of conduct expected from everyone who represents Dilmah or any entity within the MJF Group.

### 2. Commitment and Responsibility

We are the champions of "Dilmah Tea" a globally renowned Sri Lankan tea brand, celebrated not only for its exceptional quality but also for its deep-rooted family values. Founded in 1985 by Mr. Merrill J. Fernando. Dilmah was the world's first producer-owned tea brand, breaking away from colonial-era exploitation by ensuring that tea was grown, processed, and packed at its origin in Sri Lanka keeping profits within the country and supporting local communities and protecting environment.

From its humble beginnings to becoming one of the top 10 tea brands globally, Dilmah remains a testament to the power of family-driven values—quality, integrity, and kindness in every cup.

Today, the second and third generations of the Fernando family continue the mission, of our Founder Chairman, ensuring that every aspect of our operations reflects the same founding principle of "Business is a Matter of Human Service".

Accordingly, it is the responsibility of all our employees to follow the principles of Business Ethics as enumerated herein and ensure all their dealings whether within the organization, nationally or internationally, are conducted in accordance with all applicable legal and regulatory requirements and the highest standards of ethical business conduct.

Dilmah's key targets are;

- to ensure 100% of employees are aware of and trained on the key principles of business ethics by 2030.
- Maintain zero confirmed incidents related to corruption and information security annually

Ethical conduct is strengthened when we learn, reflect, and stay informed.

The policy complements the MJF Supply Chain Partner Code of Conduct, which communicates Dilmah's expectations to its supply chain partners.

**Summary: This Policy tells us how to honor the Dilmah name in everything we do.**

### 3. Scope

**If you represent Dilmah, this Policy speaks to you.** It applies to directors, officers, employees, trainees, contractors, consultants, distributors, and all third parties acting on behalf of Dilmah or the MJF Group. It applies wherever we operate from our tea gardens and factories to international offices, cafés, and partner locations.

Our employees are at all times required to act in the best interests of Dilmah. This policy is to assist them in determining the correct course of action when dealing with ethical standards in the performance of their daily working lives. Main suppliers who have a direct contractual relationship with Dilmah and provide significant volumes of essential goods or services are expected to adhere to the guiding principles of the Business Ethics policy. The 'MJF Supply Chain Partner Code of Conduct' is appended as **Annex B**.

All employees are introduced to Dilmah's Business Ethics Policy and other related policies upon joining.

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#### **4. Compliance with Laws, Rules and Regulations**

**Compliance is a reflection of our integrity.**

Operating in multiple jurisdictions requires us to meet diverse legal, regulatory, and industry standards. Compliance is not simply about avoiding penalties; it is about upholding the honesty and reliability associated with the Dilmah name.

Everyone must follow applicable laws relevant to their role from food safety and environmental regulations to labour rules, data protection requirements, consumer protection laws, and trade regulations. Internal controls and audit processes are part of this compliance landscape and must be respected.

Misleading authorities, falsifying information, bypassing required approvals, or concealing facts contradicts our values and exposes Dilmah to unnecessary risk. When uncertain, ask early responsible decisions begin with clarity.

**Summary: Follow the law and our internal standards; when unsure, seek guidance immediately.**

#### **5. Fraud Prevention**

At Dilmah, we strictly prohibit all acts of fraud including but not limited to dishonesty, forgery, theft and the like and behavior. We are committed to transparency and maintain a zero-tolerance approach to fraud in all our business activities.

#### **6. Conflicts of interest**

**Trust is strongest when there is transparency.**

A conflict of interest arises when personal interests influence or appear to influence professional judgment. These situations can arise naturally through family connections, outside work, investments, or even longstanding friendships.

What matters is not the existence of a conflict, but whether it is disclosed and managed appropriately. All potential conflicts must be revealed early to a supervisor or Department Head. This ensures decisions remain fair, impartial, and consistent with Dilmah's interests.

Dilmah expects loyalty not just in sentiment, but in action in the discipline to step back when personal interests interfere with professional duties. Dilmah aims to ensure that all personnel avoid conflicts of interest and promptly disclose any potential or actual conflict.

Examples of situations that may give rise to actual or perceived conflicts of interest are set out in **Annex A** to this Policy.

**Summary: *If a situation could influence your judgment, disclose it without delay.***

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## **7. Corporate Opportunities**

**Opportunities gained through your role belong first to Dilmah.**

In the course of work, individuals may learn about potential collaborations, innovations, market openings, cost efficiencies, or commercial leads that could benefit Dilmah. These opportunities arise because of the role you hold, the information you access, or the relationships you manage on behalf of Dilmah.

Such opportunities must not be diverted, withheld, or pursued personally or on behalf of another party without formal written approval. Using Company resources, relationships, or insights for personal gain damages trust and undermines the fairness the brand stands for.

If you believe an opportunity falls outside Dilmah's scope and wish to explore it personally, seek approval before taking any action. Transparency protects both the individual and the organisation.

**Summary: *Opportunities arising from your role must be offered to Dilmah first.***

## **8. Procurement & Ethical Sourcing**

**How we choose our partners reflects who we are.**

Every supplier we engage whether for ingredients, packaging, logistics, manufacturing support, marketing, or services becomes part of the Dilmah value chain. The integrity of our brand depends on the integrity of those we allow into that chain.

Procurement decisions must be transparent, fair, and based on legitimate considerations such as quality, reliability, pricing, sustainability, ethical standards, and compliance with applicable laws. Personal interests, friendships, or benefits must not influence supplier selection or management.

Suppliers must meet standards consistent with this Policy, including lawful labour practices, respect for human rights, safe working conditions, responsible environmental practices, and honest dealings. Concerns about supplier conduct must be raised early so they can be addressed or escalated.

Ethical sourcing is not an optional principle it is part of the heritage we carry as a brand built on honesty and fairness.

**Summary: *Select and work with suppliers based on integrity, merit, and ethical practice.***

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## **9. Social Media & Public Communications**

**Your voice even in personal settings can reflect on Dilmah.**

Digital communication is immediate and far-reaching. Comments made online, even from personal accounts, can affect public perception of Dilmah. Employees must exercise care, good judgment, and discretion when posting, sharing, or responding to content.

Confidential information must never be disclosed. Internal discussions, financial information, operational details, blends, product concepts, or workplace matters must not be discussed on social media or other public platforms. Personal opinions must not be presented as Dilmah's positions.

Only authorised individuals may communicate on behalf of Dilmah, provide public statements, or engage with media. Even positive or well-intentioned comments can cause confusion if they appear to represent Dilmah's stance.

Thoughtful communication safeguards the trust the brand has earned over generations.

**Summary: Post responsibly and do not disclose confidential information or misrepresent Dilmah.**

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## **10. Environment, Health & Safety**

**Caring for people and the environment is part of our identity.**

Dilmah's connection to the land is fundamental to its purpose. Protecting the environment, conserving resources, and reducing waste are responsibilities shared by everyone in the organisation. Environmental standards must be followed strictly across manufacturing, logistics, estates, office operations, and retail environments.

Health and safety are equally essential. Whether working in a factory, café, estate, warehouse, or office, individuals must follow safety rules, use equipment correctly, report hazards promptly, and support efforts to improve workplace safety. No task is so urgent that it should compromise safety.

Environmental stewardship and workplace safety are expressions of respect for our people, our consumers, our communities, and the land that sustains us.

**Summary: Protect the environment, follow safety rules, and help create a safe workplace.**

## **11. Confidential Information**

**What we know is part of who we are — protect it with care.**

Dilmah's competitive strength lies in its intellectual capital: blends, recipes, manufacturing processes, sourcing strategies, marketing plans, financial information, customer data, and internal decision-making. This information is entrusted to employees for the purpose of supporting Dilmah's work and not for personal sharing, speculation, or careless handling.

Confidential information must only be accessed and used for legitimate business purposes of Dilmah. It must not be disclosed to unauthorised parties, posted online, discussed in public areas, or stored in unsecured locations. This obligation continues even after a person leaves us.

Data protection laws impose additional responsibilities regarding personal information. Collecting, using, sharing, or retaining personal data must comply with all legal and internal requirements. Suspected breaches whether accidental or intentional must be reported immediately.

Dilmah ensures that confidentiality of personal information of employees are protected at all times. Such information shall not be shared with anyone outside Dilmah or even within Dilmah if there is no legal/ethical reason for it. Similarly, any information obtained from a customer or a Supply chain partner is not to be disclosed or shared outside of Dilmah and even then, only with those within Dilmah to whom it pertains.

Dilmah commits to the responsible management and protection of all confidential information and intellectual property belonging to itself, its customers, and other supply chain partners.

Confidentiality is a reflection of professionalism, loyalty, and respect for Dilmah's heritage.

**Summary: Use information only for legitimate purposes and safeguard it at all times.**

## **12. Company Resources**

**Our assets reflect decades of investment — steward them responsibly.**

Company assets include physical property (equipment, inventory, vehicles, tools), digital resources (systems, devices, networks, software), financial assets, intellectual property, and all materials created for Dilmah's operations.

These assets must be used only for authorised business purposes. Misuse includes personal use beyond acceptable boundaries, reckless handling, unauthorised sharing, or allowing equipment or information to be damaged, stolen, or compromised. Carelessness can be as harmful as intentional misuse.

Employees must also support the maintenance of systems designed to protect Company assets such as access controls, passwords, approval processes, and monitoring systems. Asset protection is a shared responsibility that extends across roles and locations.

**Summary: Treat Company assets with the same diligence you expect for your own.**

## **13. Workplace Conduct & Dignity**

**Our workplace must reflect the dignity with which we treat people.**

A respectful workplace does not emerge by accident; it is built through daily interactions that honour each person's worth. Dilmah is committed to an environment where individuals feel safe, valued, and supported. Conduct that demeans, threatens, or disadvantages others including harassment, bullying, discrimination, or retaliation will not be tolerated.

Professionalism extends to the way we speak to colleagues, the way we handle conflict, and the consideration we show in diverse work settings whether in factories, offices, cafés, estates, or distribution environments. Equity and respect are foundational pieces of our culture.

Safety is also part of dignity. Employees must comply with safety protocols, use equipment responsibly, report hazards promptly, and support efforts to create a safe working environment. Everyone shares in maintaining a workplace that reflects the humane-ness at the heart of the Dilmah brand.

**Summary: Treat people with dignity and act responsibly to ensure a safe workplace.**

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## **14. Gifts, Entertainment & Hospitality**

**Relationships matter but they must be grounded in integrity.**

Cultural norms may differ across markets, and gestures of courtesy can play a meaningful role in maintaining relationships. However, gifts, entertainment, or hospitality must never create a sense of obligation or influence business decisions.

Modest, appropriate gestures may be accepted when they align with Company standards and local custom. Anything excessive, unusual, frequent, or unclear in intent must be declared and assessed. Cash or cash-equivalent gifts are strictly prohibited.

Hosting third parties is also subject to the same expectations. Hospitality extended by Dilmah must be reasonable, transparent, and related to legitimate business purposes. Higher-risk situations are governed by the separate Anti-Bribery & Corruption Policy, which must always be followed. Dilmah commits to zero tolerance for bribery, corruption, or any form of unethical inducement in all business activities.

Integrity requires us to maintain relationships that are respectful, honest, and free from improper influence.

**Summary: Keep gestures reasonable, transparent and courtesy must not become influence.**

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## **15. Fair Competition & Fair Dealing**

**We succeed by competing honestly and dealing fairly.**

Dilmah's reputation rests on its authenticity in its products, its pricing, and its relationships. Anti-competitive behavior such as collusion, price fixing, bid-rigging, market allocation, or unlawfully obtaining competitor information is prohibited and contradicts the values that define us.

In dealings with customers, suppliers, business partners, and competitors, individuals must present information truthfully, negotiate in good faith, and make decisions based on legitimate commercial considerations. Manipulating information, creating false impressions, or using confidential information inappropriately undermines trust and exposes Dilmah to significant risk.

## **16. Anti-Money Laundering**

Dilmah strictly prohibits the use of its business for money laundering and is committed to preventing any attempt to conceal the origin, ownership, or destination of illegally or dishonestly obtained funds by disguising them within legitimate economic activities. Dilmah will engage only with legitimate customers and business partners and ensure full compliance with applicable anti-money laundering laws and regulations.

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## **17. Corporate Governance**

**Being a listed company means we carry greater responsibility.**

Dilmah Ceylon Tea Company PLC is listed on the Colombo Stock Exchange, and with this status come clear expectations of transparency, accountability, and disciplined management. Governance is not simply about complying with rules; it is about protecting our integrity as a brand rooted in honesty and fairness.

Directors and officers must act in the best interests of Dilmah and maintain high standards of oversight. Employees must support the governance system by following internal controls, approval processes, delegated authorities, document-retention rules, and reporting requirements set by the Board and its Committees.

Bypassing controls, withholding material information, or disregarding authorised decisions undermines the confidence placed in us by regulators, shareholders, and the public.

Good governance is the framework that keeps us worthy of trust.

**Summary: *Strong governance protects us and everyone plays a role in upholding it.***

## **18. Accurate Records & Financial Integrity**

**Accurate records tell our story — they must be honest and complete.**

Financial accounts, operational data, production records, time logs, invoices, and quality reports must reflect reality. Misstatements, omissions, manipulation, or falsification are strictly prohibited. Decisions across Dilmah from Board strategy to factory operations rely on accurate information.

Internal and external audits require full cooperation and transparency. Supporting documentation must be maintained, approvals must be properly recorded, and information must be shared promptly and truthfully.

Record integrity is not merely an administrative requirement it is part of the governance standard expected of a company listed on the Colombo Stock Exchange and a fundamental expression of our commitment to honesty.

**Summary: *Keep records accurate, complete, and transparent and our governance depends on it.***

## **19. Intellectual Property & Brand Protection**

**The Dilmah brand is more than a trademark — it is a promise.**

Our intellectual property includes the blends, formulations, designs, creative works, packaging innovations, marketing content, trade secrets, and the signature marks that identify the brand across the world. These assets represent decades of experience, care, and trust built with consumers.

Protecting this intellectual property is essential to preserving the integrity of the brand. No employee, contractor, or agent may reproduce, distribute, alter, or authorise external use of Dilmah materials without approval. This includes sharing content on social media, using logos for personal presentations, forwarding internal documents, or creating materials that mimic official branding.

We must also respect the intellectual property rights of others. Using unlicensed materials, copying competitor assets, or reproducing protected works without permission exposes Dilmah to legal risk and compromises our commitment to fairness.

**Summary: *Protect our intellectual property and respect the rights of others.***

## **20. Corporate Social Responsibility & Sustainability**

**Our purpose has always extended beyond profit.**

Dilmah's commitment to the MJF Charitable Foundation and Dilmah Conservation is an extension of our founder's belief that business must enrich lives and respect the environment. These programmes are not separate from our operations; they are integral to who we are.

Every person at Dilmah plays a part in shaping our social and environmental impact. This includes supporting ethical production, reducing waste, conserving resources, ensuring safe working conditions, and acting responsibly in the use of natural materials.

Sustainability and social responsibility are continuing obligations, not campaigns, not slogans and they reflect our belief that commercial success must always be aligned with human and environmental wellbeing.

**Summary: Our work must uplift people and protect the environment that sustains us.**

## **21. Reporting Misconduct**

**Speaking up is a responsibility and not a risk.**

Concerns about misconduct must be raised as early as possible. Misconduct includes breaches of this Policy, unsafe practices, unethical behaviour, harassment, retaliation, fraud, conflicts of interest, confidentiality breaches, regulatory violations, and any action that undermines Dilmah's integrity.

Reports may be made to supervisors, Heads of Department, Head of Compliance, Senior Management, or Directly to the Chairman. Anonymous reporting is also available. What matters is that concerns are raised promptly, honestly, and in good faith.

The separate Whistleblowing Policy provides detailed guidance on reporting options and protections. Every person has a role in ensuring issues are identified and addressed early.

**Summary: If something is wrong raise it. Speaking up protects Dilmah and its people.**

## **22. Non-Retaliation**

**Those who raise concerns in good faith must never face retaliation.**

Retaliation damages trust, weakens compliance, and contradicts our values. Dilmah strictly prohibits any form of retaliation against individuals who report concerns, participate in investigations, or support compliance processes.

Retaliation includes threats, intimidation, exclusion, negative treatment, loss of opportunities, or any behaviour intended to discourage someone from raising concerns. Allegations of retaliation will be investigated seriously, and appropriate action will be taken.

A culture of integrity depends on people feeling safe to speak openly.

**Summary: No one should suffer for doing the right thing and retaliation is prohibited.**

## **23. Ethics Training & Acknowledgement**

**Understanding the Policy is an ongoing responsibility.**

Employees and representatives must participate in ethics training as part of their induction and periodically thereafter. Training helps ensure consistent understanding of this Policy, reinforces good judgment, and supports compliance across diverse roles and geographies.

Everyone must acknowledge that they have read, understood, and agree to comply with this Policy. Additional training or refreshers may be required depending on role, function, or risk exposure. Dilmah aims to build a strong ethical culture through awareness and training.

**Summary: Learn the Policy, understand your responsibilities, and refresh them regularly.**

## **24. Administration & Review**

### **This Policy is a living document and it must evolve with the organisation.**

The Nominations & Governance Committee oversees this Policy, ensuring it remains relevant, effective, and aligned with Dilmah's values, legal obligations, and evolving business environment. MJF Corporate Services Pvt Ltd as the Secretary to Dilmah is responsible for coordinating its implementation, dissemination, training, and updates.

The Board of Directors must approve any material amendments. This Policy supersedes all previous ethics and conducts documents from the date of adoption.

Reviewing and strengthening our standards is part of maintaining the integrity expected of a company listed on the Colombo Stock Exchange and entrusted with a global heritage brand.

**Summary: This Policy is reviewed regularly to ensure it reflects our values and obligations.**

## **25. Review and Version Control**

This Policy will be reviewed at least once every three year, or earlier if required by changes in laws, regulatory guidance, internal risk assessments, or business developments. Any amendments or updates will be prepared by Legal Department.

Responsibility for implementation, monitoring, and follow-up actions will be on all persons to whom the policy applies.

The policy and its updates are communicated internally to all relevant employees and to Dilmah's suppliers during onboarding and will form an integral part of all supplier contracts.

Suppliers are also expected to cascade the core principles to their own subcontractors and partners, ensuring that its principles are applied consistently throughout the wider supply network.

This Policy replaces all earlier versions and related internal guidance.

## **26. Interpretation**

"We" and "ours" "Company" as referred herein shall include all companies of the MJF Group falling under the umbrella of MJF Holdings Limited, which include specifically the main tea manufacturing and distribution arm, "Dilmah Ceylon Tea Company PLC".



**Dilhan C Fernando**  
Chairman

## ANNEX A — Examples of Conflicts of Interest

This Annex provides practical illustrations of situations that may give rise to a conflict of interest. The examples are not exhaustive. Any situation where personal interests could influence — or appear to influence — professional judgment should be disclosed early.

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### A.1 Personal Relationships in Business Decisions

- Participating in supplier selection when a close relative works for or represents one of the bidders.
- Approving invoices or purchase orders issued by a family member or close friend.
- Overseeing performance evaluations for a relative or someone with whom the employee has a personal relationship.

**Summary:** Personal relationships can impact, or appear to impact, objective business judgment and must be disclosed.

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### A.2 Accepting Gifts, Hospitality, or Favours

- Receiving expensive gifts, entertainment, or travel from a supplier or distributor.
- Accepting repeated hospitality during active tendering or negotiations.
- Accepting personal discounts or special access benefits not available to others.

**Summary:** Benefits that go beyond modest courtesy can compromise impartiality and create perceptions of undue influence.

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### A.3 Outside Employment or Business Interests

- Operating a side business that supplies goods or services to Dilmah without disclosure.
- Undertaking paid work with a competitor, retailer, distributor, or café operator.
- Holding investments that could benefit from decisions made in the employee's role.

**Summary:** External businesses or financial interests can conflict with Dilmah's interests and must be declared.

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### A.4 Preferential Treatment & Undue Influence

- Sharing confidential information to support a friend's or relative's business.
- Using Dilmah's name, brand, or assets for personal gain.
- Influencing recruitment, promotion, or vendor selection to favour acquaintances.

**Summary:** Decisions must be fair and merit-based; personal influence or preferential treatment creates conflicts.

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### **A.5 Board, Committee & Governance Roles**

- Serving on the board of an organisation that supplies goods to Dilmah.
- Participating in governance decisions where the individual has personal stakes.
- Holding industry positions that may conflict with Dilmah’s strategic direction.

**Summary:** Governance roles require heightened transparency, and all potential conflicts must be disclosed.

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### **A.6 Procurement & Supply Chain Risks (Tea Industry–Specific)**

- Recommending suppliers, transporters, or manufacturers where the employee has personal ties.
- Accepting commissions, gifts, or special favours from distributors, agents, or café operators.
- Using influence to redirect volumes, pricing, or tender outcomes to benefit a connected party.

**Summary:** Procurement decisions must be transparent and based solely on business merit.

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### **A.7 Use of Confidential Information**

- Sharing pricing, blend formulations, customer data, or strategic plans with external parties.
- Using internal information to support personal investments or business decisions.

**Summary:** Confidential information is a key company asset and must be protected at all times.

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### **A.8 Situations That “Appear” to Be Conflicts**

Conflicts can be actual or perceived. Employees should disclose situations where:

- personal interests overlap with work duties
- personal investments connected to supplier or customer relationships
- actions could be misunderstood by colleagues, partners, or regulators

**Summary:** Perceived conflicts can affect trust; early disclosure protects both the employee and Dilmah.



Annexure B



# Supply Chain Partner Code of Conduct

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## The Founder's Philosophy

### **Kindness at the Heart of Everything We Do...**

The young Sri Lankan who set out to make the world a better tea, became known as the world's Teamaker for the invincible faith and relentless commitment with which he pursued his vision of quality with integrity. Merrill J. Fernando was born to a simple, rural Sri Lankan family and overcame his modest circumstances by taking his beloved tea to the world with kindness to people and nature. He was the first tea grower to offer tea grown and ethically crafted at source, right where it is grown, to tea drinkers around the world. He named his tea after his sons and travelled the world inviting people to, "do try it!". His success gave hope to artisans and producers around the world and as God blessed him with success, he fulfilled his promise of kindness.

Dilmah was formed on a foundation of Quality and Integrity, framed in ethical Purpose. In acknowledging the enduring connection that every business has with people and nature, and the irrevocable obligation of every person or institution to work towards addressing inequality, climate and other threats, he advocated a philosophy of kindness that has greater resonance today than it did when it was first conceived, 75 years ago.

He believed that every business should serve humanity. He did not have the opportunity to pursue higher education and his greatest influence in life and business were the family values his mother Lucy imparted. For 35 years he fought with invincible faith, courage and commitment against a post-colonial system that threatened to crush his dream. In 1985 he achieved the first step with the launch of the world's first genuinely ethical, producer-owned tea brand.

The impact we have achieved through the work of the MJF Foundation and Dilmah Conservation demonstrates how truly ethical and sustainable businesses can deliver transformational humanitarian and environmental impact. Merrill J. Fernando required that a minimum 15% of the pre-tax profits of his companies are directed to support his promise of kindness to people and nature. These initiatives are funded by Dilmah, Resplendent Ceylon and the group of companies formed by Merrill J. Fernando, including Forbes & Walker, Dilmah Ceylon Cinnamon Company, Ceylon Spice Company, Timber Concepts, Package Care and Kahawatte Plantations.

At the time of his passing, his Dilmah Tea had touched the lives of millions through the education, entrepreneurship development, nutrition, care for people with disability, and other projects of his MJF Charitable Foundation, and the environmental impact of Dilmah Conservation. His legacy lives on, stewarded by his generations.





## Message from the Chairman, Dilmah Ceylon Tea Company PLC.

Our promise of Taste, Goodness and Purpose is defined by my father's uncompromising commitment to Quality and Integrity. Those principles are more important now than ever before as we manage volatility and confront social, economic, health and other challenges. This Supply Chain Partner Code of Conduct is intended to share our values with our most significant supply chain partners as we collaborate towards the achievement of the principles outlined above.

This initiative will also support smaller supply chain partners who have the commitment to improve and need our guidance and support.

Dilmah is amongst the most visible aspects of Sri Lanka around the world; this is not a boast, but a responsibility that we take seriously. Underpinned by the philosophy of our Founder, we believe that sustainability, quality and kindness are key elements of the resilience of our business. That demands that we do not act in isolation but seek to work in concert with our supply chain partners, to strengthen their resilience, while also delivering benefit to Sri Lanka. No business can survive in isolation, and this Code of Conduct is intended therefore to strengthen the supply chain partners who form an important part of our brand ecosystem which spans our environment and its influence on the quality of our teas, our customers, our supply chain partners, our team and our business.

Thank you for partnering with us.



Dilhan C. Fernando

### **Purpose of the Document:**

Supply Chain Partner Code of Conduct for MJF Holdings serves as a guiding document that outlines the principles and values that our supply chain partners are expected to uphold. It sets forth the ethical standards and practices that are crucial to ensuring the integrity, quality, sustainability, and responsible sourcing for our entire product range. This code of conduct reflects our commitment to fostering strong partnerships with our supply chain partners and building trust among our end consumers.

### **Building Trust for End Consumers:**

At MJF Holdings, we recognize that trust is the cornerstone of any successful business. We understand that today's consumers are not only concerned about the quality of their products, but also about the ethical and sustainable practices that go into sourcing them. By adhering to a robust Supply Chain Partner Code of Conduct, we aim to provide our consumers with the assurance that our products are produced in an ethical and responsible manner.

Our code of conduct establishes clear guidelines regarding labour standards, environmental protection, responsible sourcing of ingredients, and fair business practices. It ensures that our supply chain partners operate with transparency, integrity, and respect for human rights. By maintaining high ethical standards throughout our supply chain, we create a chain of trust that extends from our supply chain partners to our end consumers.

## Understanding the Interconnectedness:

Supply chain partners and consumers are interconnected in a symbiotic relationship that forms the foundation of our business. Our supply chain partners play a vital role in the creation of our products, providing us with the raw materials and resources necessary for our products to reach the hands of our valued consumers. Recognizing this interconnectedness, we strive to create a supply chain that benefits all stakeholders involved.

By aligning our supply chain partners with the principles outlined in the Code of Conduct, we ensure that their practices are in harmony with our values, fostering a sense of shared responsibility. This collaboration allows us to maintain the highest standards of quality and integrity throughout our supply chain, ultimately benefiting both our supply chain partners and our end consumers.

In conclusion, Supply Chain Partner Code of Conduct for MJF Holdings establishes a framework of principles and values that guide our supply chain partners' ethical conduct. By upholding these standards, we build trust among our end consumers, assuring them that our products are sourced and produced responsibly. Through the vision of our Founder and the recognition of the interconnectedness between supply chain partners and consumers, we strive to be a catalyst for positive change that positively impacts all stakeholders involved.



### Our Expectations:

MJF Holdings acknowledges the importance of conducting business operations responsibly across its supply chain. This responsibility extends beyond MJF Holdings's own operations and encompasses its supply chain partners. MJF Holdings Supply Chain Partner Code of Conduct is designed to guide and inform supply chain partners about our expectations for compliance.

MJF Holdings strives to collaborate with and motivate its supply chain partners and service providers to uphold the principles outlined in this code and to implement similar codes within their own organizations. The Supply Chain Partner Code of Conduct establishes the minimum standards we anticipate from our supply chain partners, aligning with internationally recognized benchmarks such as the Ethical Trading Initiatives (ETI) code.

MJF Holdings holds the expectation that all our supply chain partners comply with the code and actively promote ongoing improvement in their business operations. This entails sharing our responsible sourcing standards with their own supply chain partners and consistently enhancing their processes.

# Supply Chain Partner Code of Conduct

## Supply Chain 7 Principles

### 01 Legal and Compliance Requirements

Business is conducted lawfully and with integrity



### 02 Business Ethics and Integrity

Guided by values, upholding trust: our commitment to business ethics and integrity.



### 03 Human Rights and Labor Standards

Fundamental human rights are respected with adhering to labour standards



### 04 Quality, Food Safety and Supply Chain Security Management Systems

Safeguarding excellence: From field to cup, ensuring quality and consumer trust



### 05 Sustainable Innovations in Field Practices, Manufacturing, Packaging & Distribution.

Industry innovation and Infrastructure



### 06 Health and Safety

Workers' health and safety are protected complying to health & safety standards



### 07 Environment and Sustainability

The planet is protected & resources are managed in a sustainable and circular way (energy, water, material waste)



# 01. Legal and Compliance Requirements

Supply chain partners shall require to comply with all relevant laws, regulations, contractual agreements, and recognized standards and best practices.

Supply chain partners should be duly organised, validly existing, in good standing and qualified to do business under Applicable Laws in any jurisdiction in which it is formed and operates.

Supply chain partners should procure and maintain all requisite licenses, approvals, permits, corporate power and authority to own and operate its assets, carry on its business.

Supply chain partners should not be identified by any government or legal authority with whom dealings and transactions by supply chain partners as restricted or prohibited pursuant to United Nations, regional or national trade or financial sanctions and shall immediately notify MJF Holdings in the events supply chain partner is designation as Restricted Person as afforested.



## 02. Business Ethics and Integrity

### 2.1 Ethical Business Practices:

To fulfil their social responsibilities, supply chain partners are required to conduct their business in an ethical manner and exhibit integrity throughout their operations including ethical sourcing of raw material.

MJF Holdings expects supply chain partners to operate in complete adherence to all relevant local laws, as well as internationally recognized laws, rules, and regulations concerning worker welfare, health and safety, and environmental compliance.

Supply chain partners' facilities must possess all necessary business licenses and certificates as mandated by applicable laws. It is recommended to appoint a designated management representative responsible for monitoring and ensuring compliance with these requirements.

MJF Holdings Business Ethics Policy is available in the website [dilmahtea.com/privacy-and-terms/dilmah-business-ethics-policy](https://dilmahtea.com/privacy-and-terms/dilmah-business-ethics-policy)



## 2.2 Anti-corruption and Anti-bribery:

Supply chain partners are strictly prohibited from engaging in or tolerating any form of bribery, corruption, extortion, or embezzlement. They are expected to uphold high ethical standards and must refrain from offering or accepting bribes or any other unlawful incentives in their dealings with business partners.

MJF Holdings Anti Bribery and Corruption policy is published in [dilmahtea.com/privacy-and-terms/dilmah-anti-bribery-policy](https://dilmahtea.com/privacy-and-terms/dilmah-anti-bribery-policy)



## 2.3 Business and financial Records:

Both the supply chain partner and MJF Holdings are required to maintain accurate records of all matters pertaining to the supply chain partner's business relationship with MJF Holdings. It is essential that precise books, records, and accounts are maintained in accordance with applicable legal and regulatory requirements. This ensures transparency, accountability, and compliance with the necessary standards.

## 2.4 Confidential Reporting:

Supply chain partner shall have access to a transparent system in place for confidentially reporting and dealing with unethical business ethics without fear of reprisals towards the reporter.

## 2.5 Business Ethics Policy:

Supply chain partner shall develop a business ethics policy covering bribery, corruption, or any type of fraudulent business practice.

## 2.6 Awareness of Ethical Practices:

Supply chain partner shall ensure that the staff whose job roles carry a higher level of risk in the area of ethical business practices such as logistics, purchasing and sales etc are trained on what actions to take in the event of an issue arising in their areas.



## 03. Human Rights and Labor Standards

Supply chain partners are expected to prioritize the protection of human rights and treat their employees with dignity and respect. They shall adhere to the National Labour Regulations, key requirements in global Modern Slavery Acts and the international conventions that promote and safeguard human rights, such as the Universal Declaration of Human Right and best practices adopted by the International Labour Organization (ILO).

### 3.1 Human Rights Policy:

Supply chain partner shall have a policy, endorsed at the highest level , covering human rights impacts and issues and ensure it is communicated to all appropriate parties including its own supply chain partners .



### 3.2 Employment is Freely Chosen:

Supply chain partners are expected to ensure that there is no forced, bonded, or involuntary prison labor within their operations. Workers shall not be required to deposit their identity papers or any other personal belongings with the company, and they shall be free to leave the company after providing reasonable notice. Employment shall be voluntary, and employees shall have the freedom to terminate their employment in accordance with established laws, regulations, and rules.



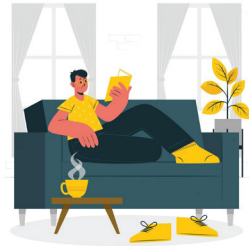
### 3.3 Freedom of Association:

Supply chain partners are expected to respect the rights of workers to associate freely and communicate openly with management regarding working conditions, without fear of harassment, intimidation, penalties, interference, or reprisals.

### 3.4 Living Accommodation:

Supply chain partners shall ensure that working conditions are safe and hygienic. This includes providing access to clean toilet facilities, potable water, and sanitary facilities for food storage. If accommodation is provided, it must be clean, safe, and capable of meeting the basic needs of the residents.

By complying with these standards, supply chain partners contribute to maintaining a safe, fair, and respectful working environment for their employees.



### 3.5 Children & Young Workers:

Supply chain partners within the supply chain shall comply with relevant labor laws to ensure that underage labor is not utilized in the production or distribution of goods and services.

To prevent the recruitment of child labor, supply chain partners are responsible for maintaining legally accepted age verification records. These records shall include the date of hire for each worker and copies of age verification documentation. This practice helps confirm that workers have reached the legal working age at the time of their employment, thereby promoting the eradication of child labor and upholding the rights of children.

### 3.6 Wages:

Supply chain partners within the supply chain are expected to ensure that workers receive lawful wages, including appropriate compensation for overtime work. It is essential for supply chain partners to effectively communicate wage and payment practices to workers, ensuring their clear understanding of these practices. This transparency fosters a fair and equitable work environment, where workers are knowledgeable about their wages and can advocate for their rights. By upholding these standards, supply chain partners contribute to promoting fair compensation and supporting the well-being of workers.

### 3.7 Working Hours:

Supply chain partners are expected to adhere to working hour regulations and ensure that rest breaks provided to workers comply with the legal requirements and national laws of the respective country. Additionally, supply chain partners shall maintain comprehensive time attendance records for each worker for a minimum of 12 months, or for a longer duration if mandated by law. It is crucial that overtime work is voluntary and not forced upon workers. supply chain partners shall respect the rights of workers to freely choose whether to work overtime, in line with applicable labor laws and regulations. Upholding these standards supports a healthy work-life balance, promotes worker well-being, and ensures compliance with labor regulations.

### 3.8 Non-Discrimination:

Supply chain partners shall treat all workers with dignity and respect, without discrimination. Employment decisions shall be based on objective criteria such as education, training, demonstrated skills, and job performance. Supply chain partners shall not base employment decisions on individual characteristics such as race, caste, social background, ethnicity, religion, national origin, age, gender, marital status, pregnancy, or any other protected characteristic. Upholding these principles ensures a fair and inclusive work environment, fostering equal opportunities for all workers.

### 3.9 Regular Employment:

Work performed within the supply chain should, to the greatest extent possible, be based on a recognized employment relationship that conforms to national laws and practices. This means that supply chain partners shall establish employment relationships in accordance with applicable legal requirements and established practices in the respective country. By doing so, supply chain partners ensure that workers are afforded the rights and protections granted under national labor laws, promoting fair and legal employment practices.

### 3.10 Discipline & Grievance:

Supply chain partners are also expected to establish fair and humane processes for addressing workers who do not meet the established standards. This means that physical abuse or discipline, threats of physical abuse, sexual or other forms of harassment, verbal abuse, or any other forms of intimidation must be strictly prohibited.

Furthermore, supply chain partners shall maintain multiple grievance mechanisms to provide workers with confidential means to raise grievances. These mechanisms can include options such as a confidential suggestion box, a hotline, email channels, or meetings between workers and management. These mechanisms ensure that workers have accessible and confidential avenues to voice their concerns and seek resolution for any grievances they may have.

### 3.11 Complying to Modern Slavery Acts' Concerns

Supply chain partners are expected to comply with the key conditions in global Modern Slavery Acts by preventing and addressing modern slavery, human trafficking, and forced labor in their operations and supply chains.



## 04. Quality, Food Safety and Supply Chain Security Management Systems

### 4.1 Quality and Food Safety Standards:

It is expected that supply chain partners shall implement a quality and food safety management system, preferably based on an internationally recognized manufacturing / packaging/ distribution standards endorsed by the Global Food Safety Initiative (GFSI). Suppliers who supply agricultural raw materials are expected to practice Good Agricultural Practices recommended by relevant authorities and recommend to implement globally recognized sustainability certification systems. This requirement ensures that proper measures are in place to uphold quality and safety standards throughout the supply chain process.

MJF Holdings recommends that supply chain partners' quality and food safety management and sustainability certifications be certified by an independent third-party certification body. Supply chain partners are expected to comply with approved quality standards, regulations, and agreed-upon quality requirements including timely delivery set by MJF Holdings. This ensures the consistency of our engagement while fulfilling MJF Holdings's needs and performance expectations. Supply chain partners are expected to promptly address any issue that could potentially impact the quality of MJF Holdings products. Additionally, supply chain partners must notify MJF Holdings of any changes to the manufacturing or supply or distribution process that may affect the specifications of the goods provided.

## 4.2 Training and Competency:

Supply chain partners are expected to implement suitable training initiatives to ensure that their employees possess the necessary knowledge and understanding of the Supply Chain Partner Code of Conduct, relevant laws and regulations, and applicable standards. This training is essential to foster compliance and ensure that employees are well-informed about their responsibilities and obligations.

## 4.3 Security Standards:

Supply chain partners shall have good security practices and standards across their supply chains. Supply chain partners shall assure the integrity of each delivery to or from MJF GROUP. Supply chain partners shall implement the necessary standards in their area of responsibility to ensure that MJF GROUP materials or rejected materials as well as machine and products waste do not end up in the hands of counterfeiters or other unauthorized third parties.

Supply chain partners shall ensure that there shall not be any tampering, infiltration, damage or negligent handling of products and services.

Supply chain partners shall promptly analyze the relationship with their third-party service providers for potential actions of counterfeit products. MJF GROUP expects supply chain partners to support the investigation and prosecution of any activities connected with counterfeit products.

## 4.4 Protecting Information:

MJF GROUP holds the expectation that supply chain partners shall diligently safeguard confidential information pertaining to MJF GROUP and its business operations. Supply chain partners who have been granted access to such confidential information should refrain from sharing it with any unauthorized individuals, unless explicitly authorized by MJF GROUP.

Supply chain partners are also required to demonstrate respect for the Intellectual property rights of others and take appropriate measures to protect the information entrusted to them by third parties.

Supply chain partners shall ensure that any personal information and data acquired provided or disclosed by MJF Group is protected and reasonable physical, electronic, technical and management practices are adopted to protect the confidentiality, security and integrity of data stored on supply chain partners system.



## 05. Sustainable Innovations in Field Practices, Manufacturing, Packaging & Distribution

Supply chain partners are expected to implement a plan for Substitutability assurance program related to scope of the operation that aligns with MJF Holdings commitment to delivering sustainable products to the market.

MJF Holdings strongly encourages supply chain partners to actively develop and introduce sustainable and innovative solutions for products/ practices/ services for generating collective impact on our supply chain sustainability.



## 06. Health and Safety

It is expected that all our supply chain partners shall prioritize the provision of a safe and healthy workplace, in compliance with relevant safety and health laws, regulations, and internal requirements. Supply chain partners shall take necessary measures to ensure the health and safety of their employees, contractors, visitors, and any individuals in the community who may be affected by their business operations. By doing so, supply chain partners demonstrate their commitment to maintaining a secure working environment and fulfilling their responsibility towards the well-being of all stakeholders involved

### 6.1 Health & Safety Training:

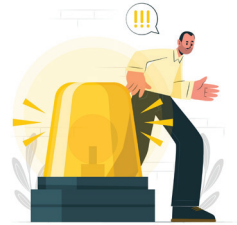
Supply chain partners are responsible for ensuring that workers receive regular health and safety training. This training shall be provided periodically to both existing and new workers, including re-assigned workers . It is essential that the training covers various aspects such as the proper use of personal protective equipment (PPE), safe operation of machinery, waste disposal protocols, and proper handling of operating equipment. Additionally, it is crucial for all workers to be knowledgeable and well-informed about fire prevention procedures. By providing comprehensive health and safety training, supply chain partners contribute to creating a safe work environment and mitigating risks for all workers.

## 6.2 Emergency & Fire Safety:

Supply chain partners shall comply with all applicable laws regarding fire safety and take measure to plan for emergencies and prevent injuries and accidents.

Supply chain partners shall maintain all valid and legally required fire safety certificates, licenses, and inspections as applicable.

Emergency evacuation drills shall be performed regularly on all shifts, floors and buildings and are recorded as applicable. Worker team and other staff trained at a regular interval in fire safety specially to use firefighting equipment.



## 6.3 Machinery & Site Vehicles

Supply chain partner shall ensure that machinery and vehicles are in safe condition for operation in view of minimizing injury to workers and damage to property and product.

Supply chain partner shall comply with all laws regarding machine, site vehicles and equipment are inspected and maintained on a regular basis with records kept Machine operators shall be trained to operate and maintain equipment and machinery and site vehicles as applicable.

## 6.4 Compliance with Laws and Regulations:

Supply chain partners shall comply with all applicable local, regional, and national health and safety laws, regulations, and standards.

## 6.5 Occupational Health and Safety Policy:

Supply chain partners shall establish and implement comprehensive occupational health and safety policies that prioritize the well-being and safety of their employees.

## 6.6 Hazard Identification and Risk Assessment:

Supply chain partners are expected to conduct regular assessments to identify potential hazards in their operations and assess associated risks. Measures should be implemented to control and mitigate these risks.



## 6.7 Protective Equipment and Safety Measures:

Supply chain partners shall provide appropriate personal protective equipment (PPE) to employees based on job requirements. They should also ensure that safety measures, such as machine guards, ventilation systems, and fire prevention equipment, are in place and properly maintained.



## 6.8 Incident Reporting and Investigation:

Supply chain partners shall establish a process for reporting and investigating accidents, incidents, near misses, and work-related illnesses. Lessons learned should be shared and used to prevent future occurrences.

## 6.9 Health and Hygiene Facilities:

Supply chain partners shall provide a safe and hygienic working environment bearing in mind the prevailing knowledge of the industry and of any specific hazards. Access to clean toilet facilities and to potable water and if appropriate, sanitary facilities for food storage shall be provided .



## 6.10 Chemical and Hazardous Substances Management:

Supply chain partners shall properly handle, store, and dispose of chemicals and hazardous substances in accordance with applicable laws and industry best practices. Material Safety Data Sheets (MSDS) should be readily available.

## 07. Environment and Sustainability

Supply chain partners are anticipated to actively support and communicate their strategies for environmental protection, natural resource conservation, and minimizing the impact of their production, products, and services across the entire life cycle.

It is expected from our supply chain partners to establish an environmental policy, determine the environmental aspects that have or can have a significant impact on the environment, establish objectives and targets, provide resources and training, establish operational controls, emergency preparedness and response, identify monitoring and measuring methods, evaluate compliance and take corrective and preventive actions.

### 7.1 Reduction of Energy Consumption and Greenhouse Gas Emissions:

Supply chain partners are expected to implement an energy reduction strategy that encompasses increasing their utilization of renewable energy sources. This measure is intended to support MJF Holdings overarching objective of reducing greenhouse gas emissions throughout the entire supply chain.

## 7.2 Waste Elimination and Reduction:

Supply chain partners shall prioritize the proper disposal of waste and take measures to prevent workers from being exposed to chemical hazards. It is important to ensure that hazardous waste materials are not stored in proximity to work areas, worker accommodations, or food storage facilities.

Supply chain partners are requested to establish a comprehensive system to identify all forms of hazardous waste. The system shall involve assessing the safety risks and environmental impacts associated with each type of hazardous waste. Furthermore, supply chain partners are expected to develop proper procedures for the safe handling, storage, transportation, and disposal of hazardous waste. Adequate training shall be provided to workers to ensure their understanding and compliance with these procedures.

## 7.3 MJF Code for Sustainable Agriculture

Supply chain partners engaged in agriculture are expected to adhere to the best practices outlined in MJF Code for Sustainable Agriculture, which will be communicated as applicable through awareness, training, and verification measures.



# Supply Chain Partner Code of Conduct Implementation

MJF Holdings is dedicated to working collaboratively with its Supply chain partners to address non-conformances and drive improvements. This includes identifying appropriate actions, providing guidance and training to support Supply chain partners in meeting the required standards. Throughout this process, MJF Holdings is committed to fair and transparent interactions, respecting the business rights of its Supply chain partners.

To ensure the effectiveness of the Code, MJF Holdings shall actively monitor and review its implementation. This shall involve seeking feedback from Supply chain partners, considering the results of Supply chain partner monitoring and audits, and addressing emerging issues that may arise.



# Supply Chain Partner Code of Conduct

## Supply Chain Partner Commitment

MJF Holdings Supply Chain Partner Code of Conduct establishes a minimum standard of best practices. By agreeing to this code, the supply chain partner commits to complying with its principles. This can be achieved by either adopting this Code of Conduct directly or ensuring that the supply chain partner's own code of conduct and current sustainability practices align with the principles outlined in MJF Holdings Supply Chain Partner Code of Conduct.

The supply chain partner is responsible for taking necessary actions to communicate and enforce the principles of MJF Holdings's Supply Chain Partner Code of Conduct among its own supply chain partners and subcontractors who are involved in business with MJF Holdings.

Upon signing this Supply Chain Partner Code of Conduct, the supply chain partner acknowledges that it represents a commitment to adhere to the principles stated herein for all existing business relationships with MJF Holdings.

Supply Chain Partner Name

Name and Title of the Authorised Representative

Signature

Date

Frank



## Supply Chain Partner Code of Conduct

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