

Kapruka Holdings PLC

Policy on Environmental, Social, and Governance (ESG) Sustainability

Objective:

Kapruka Holding PLC is dedicated to fostering a sustainable future through e-commerce. Our commitment to Environmental, Social, and Governance (ESG) principles will guide our business operations, ensuring long-term value creation and a positive impact on society and the environment. We will integrate ESG considerations into our decision-making, risk management, and reporting practices. By doing so, we aim to contribute to Sri Lanka's national sustainability goals and uphold regulatory standards.

1. Environmental Sustainability

1.1. Environmental responsibility:

- We are committed to environmental responsibility by adopting sustainable practices that minimize the impact of our operations, products, and services on the environment. We continuously strive to reduce waste, conserve energy, and promote the responsible use of resources, ensuring a positive contribution to a greener future.
- We are dedicated to reducing our direct environmental impact by prioritizing sustainable resource optimization as part of our commitment to preserving biodiversity and protecting fragile ecosystems.
- In addition, as a responsible business, we are mindful of the environmental risks linked to our operations and aim to minimize our indirect impact by raising the awareness of ESG (Environmental, Social, and Governance) principles among our employees and key stakeholders. We also promote eco-friendly solutions across our product offerings, encouraging our clients to adopt more sustainable practices

1.2. Climate Change Mitigation:

- Company actively implements initiatives to reduce greenhouse gas emissions and improve energy efficiency across its operations. Where feasible, we will integrate renewable energy sources and adopt sustainable practices to ensure a greener and more responsible approach to our business activities.

1.3. Pollution Prevention and Waste Management:

- The Company is committed to reducing pollution and managing waste through effective recycling, reusing materials, and proper disposal methods. We will prioritize initiatives

that minimize the environmental footprint of our products and packaging, ensuring a more sustainable approach to our operations.

1.4. Environmental Compliance:

- The company will adhere to all applicable environmental laws, regulations, and standards. We will conduct regular environmental audits and assessments to ensure compliance and identify opportunities for continuous improvement in our sustainability practices.
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2. Social Responsibility

At Kapruka Holding PLC, alongside our tailored solutions and services, we are committed to helping our stakeholders embrace social responsibility by fostering awareness and knowledge sharing.

We place a high value on respecting human rights and advocate for fairness, inclusivity, and the recognition of diversity among our employees. We take pride in the diversity of our workforce and continuously invest in their skill development and capacity building. This ensures a healthy work-life balance and supports their career growth throughout the year.

2.1. Community Engagement:

- Kapruka Holding PLC is dedicated to actively engaging with local communities to understand their needs and make a positive impact on their development. We will undertake community support initiatives, including education, health, and social welfare programs, to enhance the quality of life for community members and contribute to their overall well-being.

2.2. Employee Well-being and Development:

- Kapruka is committed to providing a safe, healthy, and inclusive work environment for all employees. We offer opportunities for professional development, training, and career advancement to foster employee growth and ensure their satisfaction.

2.3. Diversity and Inclusion:

- Kapruka Holding PLC is committed to promoting diversity and inclusion at all levels of the organization, ensuring equal opportunities for every employee. We will rigorously enforce policies and practices to prevent discrimination and harassment, fostering a respectful and inclusive workplace for all.

2.4. Human Rights:

- Kapruka is dedicated to respecting and upholding human rights in all its operations and business relationships. We are committed to ensuring fair labor practices, safe working conditions, and the elimination of child labor and forced labor throughout our organization.
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3. Governance Practices

Kapruka Holding PLC is committed to upholding high standards of governance, including corporate governance, to protect the interests of our stakeholders. In alignment with our dedication to integrity, transparency, and accountability as part of an ethical, inclusive, and sustainable business, we voluntarily comply with all applicable laws and regulations, as well as our obligations related to environmental, social, and governance (ESG) concerns.

3.1. Ethical Conduct:

- Kapruka is committed to upholding the highest standards of ethical conduct in all its business dealings. We will establish a Code of Business Conduct and Ethics, which will be communicated to all employees, directors, and business partners to ensure clarity and adherence to these principles.

3.2. Transparency and Accountability:

- Kapruka is dedicated to ensuring transparency and accountability in its operations, financial reporting, and decision-making processes. We will provide regular disclosures on our environmental, social, and governance (ESG) performance and initiatives to keep our stakeholders informed..

3.3. Board Governance

- The Board of Directors at Kapruka will have responsibility for overseeing the company's ESG strategy and performance. The Board will ensure that ESG risks and opportunities are effectively integrated into the company's strategic planning and risk management processes, reinforcing our commitment to sustainable business practices.

3.4. Stakeholder Engagement:

- Kapruka is committed to engaging with a diverse range of stakeholders, including shareholders, employees, customers, suppliers, and regulators, to understand their perspectives and address their concerns. We will incorporate stakeholder feedback into our ESG initiatives and decision-making processes to ensure that our strategies align with their needs and expectations.
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4. ESG Strategy and Implementation

4.1. ESG Goals and Targets:

- Kapruka is dedicated to setting clear and measurable ESG goals and targets to drive continuous improvement and demonstrate our commitment to sustainability. We will regularly monitor and report on our progress toward these goals to ensure transparency and accountability in our efforts.

4.2. ESG Integration:

- At Kapruka, ESG considerations will be integrated into our business strategies, operations, and decision-making processes. We will establish cross-functional teams to drive ESG initiatives and ensure alignment across the organization, fostering a cohesive approach to sustainability.

4.3. Innovation and Collaboration:

- Kapruka will foster innovation and collaboration to develop sustainable products, services, and business models. We will actively pursue partnerships with industry peers, NGOs, and other stakeholders to advance our ESG objectives and enhance our commitment to sustainability.

4.4. ESG Reporting:

- To communicate our financial and non-financial performance to stakeholders, Kapruka Holding PLC voluntarily adheres to internationally recognized sustainability reporting disclosures and frameworks, currently based on the Global Reporting Initiative (GRI). We provide regular and transparent reporting on our ESG performance, initiatives, and progress toward our goals. Our ESG reports will align with recognized reporting frameworks and standards, including the GRI and the Sustainability Accounting Standards Board (SASB). This information is accessible to the public through our corporate website and Annual Report. Additionally, we are committed to supporting the UN Sustainable Development Goals (SDGs) as we advance our ESG initiatives toward a sustainable future.

Compliance and Review

5.1. Compliance:

- This policy at Kapruka will comply with all relevant laws, regulations, and industry standards related to ESG sustainability. We will ensure that all employees understand and adhere to this policy, reinforcing our commitment to responsible and sustainable practices.

5.2. Review and Amendments:

- The Board at Kapruka will review this policy annually to ensure its continued effectiveness and alignment with regulatory requirements, industry standards, and best practices. Any changes to the policy will be communicated to all employees and integrated into the company's governance framework.