

# COMMUNICATION ON PROGRESS

## FOR THE UN GLOBAL COMPACT 2019/20



**JOHN KEELLS HOLDINGS PLC**

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## ABOUT US

John Keells Holdings PLC (JKH) is the holding company of the John Keells Group, the largest listed conglomerate on the Colombo Stock Exchange, with business interests primarily in Transportation, Consumer Foods, Retail, Leisure, Property and Financial Services.

JKH was incorporated as a public limited liability company in 1979 and obtained a listing on the Colombo Stock Exchange in 1986. Having issued Global Depository Receipts (GDRs) which were listed on the Luxembourg Stock Exchange, JKH became the first Sri Lankan company to be listed overseas.

JKH's business interests in multifaceted operations have made the Company a partner of value for many stakeholders and a player of distinction in the growth story of our nation.

JKH's investment philosophy is based on a positive outlook, bold approach, commitment to delivery and flexibility to change. JKH is also committed to maintaining integrity, ethical dealings, sustainable development and greater social responsibility in a multi-stakeholder context.

As we look to the future, particularly in the context of multiple challenges and complexities following a global pandemic, we are very aware that our success depends on how we shoulder our responsibility to empower the nation and create shared value, ensuring that corporate social responsibility and sustainability lie at the heart of all that we do.

JKH is a full member of the World Economic Forum and a Participant of the UN Global Compact since 2002.

JKH's Annual Report 2019/20, which entails a discussion of the Holding Company and its subsidiaries and equity accounted investees, is an Integrated Report prepared in accordance with the International <IR> Framework of the International Integrated Reporting Council and the GRI Standards: Core option.

JKH is based at 117, Sir Chittampalam A. Gardiner Mawatha, Colombo 2.

# CHAIRMAN'S MESSAGE



## STATEMENT OF CONTINUED SUPPORT

I am pleased to present the Communication on Progress of John Keells Holdings PLC (JKH) for the financial year ended 31 March 2020.

This year has been one of the most challenging ones for Sri Lanka as a country, and for business in particular, due to the Easter Sunday attacks in April 2019 and the outbreak of a global pandemic in the last quarter of the financial year.

However, we remain confident that our investments, particularly in the recent past, have positioned us well for the next phase of growth, and that, as always, we have the strength and resolve to keep moving forward through this period of unprecedented challenges, as we have done over the past several decades, leveraging on our financial strength, operational expertise, business leadership and corporate resilience.

JKH remains fully committed to our responsibility to make a positive difference in the communities that we operate in. As a participant of the United Nations Global Compact (UNGC) we ensure that JKH's activities are aligned to UNGC's ten principles on human rights, labour, environment and anti-corruption as well as the Sustainable Development Goals (SDGs) and national priorities of our country. This ensures a collective and targeted focus towards addressing key universal needs for the development of people, focusing on the three dimensions of sustainable development - economic growth, social inclusion and environmental protection.

JKH takes a holistic view with respect to its non-financial performance. Through its robust sustainability management framework, JKH strives to minimise impacts on the environment, ensure a healthy and safe working environment for its workforce, constantly develop and enhance employee skill levels, and provide its customers with the highest levels of product stewardship, whilst conducting all operations with the highest levels of ethical standards. We continually aim to engage our suppliers and inculcate and encourage sustainability best practice through supplier assessments, forums and through our Supplier Code of Conduct.

Corporate Social Responsibility (CSR) is an integral part of our business ethos that permeates naturally throughout the organisation while staff volunteerism is a key component enabling our staff to enrich their professional and personal growth and experiences through community engagement and service. Our CSR activities continue to be on six focus areas, namely, Education, Health, Environment, Livelihood Development, Arts & Culture and Disaster Relief while all projects undertaken are inspired and sustained by our CSR vision of 'Empowering the Nation for Tomorrow'.

We support public accountability and transparency, and therefore commit to assume responsibility and oversight for long-term corporate sustainability strategy and performance.

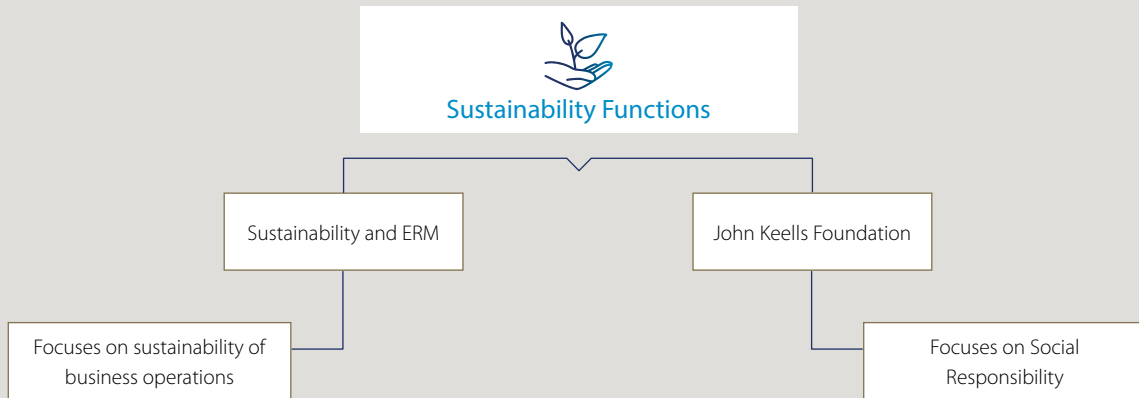
With this communication, I on behalf of JKH's Board of Directors wish to reaffirm that we remain committed to making the UNGC and its principles a part of our corporate strategy, culture and day-to-day operations of our company and to maintain integrity, ethical dealings, sustainable development and greater social responsibility in a multi-stakeholder context.

On behalf of the Board of Directors of John Keells Holdings PLC,

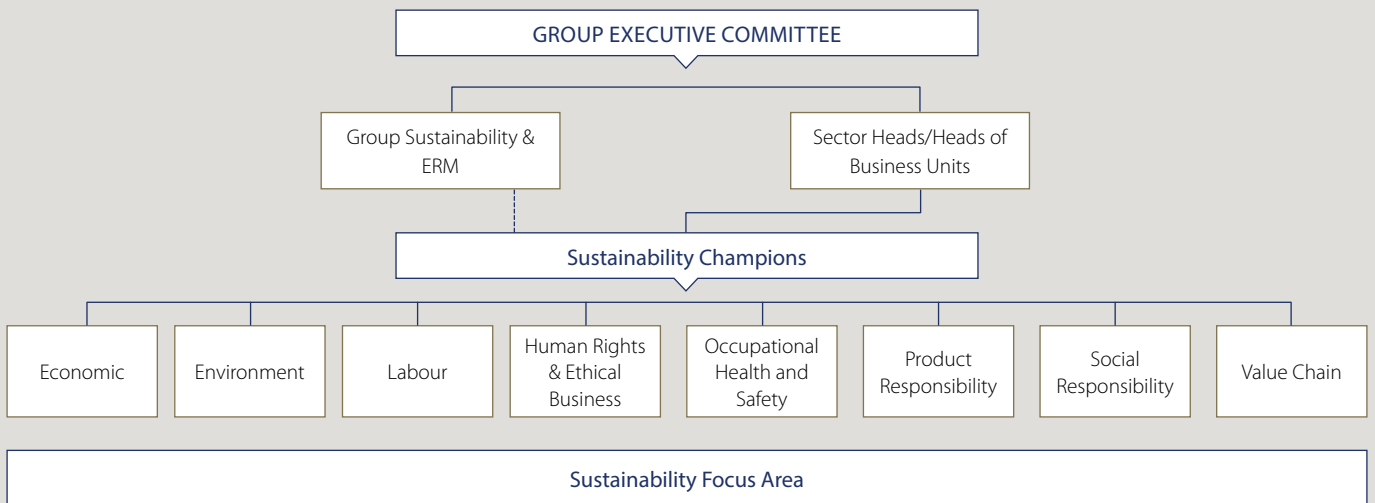
A handwritten signature in black ink that reads "Krishan Balendra". The signature is written in a cursive, flowing style.

**Krishan Balendra**  
Chairman-CEO

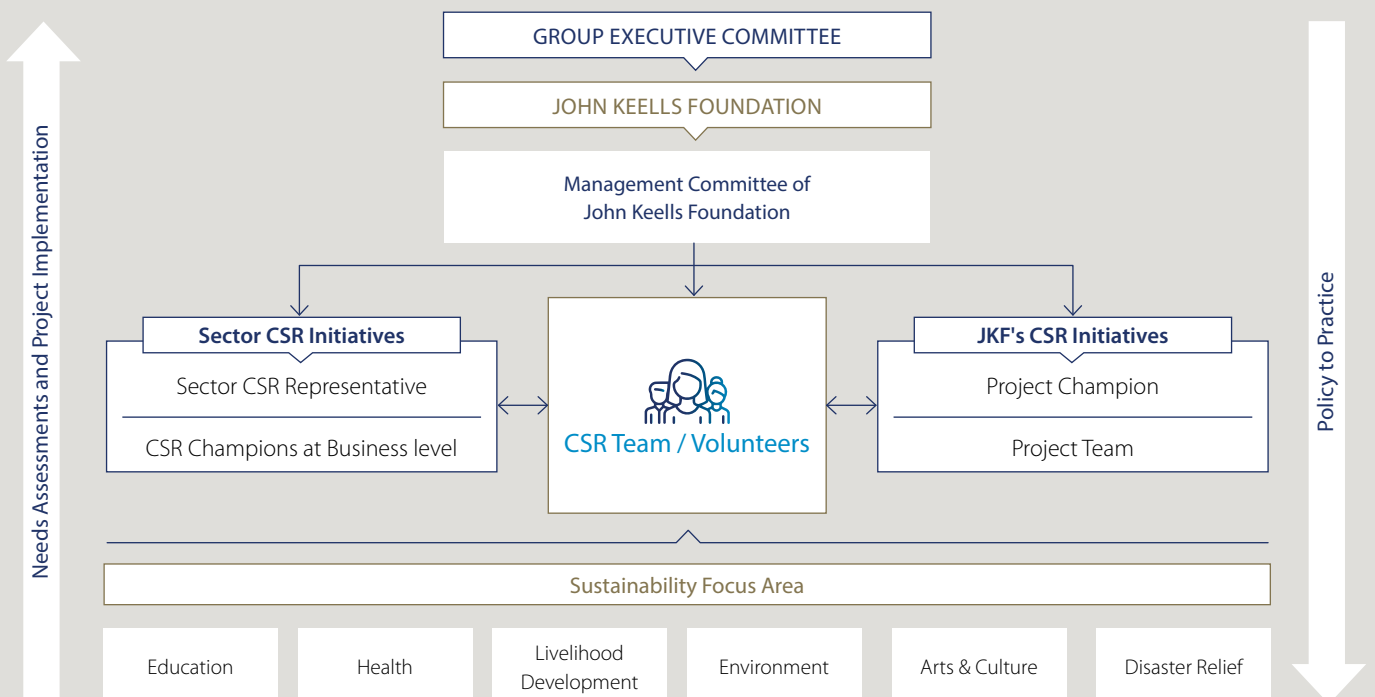
## SUSTAINABILITY FUNCTION



## SUSTAINABILITY STRUCTURE



## CSR STRUCTURE



Needs Assessments and Project Implementation

Policy to Practice

# CORPORATE SOCIAL RESPONSIBILITY (CSR)







## JOHN KEELLS FOUNDATION

John Keells Foundation, since its establishment in March 2005, drives JKH's CSR strategy and initiatives. Our CSR activities continue to be on six focus areas, namely, Education, Health, Environment, Livelihood Development, Arts & Culture and Disaster Relief. All projects undertaken are inspired and sustained by our CSR vision of 'Empowering the Nation for Tomorrow'.

The CSR initiatives of JKF are undertaken with strategic direction of JKH's Executive Committee and are centrally planned and implemented by JKH's CSR entity, John Keells Foundation (JKF) - a company limited by guarantee which is also registered as a 'Voluntary Social Service Organisation' with the Ministry of Social Welfare. During the year under review, JKF marked the 15th year of engaging in development initiatives for the benefit of underserved communities in various parts of Sri Lanka.



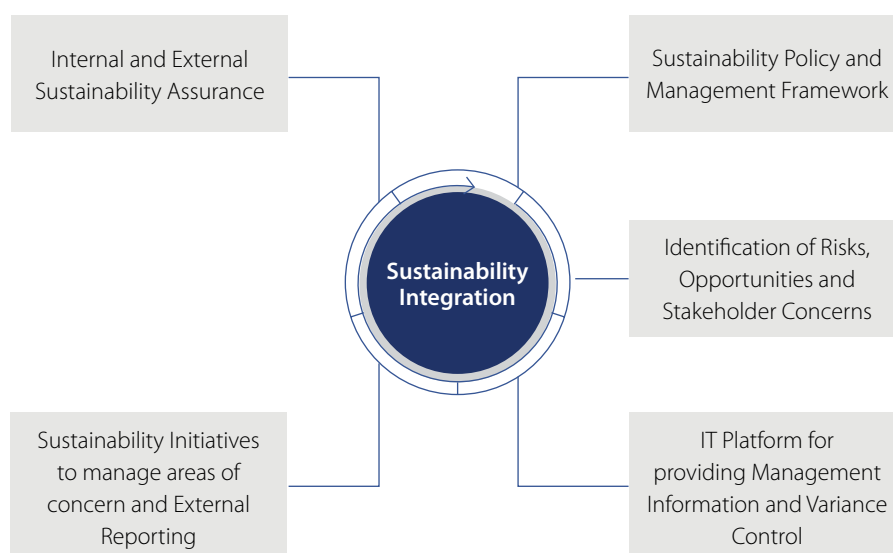
JKF's social commitment is reflected by diverse initiatives, both medium-to-long and short-term, in six key focus areas and the respective community promises outlined below.

-  **Education**  
JKH is committed to provide better access to educational opportunities for those in need towards enhancing their employability and entrepreneurship.
-  **Health**  
JKH is committed to foster healthy communities towards enhancing well-being and productivity of Sri Lanka and Sri Lankans.
-  **Environment**  
JKH is committed to minimise the impact of our operations and promote conservation and sustainability towards enhancing environmental and natural capital.
-  **Livelihood Development**  
JKH fosters sustainable livelihoods through relevant skills, capacity and infrastructure enhancement towards building empowered and sustainable communities.
-  **Arts & Culture**  
JKH is committed to nurture the livelihoods of artists and preserve our cultural heritage towards safeguarding and promoting Sri Lankan arts and culture.
-  **Disaster Relief**  
JKH is committed to come to the aid of Sri Lankans and global communities in times of adversity and disaster towards enabling them to rebuild their lives and livelihoods.

JKF's projects are planned and implemented by a lean administration comprising four full-time employees with the strategic guidance and support of JKF's Management Committee (MC) - a cross-functional team of senior executives of the organisation. Each project is headed by a project champion and implemented with the support of a project sub-committee comprising volunteers from across the organisation. Project updates are reported at meetings of the MC held every two months and quarterly to the Executive Committee and JKH's shareholders. Financial audits of JKF take place annually while internal audits are conducted once every two years.

# SUSTAINABILITY FUNCTION

JKH is committed to integrating sustainability throughout its operations and value chain. This strategic outlook is based on the 'triple bottom line' of economic, environmental and social performance. The sustainability integration process is continually updated and improved in line with JKH's operational requirements and global sustainability trends.



JKH's sustainability policy sets out its commitment to ensuring long-term value creation for its multiple and varied stakeholders through the ongoing monitoring and mitigation of impacts of its business model on the environment, its workforce and society, whilst conducting its activities in line with the highest standards of corporate best practice and compliance. JKH strives to constructively engage with its stakeholders through transparent and open communication of its sustainability approach. Additionally, the Company endeavours to be an employer of choice by providing a safe, secure and non-discriminatory working environment, whilst also promoting healthy relationships among its communities as a part of its sustainability policy.

JKH's Sustainability Management Framework includes strategies for entrenchment of sustainability, facilitated by a sustainability organisational structure, management information, processes for benchmarking, internal and external target setting, gap analysis, internal and external reporting as per the Global Reporting Initiative standards, and awareness creation. This framework is constantly updated and improved upon, and includes Standard Operating Procedures, an IT platform for tracking key sustainability indicators and key risk indicators, and internal sustainability assurance in addition to internal audit and external assurance processes.

JKH's value chain forms an important component of its operations and JKH expects and encourages compliance and social and environmental responsibility in their operations, with key suppliers assessed on potential impact areas, with JKH's Supplier Code of Conduct reiterating the commitment in this regard.

# SUSTAINABLE DEVELOPMENT GOALS AND IMPACTS

By aligning its strategies, initiatives and targets with the Sustainable Development Goals (SDGs) of the United Nations, JKH strives to address and action initiatives aimed at alleviating poverty, protecting the planet and empowering communities towards unity and prosperity. The ensuing section illustrates the six focus areas of John Keells Foundation and their alignment with the SDGs through various projects and initiatives.

## EDUCATION

To provide better access to educational opportunities for those in need towards enhancing their employability and entrepreneurship.



- 883 English Language Scholarships awarded.
- 37 Higher Education Scholarships awarded.
- 183 Youth skilled through career guidance, vocational training and soft skills development.
- Supported 2,559 school children and teachers of 6 schools.

## HEALTH

To foster healthy communities towards enhancing well-being and productivity of Sri Lanka and Sri Lankans.



- Funding of 5 cataract clinics and 284 surgeries.
- Vision screening of 37,314 school children in 114 schools and donation of 1,896 eye glasses.
- 1,291 persons sensitised on HIV, gender and child protection.
- Over 10,200 persons sensitised on preventing and addressing sexual harassment through the public campaign under 'Project WAVE'.
- 68 persons trained as trainers in gender and child protection.

## LIVELIHOOD DEVELOPMENT

To foster sustainable livelihoods through relevant skills, capacity and infrastructure enhancement towards building empowered and sustainable communities.



- Community initiatives benefiting 17,582 persons in John Keells *Praja Shakthi* locations of Colombo 2, Hikkaduwa and Ranala.
- Construction of an anicut potentially benefiting 100 farmers in Iranaipalai and a sanitation project benefiting 58 students in Puthumathalan.
- 56 associates were engaged in 3 BPO centres in Mahavilachchiya, Seenigama and Jaffna and 16 underwent leadership training.
- An estimated 700,000 commuters benefited through the refurbishment and maintenance of the Kompanna Vidiya Railway Station.

## ENVIRONMENT

To minimise the impact of our operations and promote conservation and sustainability towards enhancing environmental and natural capital.



- 2,344 persons benefited from educational programs.
- 18,111 kg of waste paper recycled.
- 52 field visits were made to the Minneriya and Kaudulla National Parks to observe 2 matriarch elephants fitted with GPS satellite collars, producing 40 movement maps.
- 4 beaches cleaned with the support of staff volunteers.

## ARTS & CULTURE

To nurture the livelihoods of artists and preserve our cultural heritage towards safeguarding and promoting Sri Lankan arts and culture.



- 361 artists participated at 'Kala Pola' open air art fair generating sales of approx. Rs.18.7 million at the one-day event which attracted over 30,000 visitors.
- 1,096 artists showcased on Sri Lankan Art Gallery (digital gallery) with 1,428 art works on display attracting a total of 20,697 visitors.
- 175 persons impacted through sponsorships to the Sunera Foundation and the Gratiaen Trust.
- Sponsorship of the Museum of Modern and Contemporary Art-Sri Lanka exhibiting the work of 45 artists and attracting 3,331 visitors.

## DISASTER RELIEF

To come to the aid of Sri Lankans and global communities in times of adversity and disaster towards enabling them to rebuild their lives and livelihoods.



- 12,500 persons supported through immediate relief to low income persons affected by COVID-19.
- Contributing to the establishment of a Molecular Diagnostic Lab at the National Institute of Infectious Diseases (NIID) increasing the testing capacity and reducing the test turnaround times relating to COVID-19.
- 1,931 persons supported through flood relief.



# UNGC PRINCIPLES AND ALIGNMENT

## HUMAN RIGHTS



- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights.
- **Principle 2:** Make sure that they are not complicit in human rights abuses.

## LABOUR



- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** The elimination of all forms of forced and compulsory labour;
- **Principle 5:** The effective abolition of child labour; and
- **Principle 6:** The elimination of discrimination in respect of employment and occupation.

## ENVIRONMENT



- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** Undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

## ANTI-CORRUPTION



- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

JKH is committed to the Principles of UNGC and has an integrated approach to ensuring the interlinks between its financial performance, its sound corporate governance, product and service excellence, workforce development, environmental stewardship and social responsibility. The ensuing section describes how JKH aligns its operations and supply chain with the principles of UNGC under each focus area.





# HUMAN RIGHTS

**Principle 1:**

Businesses should support and respect the protection of internationally proclaimed human rights.

**Principle 2:**

Make sure that they are not complicit in human rights abuses.

# HUMAN RIGHTS



JKH is committed to upholding the universal human rights of all its stakeholders whilst maintaining the highest ethical standards in all its business operations. Integrity, care and trust are core values intrinsic to JKH and the Company places the highest value on ethical practices including a zero-tolerance policy towards corruption and bribery in all its transactions.

## Ethics

Carrying out business in an ethical manner is a key value driver for the Company for purposes of upholding its valued brand reputation among its stakeholders, including investors and the general public. Ethics at JKH are the established values and principles based on which we conduct and wish to conduct our activities and describes the moral and ethical climate within the organisation. It provides guidance on key risk areas that may arise in respective roles and brings together elements which keep the employees and the organisation interlinked, intertwined and safe. Ethical business conduct provides strong organisational integrity, sets the tone of company culture and drives business strategies, goals, policies, and activities.

## Code of Conduct

JKH's commitment to Human Rights is also endorsed and recognised through JKH's Code of Conduct. The Code of Conduct applies to all employees of JKH and sets down the minimum expectations of individual and organisational behaviour. It consists of four simple principles: To be loyal and allegiant to JKH, and uphold Company Values, which ensures that employees "do the right thing", by going further than the letter of any contract, the law and our written policies. JKH and its employees are required to follow the law and recognise that the trust of our customers, public and other stakeholders is paramount in maintaining our reputation as a law-abiding corporate citizen. As such, employees must always ensure compliance with the laws and company Rules and Regulations applying in the territories that the Company operates in. Employees of JKH must demonstrate respect for the communities we operate in, as well as for the natural environment and ensure that we always conduct business in an ethical manner and in line with acceptable business practices. Finally, the Code of Conduct highlights that employees must exercise professionalism and integrity in all business and "public" personal transactions and consider themselves ambassadors and advocates of the Values of JKH.

01	Loyalty to JKH
02	Follow the Law
03	Ethical Behaviour
04	Professionalism and Integrity

JKH's Supplier Code of Conduct aims to embed sustainable business practices within its value chain to create, protect and grow long term environmental, social and economic value for all stakeholders. This includes compliance with laws and regulations as well as adherence to and support of international principles on ethical labour practices and human rights.

### Suppliers shall represent and warrant that at all times they shall:

- Observe internationally accepted treaties relating to the protection of human rights; and
- Observe conditions of labour not less favourable than those conditions established for the trade or industry; and
- Not use child or forced labour; and
- Not engage in any activity which amounts to discrimination on the basis of race, ethnicity, colour, national origin, sex, disability, veteran status, or age; and
- Not offer, receive, agree to pay or cause the payment by another person of any money or anything of value for the purpose of influencing, improperly or unlawfully any act, decision or judgment of any person relating to the performance of the business; and
- Always adhere to the Supplier Code of Conduct in executing their responsibilities.



[Refer Anti-Corruption section of this report for further details on Supplier Code of Conduct.](#)

## Policies

In the above context, JKH has stringent policies governing the areas of human rights, prioritising ethical practices within its operations and its value chain:

- Minimum Age** - JKH employs stringent checks during its recruitment process to ensure that its minimum age requirements are met.
- Equal Opportunity and Non-Discrimination** - JKH remains committed to maintaining a workplace that is free from discrimination and is committed to hiring, developing and promoting individuals who best meet the requirements of available positions.
- Forced and Compulsory Labour** - JKH ensures that all employees are educated on key aspects of forced and compulsory labour.
- Policy against Sexual Harassment** - A zero tolerance for physical, verbal or non-verbal harassment based on gender, race, religion, nationality, age, social origin, disability, sexual orientation, political affiliations or opinion is in place.
- HIV & AIDS Workplace Policy** - JKH does not discriminate in the workplace against employees on the basis of real or perceived HIV status.
- Anti-corruption** - All functions are required to include and analyse the risk of corruption as a part of their risk management process.
- Supplier compliance** - Significant suppliers are assessed annually on labour practices, human rights and environmental impacts through an internally developed supplier checklist.



[Refer Labour section of this report for more polices and further details that are applicable to Human Rights.](#)

# HUMAN RIGHTS

## SOCIAL RESPONSIBILITY POLICY

JKH supports community engagement and social empowerment as these pillars are fundamental to ensure sustainable growth and to protect basic human rights of people. JKH believes in wider societal needs than our own, to meaningfully enrich the lives of the communities of which we are an integral part. We abide by the values of caring, trust and integrity by ensuring that through our actions we demonstrate our commitment to and respect for all our stakeholders, including the communities and the environment in which our businesses operate.

During the year, JKH, through its CSR entity, John Keells Foundation (JKF), carried out the following social development activities under the respective CSR focus areas.



## EDUCATION

JKH strongly believes that good education is the foundation for an enlightened and civilised society and hence the importance of enhancing relevant educational opportunities to disadvantaged groups of the community.

### English Language Scholarship Programme (ELSP)

John Keells English Language Scholarship Programme continued for the fourteenth year, offering scholarships to improve proficiency in English language among aspiring school children from rural and under-served communities, aimed at equipping these students with relevant education and skills to follow a sustainable career path. The need for such programmes is further reinforced by Sri Lanka recording a very low proficiency under the EF English Proficiency Index. In the reporting year, a total of 845 schoolchildren completed the tier 1 and tier 2 'English for Teens' courses which also include IT skills and soft skills. Customised programmes were conducted for a total of 38 Primary level students at the School for the Blind, Ratmalana and for 58 undergraduates following the Transport and Logistics degree programme at the University of Moratuwa.

### Career Skills for University Undergraduates and School Leavers

JKF continued its long term endeavours to enhance the career skills of University students. In 2019, JKF launched 'STEP UP to Careers' initiative - a one-day workshop inclusive of a career fair hosted by JKF targeting final year students of state and non-state universities benefiting 110 undergraduates.

### Career Guidance and Vocational Training

73 youth aged between 18-25 benefited from two career guidance programmes held for school leavers in Hikkaduwa and Colombo 2 covering personal effectiveness, leadership, personal grooming, social etiquette, CV writing and Interview skills as well as career and growth opportunities in the retail, hospitality and property sectors. The programme facilitated exposure visits to a hotel and a 'Keells' supermarket. One school leaver was enrolled in vocational training.



Participants at a Career Guidance Programme in Hikkaduwa



Panel discussion at STEP UP to Careers

# HUMAN RIGHTS



## HEALTH

At JKH, we believe that productivity is best ensured in a society that fosters the holistic health of its members.

### John Keells Vision Project

This project seeks to provide cataract and vision related health services to disadvantaged individuals in various parts of the country towards enabling them to regain their vision and thereby their social and economic independence.

In the reporting year, a total of 5 eye camps were conducted resulting in the identification of 892 cataract patients and completion of 284 cataract surgeries. Under the School Vision Screening Programme in the Colombo District, a collaboration with the Ministry of Health, vision screening was conducted in 114 schools with over 37,314 schoolchildren being tested, and 1,896 spectacles donated.

### John Keells HIV & AIDS Awareness Campaign

John Keells HIV and AIDS Awareness Campaign is aimed at prevention through education and designed to cover awareness among staff, various communities around the business locations and the general public. Launched in June 2005, it was the first such campaign to be undertaken by a local corporate in Sri Lanka. During the year in review:

- 325 persons were sensitised on HIV & AIDS, resulting in a project cumulative of 130,962 persons including army personnel.
- World AIDS Day was commemorated by through the pinning of red ribbons on staff and the conduct of awareness sessions at business premises.
- As part of JKH's efforts at minimising stigma and discrimination, Positive Women's Network (an NGO supporting HIV positive individuals) was supported through the engagement of trainers to share testimonials at awareness sessions, and through the commissioning of over 11,000 red ribbons in commemoration of World AIDS Day.
- JKF's e-learning platform on HIV & AIDS was revamped to enhance usability and re-launched during the reporting year recording 167 visitors and 8 completions.



Cataract Camp organised under John Keells Vision Project



John Keells Volunteers assisting at a school eye clinic

# HUMAN RIGHTS

## Project WAVE (Working Against Violence through Education)

'Project WAVE' (Working Against Violence through Education) is a long-term project launched in 2014 to combat gender-based violence and child abuse through awareness creation and capacity building amongst employees, strategic target communities and the general public.

The following key initiatives were conducted under the project during the year in review:

- A public awareness campaign against sexual harassment coinciding with the International Day for the Elimination of Violence Against Women was conducted for the fourth successive year. The campaign under the theme 'Report for Support' with the objective of raising awareness on police helplines and promoting effective reporting of incidents of violence - targeting the areas of Colombo 2, Ranala, Hikkaduwa, Kalutara and Ja-Ela - was conducted in collaboration with the Sri Lanka Police and staff volunteers, resulting in the distribution of 10,000 information cards and display of 200 posters in police stations and other public offices and spaces.
- JKF's Head of Operations participated as a panellist representing the private sector in a panel discussion on the topic 'United Towards Creating Violence-Free Spaces for Women and Girls' organised by UNFPA in commemoration of International Day for the Elimination of Violence against Women.
- Awareness sessions on child protection for staff members and their families, sensitising over 200 children and parents.
- A poster campaign and conduct of external awareness sessions for schoolchildren on child protection in commemoration of National Children's Day in October benefiting 479 students.
- Piloting of 'Training of Trainers' programmes for staff creating a pool of 68 staff trainers on gender and child protection as a means of sustaining and scaling ongoing awareness creation and capacity building among internal and external stakeholders.



Staff volunteers interacting with school children in Colombo 2 during a public campaign on eliminating violence



A Child Protection session conducted by staff volunteers at a Dhamma School in Hikkaduwa



## LIVELIHOOD DEVELOPMENT

Poverty alleviation among disadvantaged communities is a primary concern of JKH's CSR. Through its multiple livelihood development initiatives in particular, JKF seeks to uplift the lives and living standards of disadvantaged communities by empowering them through relevant skills, capacity building and essential infrastructure towards fostering sustainable livelihoods and self-reliance in communities surrounding the operations of the business.

JKF's Village Adoption Project targets integrated and sustainable development through 5-10 year interventions among key groups in the selected villages including education enhancement and skills development of school children and youth, livelihood upliftment and market access of men and women and gender empowerment through capacity development and entrepreneurship. The following activities took place in the three villages under this project in the reporting year:

- In Iranaipalai (Mullaitivu district) work was undertaken to construct an anicut to support farmer livelihoods.
- In Puthumathalan (Mullaitivu district), the school rainwater harvesting system at Mathalan primary school was renovated.
- In Nithulemada (Kandy district) a rapid assessment on water security was conducted while a deep level assessment and multi-stakeholder discussions were undertaken to identify a sustainable solution for pre-school development.

## HUMAN RIGHTS

John Keells *Praja Shakthi* is a business-centric community empowerment initiative that seeks to catalyse active and sustained community engagement within selected business locations. During the year under review, following activities took place:

- JKF in collaboration with the Colombo Municipal Council funded, constructed and vested in the public the De Mel Park Multi-Disciplinary Community Centre in Colombo 2.
- Supported the establishment of a women's society in the Hunupitiya GN division of Colombo 2.
- Conducted financial literacy awareness among community members in Colombo 2 and Hikkaduwa in collaboration with Sanasa Development Bank (SDB) benefiting a total of 87 persons.
- Initiated a pilot programme to support sustainable production and market linkages for women engaged in batik production in Hikkaduwa in collaboration with the Academy of Design.
- Initiated preliminary discussions with street food vendors of Colombo 2 towards supporting the development of skills, standards and markets.



The newly constructed De Mel Park Community Centre in Colombo 2



A Financial Literacy Programme for women in Hikkaduwa



### ARTS & CULTURE

**JKH is committed to sponsoring arts and culture towards safeguarding and promoting the cultural heritage of Sri Lanka, boosting the livelihoods of those engaged in arts and culture and stimulating social dialogue.**

Sri Lanka's popular annual open-air art fair conceptualised by The George Keyt Foundation - funded and organised by JKH for 26 successive years - was successfully held with the participation of a record 361 artists and sculptors from various parts of Sri Lanka, attracting over 30,000 visitors, and generating Rs.18.7 million in estimated sales revenue on the day (excluding commissioned work).

JKF continued to maintain and enhance its digital art gallery - Sri Lankan Art Gallery (SLAG) - which serves as an online platform for local artists to showcase their work all year-round while sustaining and enhancing the interest of art patrons. As at 31 March 2020, 1,096 artists were registered with SLAG while 62 new artists were registered on SLAG during Kala Pola 2020. During the year in review, approximately 20,697 visitors visited the site.

In furtherance of its focus on promoting Arts & Culture, JKF initiated sustained sponsorship support for the Gratiaen Trust (GT) as well as the newly inaugurated Museum of Modern and Contemporary Art Sri Lanka (MMCA). MMCA launched its debut exhibition in December 2019 receiving over 3,300 visitors while GT conducted a Master Class for 15 playwrights and actors by award winning Irish actor and theatre director, Fiona Shaw as well as an outreach programme at the University of Jaffna featuring internationally-acclaimed Sri Lankan author Shyam Selvadurai and Gratiaen prize winner, Arun Welandawe-Prematilleke benefiting over 130 persons.

JKF continued to sponsor the Sunera Foundation's workshop in Katugastota benefiting 34 differently abled children and youth.

# HUMAN RIGHTS



Art buyer at Kala Pola 2020



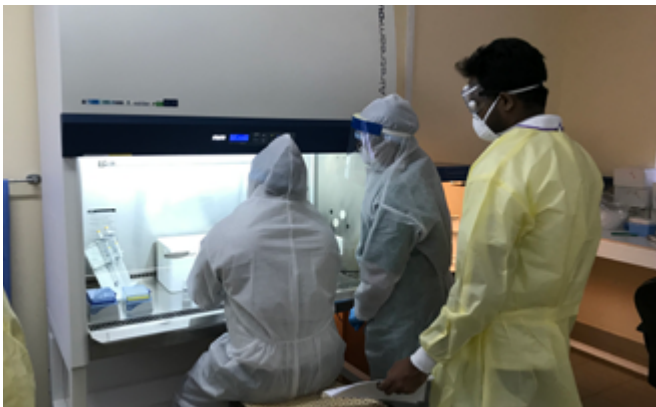
Participants with Irish actor and theatre director Fiona Shaw at the master class



## DISASTER RELIEF

JKH carries out collective relief efforts in times of natural and man-made disasters towards enabling affected persons and communities to rebuild their lives and livelihoods.

To support ongoing efforts to combat the COVID-19 pandemic, JKF in collaboration with South Asia Gateway Terminals (SAGT), Deutsche Bank and Melstacorp, contributed to the establishment of a Molecular Diagnostic Laboratory at the National Institute of Infectious Diseases (IDH), to increase Sri Lanka's testing capacity. Moreover, JKF also distributed 10,000 packs of essential provisions free-of-charge during the lockdown to affected families in the Colombo district as identified by the Government Agent and provided food provisions for medical staff at IDH for two weeks. Medium to long-term support initiatives relating to COVID-19 are being further evaluated and planned with the respective stakeholders.



Molecular Diagnostic Laboratory at IDH



Distribution of 10,000 packs of essential goods to families affected by the COVID-19 lockdown

As part of flood relief following the Northeast monsoon and towards supporting the relocation of affected communities in the Kilinochchi district, JKF in collaboration with World Vision Lanka, completed the cleaning and chlorination of 35 wells in 6 Grama Niladhari divisions.





# LABOUR

**Principle 3:**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:**

The elimination of all forms of forced and compulsory labour;

**Principle 5:**

The effective abolition of child labour; and

**Principle 6:**

The elimination of discrimination in respect of employment and occupation.

# LABOUR



The underlying essence of JKH's strategy towards Human Capital is centred around the key principles of 'inspiring people', 'caring for people' and 'leadership' which act as the foundation towards talent attraction, retention, employee productivity and satisfaction. To this end, JKH has in place a robust set of systems and processes which aims at cultivating an environment that values diversity, innovation, excellence and employee welfare.

## Policies

<p><b>Policy on Health and Safety</b></p>	<p>JKH believes in the importance of its human capital as an integral part of its long-term strategy of sustainable business growth. It is committed to ensuring a safe working environment for its employees and prides itself in providing a 'Safe Place to Work'. JKH is similarly committed towards its contractors and visitors who are involved in any business or transaction with the Company.</p>
<p><b>Policy on Child Labour</b></p>	<p>JKH does not engage children in employment. As a general practice, the Company does not employ any person below the age of eighteen years at the workplace.</p>
<p><b>Policy on Forced or Compulsory Labour</b></p>	<p>No employee of JKH is made to work against his/her will, or subject to corporal punishment or coercion of any type related to work.</p>
<p><b>Policy on Equal Opportunities</b></p>	<p>JKH is an equal opportunity employer. Accordingly, JKH is committed to hiring, developing and promoting individuals who best meet the requirements of available positions, possess the required competencies, experience and qualifications to carry out assigned tasks and have the potential for growth within the organisation; and has put in place processes and systems that ensure the same.</p>
<p><b>Policy Against Sexual Harassment</b></p>	<p>JKH is committed to providing a safe environment for all its employees free from discrimination on any ground and from harassment at work including sexual harassment. It operates a zero-tolerance policy for any form of sexual harassment in the workplace, treats all incidents seriously and promptly investigates all allegations of sexual harassment ensuring appropriate corrective action. Employees, investors, contractors, customers and other third parties involved with the Company are covered by the present policy. All workers, at every level, will be subject to discipline, up to and including dismissal, for any violation of this policy. All complaints of sexual harassment will be considered with utmost discretion, promptly investigated and addressed with respect to the victim's right to confidentiality.</p>

# LABOUR



## TALENT MANAGEMENT

The talent management strategy at JKH follows a holistic approach, with emphasis given to retaining key employees and addressing attrition. An employee engagement survey was successfully conducted during the reporting year by a third-party, to obtain necessary insights through employee feedback and identify key areas of concern, and to further build on JKH’s HR framework and strategies. The results were analysed and presented to the Group Executive Committee (GEC), with insights being incorporated into company business strategies and action plans.

JKH successfully implemented a contemporary Learning Management System through the Human Resource Information System (HRIS) in a bid to cultivate a culture of continuous learning and development. A mandatory policy training was initiated for all John Keells staff on Anti-Fraud, Code of Conduct, Policy against Sexual Harassment and John Keells IT policy through the HRIS.

The Internal Job Posting Programme provides JKH with an opportunity to mobilise its workforce more effectively by facilitating employee mobility across the organisation. Further, the Company has in place a talent management module in its HRIS aimed at creating talent pools, identifying critical roles and strengthening succession planning.



## RECOGNITION

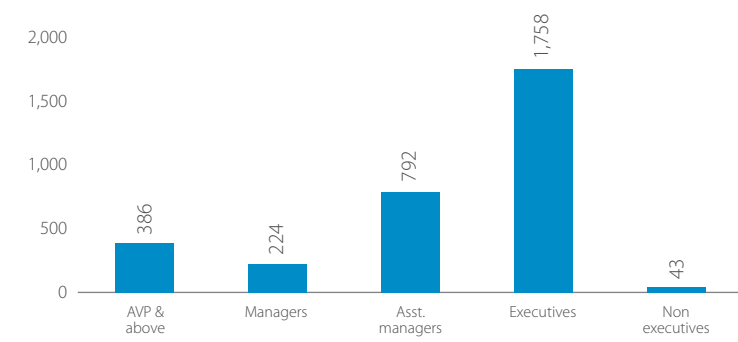
JKH strives to ensure that employees feel recognised and encouraged, with several employee recognition schemes in operation. Special budgetary allocations are made available for this purpose, with awards for innovation and disruptive digitisation, sustainability and CSR volunteerism also included in JKH’s recognition schemes. Online recognition tools were introduced during the year to enable all employees to recognise their colleagues for going the extra mile and displaying the values treasured, in the form of ‘Badges’, which are recorded on employee profiles and linked to their performance management system.



## LEARNING AND DEVELOPMENT

Learning and development form part of JKH’s talent management strategy and is designed to align individual goals and performance with JKH’s overall vision and goals. Further, JKH strongly believes that investment in learning and development is imperative for talent retention and sustainable competitive advantage. To this end, JKH has in place initiatives and customised trainings on key competencies and skills.

**Employee Training Hours**  
(No. of Hours)



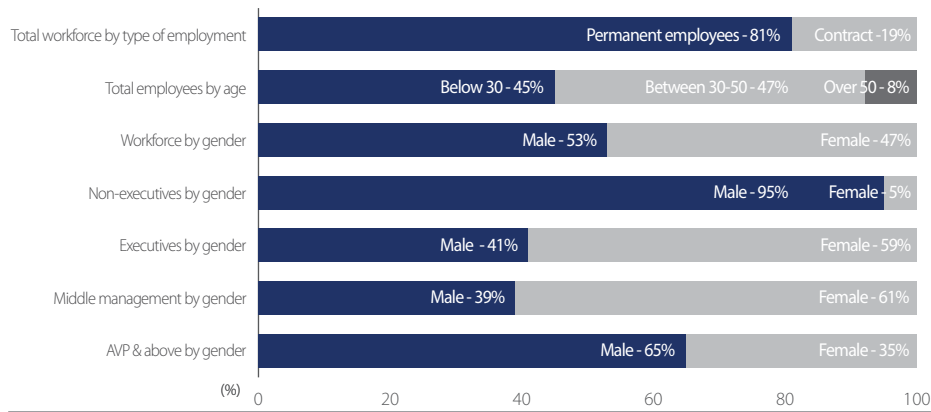
# LABOUR



## DIVERSITY

JKH prides itself as an equal opportunity employer and is committed to fostering a diverse and inclusive workforce where all employees are given equal opportunity and are free from all forms of harassment and discrimination. Its non-discrimination policy commits to maintaining a workplace free from physical or verbal harassment or discrimination based on race, religion, gender, age, nationality, social origin, disability, sexual orientation, family status, political affiliation or opinion. Furthermore, JKH encourages a culture of tolerance and open communication and has in place conflict management strategies to resolve any concerns. Through its Code of Conduct and policy framework, JKH holds all employees responsible for respecting rights and differences of their colleagues and treating each other with respect, despite differences in religion, race, opinion or belief, among others.

### Employee Diversity



In the aftermath of 2019 Easter Sunday Attacks, the leadership of JKH periodically stressed the importance of living by our values and culture which is built on accepting diversity and intolerance towards discrimination, and that the acts of violence taking place in some parts of our country by certain destructive individuals and groups, during that time, had negative impacts, which the country could ill afford.

In this light, a campaign was launched towards spreading a message of rebuilding our Nation by maintaining peace and moving forward swiftly, in solidarity. The message “We are stronger united. Let us stand together as one nation.” was displayed across all our places of business through posters, pennants, digital displays, vehicle stickers, and on social and digital media as well as press. Further it was also advocated that all staff take the pledge of unity - a private sector initiative, led by the Ceylon Chamber of Commerce, towards peace building in Sri Lanka and restoring its image as a peaceful country.



## LABOUR



### COLLECTIVE BARGAINING

Engagement with trade unions through joint consultative committees and other mechanisms are carried out on an ongoing basis by JKH.



### HEALTH AND SAFETY

JKH has in place robust policies and processes to ensure a safe working environment for its employees – open communication, strict safety policies and training are prioritised across JKH, to ensure that it is a 'Safe Place to Work'. As part of its Human Capital management strategy, incidents are recorded and monitored on an ongoing basis.

During the outbreak of the COVID-19 pandemic, JKH implemented stringent measures to ensure the health and safety of its workforce. JKH established a work arrangement protocol with detailed guidelines to be followed when entering the workplace, working from home, conducting meetings on site, travelling and ensuring workplace hygiene.



### INTERNAL AWARENESS CREATION, CAPACITY BUILDING AND STAFF VOLUNTEERISM

Under Project WAVE, general sensitisation has been conducted among employees to create awareness on the subject areas. JKF also conducted a series of training of trainers programmes on gender based violence and child protection for a total of 68 employees to increase the pool of resources to sustain and scale gender and child protection awareness programmes under Project WAVE.



*John Keells Volunteer Trainers after the gender training of trainers programme*



### STAFF VOLUNTEERISM

Staff volunteers are the driving force of the projects conducted by JKF. The John Keells Volunteer Network enables employees to go beyond their day-to-day work and make a hands-on contribution to the community and environment. The Company's flexible volunteer leave policy enables its employees to engage in volunteerism with minimum restraint. Staff volunteers vary from project champions, volunteer trainers and skill-based volunteers to field-based and administrative support and are eligible for recognition under various recognition schemes including 'Extra Mile' ratings under the annual performance appraisal system, recognition through internal communication platforms, award of certificates and trophies at the annual Volunteer Recognition Day event and Chairman's Award for CSR.

During the year in review, JKF recorded a total of 557 hours of CSR volunteerism by 86 staff volunteers in respect of activities conducted by JKF.



# ENVIRONMENT

**Principle 7:**

Businesses should support a precautionary approach to environmental challenges;

**Principle 8:**

Undertake initiatives to promote greater environmental responsibility; and

**Principle 9:**

Encourage the development and diffusion of environmentally friendly technologies.

# ENVIRONMENT



JKH is committed to protect and conserve the environment for itself, the community and future generations, and its environmental policy revolves around this principle. With environmental impacts such as energy, water consumption, emissions, waste and effluents and biodiversity, JKH is aware that it is a custodian of the environment for future generations and as such takes best efforts to minimise negative environmental impacts and comply with all applicable laws and regulations.

JKH has in place a well-structured Natural Capital management strategy which has been of paramount importance in enabling long-term sustainable value creation to JKH. Through this, the organisation has established a comprehensive environmental management system which ensures policies and procedures and assure the sustainable and efficient operation of business whilst improving the bottom line. JKH is committed to efficiently managing inputs such as energy, water and conservation of biodiversity, while responsibly managing outputs such as emissions, waste and effluents.

JKH has in place common guidelines for data measurements; all electricity consumption, and fossil fuel consumption are metered, with calibration of such meters carried out regularly. While water withdrawal is also measured through meters, waste water discharge is measured through meter readings as well as estimates based on pump time. Waste generated is also largely based on estimates. Carbon emissions are measured in accordance with the greenhouse gas protocol governed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The calculations use the carbon emission factor source of the IPCC guidelines for national greenhouse gas inventories, published by the Institute for Global Environmental Strategies (IGES) and includes only CO<sub>2</sub>. The sustainability goals of JKH focus predominantly on strengthening its commitment to optimising water usage and conserving energy, with an emphasis on managing impacts on Natural capital.

In a bid to further strengthen JKH's commitment to its Natural Capital management strategy, the organisation will embark on establishing a further set of sustainability goals to be achieved by 2025. This would provide JKH with a renewed set of goals, with a focus on contemporary environmental issues.



## ENERGY AND CARBON FOOTPRINT

JKH is committed to responsible energy and emissions management. It constantly strives to manage its energy consumption and carbon footprint and to thereby minimise its energy related environmental impacts by operating under its energy and emissions policy.

The policy requires the organisation to seek out methods for energy conservation through embracing lean energy management practices and replacement of fixtures with energy efficient alternates and encourages the assessment of feasibility of renewable sources of energy where possible and applicable. Through its energy management policy, JKH seeks to monitor and manage its carbon footprint to reduce impacts on natural capital.



## WATER MANAGEMENT

Based on the JKH water policy, the Company seeks to conserve and optimise its use of water obtained from surface and ground water sources and wherever possible seeks to re-use waste water after treatment with a view to reducing the intake of fresh water.

As part of its Natural Capital management strategy, JKH monitors and measures water from all sources, whilst all water withdrawn by JKH is from non-water stressed areas. The organisation seeks to ensure that systems and processes are in place to identify and implement applicable technologies, process improvements and motivate employee behavioural changes to conserve water.

# ENVIRONMENT



## WASTE MANAGEMENT

The JKH waste management policy is based upon the tenets of Reduce, Reuse, Recycle. JKH encourages its employees and stakeholders to be conscious in terms of reducing consumption and to reuse and recycle wherever possible.

Waste generated by the Company is segregated as hazardous and non-hazardous waste and classified and tracked based on disposal method. Hazardous waste is disposed through specialised third-party contractors whilst JKH encourages non-hazardous waste to be disposed through methods such as reducing, reuse, recycling, recovery and composting rather than directing waste to landfill as far as possible, as part of its Natural Capital management strategy.



## PAPER CONSERVATION

JKH continued its long-term contractual arrangement with Neptune Recyclers (Private) Limited to collect waste paper from business locations for shredding and recycling during the reporting period.

**IMPACT DURING THE YEAR**

**18,111 Kg of waste paper collected with a payment of Rs.144,888**

Indirect Savings:

- 309 Trees
- 575,567 litres of Water
- 72,444 kWh of Electricity
- 31,784 litres of Oil
- 54 m<sup>3</sup> of landfill



## ZERO WASTE DAY

As part of the ongoing environmental sustainability drive, JKH initiated a zero waste day for all employees. The first Friday of each month was identified as a 'Zero Waste Day', where all employees were requested to refrain from bringing single use waste to work and encouraged, wherever possible, to reuse paper. Tips for going 'Zero Waste', at meetings, workstations and the lunch room were also shared with employees with the objective of cultivating a mindset that aims to reduce or eliminate waste where possible.



Creating awareness creatively on Zero Waste Day



## ENVIRONMENT

### 'PLASTICCYLE' SOCIAL ENTREPRENEURSHIP INITIATIVE

Plasticcycle was launched in 2017 with the vision of being the catalyst in significantly reducing plastic pollution in Sri Lanka. Plasticcycle seeks to drive change through three key areas of focus - creating awareness, supporting responsible disposal and promoting recycling.

#### Awareness initiatives undertaken during the year:

- Awareness campaign educating up to 10,000 commuters who use the expressway to recycle their waste plastic bottles.
- Worked closely with legislative bodies of various cities in Sri Lanka to place bins and raise awareness among the residents on the effective management and recycling of plastic waste.
- Promoted a theme of 'Zero Plastic' across distinct events held by JKH.
- Provided technical assistance for selecting gifts with limited single-use plastics to the children of the staff during the Christmas season.
- Commenced awareness programmes on plastic waste in schools, educating students on the importance of the 4R's (Refuse, Reduce, Reuse & Recycle), having conducted the first training programme at the Overseas School of Colombo and the Asian Grammar School, Kollonnawa.

#### Actions to support responsible disposal:

- Placed bins at the Outer Circular Highway, on the Kerawalapitiya interchange and Kadawatha exits.
- Placed collection points at supermarkets, including 43 Keells outlets, 5 Laughs outlets and 3 Softlogic Glomark outlets.
- Expanded collection points to sports, community and recreational venues including the Sugathadasa Outdoor and Indoor Stadium and the newly constructed De Mel Park Community Centre in Colombo 2.

#### Promoting recycling initiatives:

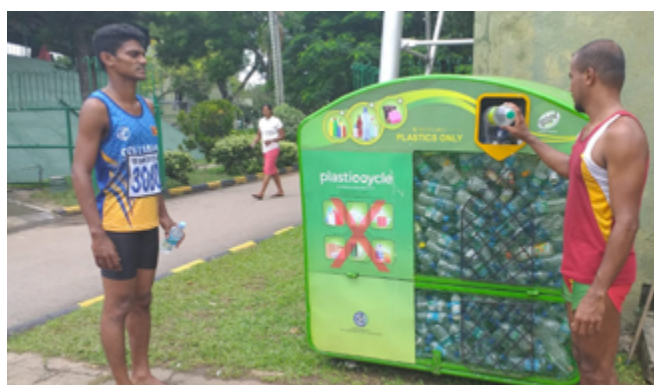
- Participated in the 10-day Ashara Mubaraka event held in Colombo and Kala Pola 2020 open art fair.
- Completed a pilot project by the Sri Lanka Navy which aims to address non-recyclable plastics, including the testing of the prototype chamber and development of a product catalogue that will be marketed by the Sri Lanka Navy.

#### Progress:

- The Southern Expressway Project collected 2 MT, equivalent to over 60,000 PET bottles.
- Together with the Sri Lanka Recyclers Association, collected and recycled 58 MT of plastic waste, equivalent to over 1.6 million PET bottles



Plasticcycle bins and banners at the Kerawalapitiya interchange



One of five Plasticcycle bins placed at Sugathadasa Outdoor Stadium

## ENVIRONMENT



### RUMASSALA NATURE FIELD CENTRE

The Nature Field Centre in Rumassala in the Galle District, Southern Province – established in 2008 by the Central Environmental Authority (CEA) in collaboration with JKF - works as a platform to facilitate experiential learning on environment and biodiversity conservation particularly among school children. Aesthetically designed by the Faculty of Architecture of the University of Moratuwa and constructed under the aegis of JKF, the Centre is located on the legendary Rumassala hill which is rich in biodiversity including several species of endemic birds, marine life, coral reefs and a number of rare medicinal plants. The Centre continued to attract a steady number of visitors during the reporting period with 2,275 visitors participating in CEA's awareness programmes.



*Awareness session in progress at the Rumassala Nature Field Centre*



### BEACH CLEANING INITIATIVE

JKF in collaboration with Cinnamon Hotels & Resorts, organised periodic beach cleanups as part of its sustained commitment to the preservation of the coastal and ocean ecosystem. The Marine and Coastal Conservation Authority and Sri Lanka Navy supported in these efforts.



*A volunteer at a beach clean-up*

## ENVIRONMENT



### FAUNA AND FLORA CONSERVATION

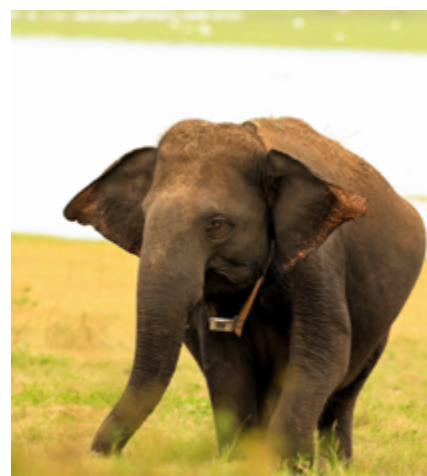
In 2014, John Keells Foundation in collaboration with Cinnamon Hotels & Resorts and the Centre for Conservation and Research initiated a sustained research on elephant behavioural and dispersion patterns in the North Central Province seeking to improve the management of elephant habitats and reduce the human-elephant conflict towards long-term conservation of the species and its habitat. As a result of this collaboration, two elephant matriarchs, were fitted with GPS satellite collars in November 2017 in collaboration with the Department of Wildlife Conservation (DWC). Formulation of scientific information to improve the management of elephant habitats was made possible by GPS tracking of these two elephant matriarchs (Tara and Biso). As result of these tracking devices, the team was able to obtain the very first image of Tara's new elephant calf named 'Tharaka' on the 26<sup>th</sup> January 2018 enabling the DWC to determine the exact date of its birth as usually the date of birth is unknown. It is hoped that through this initiative the full story behind elephant gathering can be unravelled.

JKF continued to support this long term collaboration for the fifth consecutive year including the following outcomes during the year under review:

- 52 field visits were made to both Kaudulla and Minneriya Wildlife Parks to observe the two matriarch elephants fitted with GPS satellite collars.
- Data gathered over 2018/19 was presented to staff and selected park jeep drivers to foster knowledge sharing.



*'Tara' collared with a GPS tracking device and her calf 'Tharaka'*



*Elephant collared with a GPS tracking device*



# ANTI-CORRUPTION

**Principle 10:**

Businesses should work against corruption in all its forms, including extortion and bribery.

# ANTI-CORRUPTION



## JKH Policy

JKH places the highest value on ethical practices and has promulgated a zero-tolerance policy towards corruption and bribery in all its transactions. JKH strives to maintain a culture of honesty and opposition to fraud and corruption. Based on this commitment, the Code of Conduct, anti-fraud, fraud prevention, anti-corruption, anti-bribery, validation and audit policies of JKH outline the principles to which we are committed in relation to preventing, reporting and managing fraud and corruption. It covers *inter alia*, theft, embezzlement, overriding controls, giving or receiving kickbacks, bribery, allowing oneself to be placed in situations of conflict of interest and statements (financial or non-financial) dishonestly and recklessly made contrary to the factual position. The Company also has a process to ensure compliance with the laws and regulations of the countries it operates in.

JKH seeks to ensure that ethical business practices are the norm from the business unit level, down to the individual employee. Its transparent control and prevention mechanisms also extend to its value chain, to its customers, suppliers and business partners. At the employee level, every employee and director is required to comply with Company policies, including the Code of Conduct. The Company Leadership spearheads the implementation of the Code.

During the reporting period, there were no departures from any of the provisions of the Code of Business Conduct and Ethics or the Code of Best Practice on Corporate Governance, jointly advocated by the Securities and Exchange Commission of Sri Lanka and the Institute of Chartered Accountants of Sri Lanka. The Company's commitment to upholding Company policies, where emphasis is placed on ethical and legal dealings, zero tolerance for corruption, bribery and any form of harassment or discrimination in our workplace and any work-related situations is also affirmed.

## Training

When Directors are newly appointed to the Board, they undergo a comprehensive induction where they are apprised, *inter alia*, of JKH Values and culture, its operating model, policies, governance framework and processes, the Code of Conduct and the operational strategies of JKH.

At the employee level, every employee agrees to comply with JKH's Code of Conduct, when accepting the terms and conditions of employment. As all executive and above staff need to complete a mandatory learning course on the policies, which is carried out through the Learning Management System, all employees are familiarised with the conditions of JKH's Anti-Corruption policy which also extends to any agents who are authorised representatives of JKH and are educated on human rights practices. Employees are also expected to report any breach of the Code with the assurance of discretion and employees are provided with a number of channels to facilitate such reporting, such as Chairman Direct, Ombudsperson service and business unit-specific grievance handling process.



Supplier forum 2019

## ANTI-CORRUPTION

### Value Chain

In dealing with its value chain, JKH ensures transparency and fair practices, fostering mutually beneficial relationships based on open communication that stress the importance of business partners adhering to the ethical standards that underlie all business practices.

Further, a comprehensive selection process is carried out for JKH's key suppliers by JKH's Group Initiatives Division which involves evaluation committees including independent category managers and neutral parties. All suppliers that are selected are contractually bound to adhere to JKH's Supplier Code of Conduct which covers human rights and anti-corruption expectations and are required to submit their audited financial statements for the two most recent financial years upon registration. Further, if it is discovered that the supplier has violated the Supplier Code of Conduct including anti-corruption breaches, it becomes a reason for termination of contracts and cessation of dealings.

### Reporting Channels

JKH is continuously working towards introducing innovative and effective ways of employee communication and employee awareness. The importance of communication – top-down, bottom-up, and lateral-in gaining employee commitment to organisational goals has been conveyed extensively through various communications issued by the Chairman-CEO and the management. Whilst employees have many opportunities to interact with the senior management, JKH has created the ensuing formal channels for such communication through feedback, without the risk of reprisal.

- Skip level meetings
- Exit interviews
- Young Forum meetings
- 360-degree evaluation
- Employee surveys
- Monthly staff meetings
- Ombudsperson
- Access to Senior Independent Director
- Chairman-Direct
- Continuous reiteration and the practice of the 'open-door' policy

JKH has witnessed an increased level of communication flow from employees. Such communication and feedback received from the employees by the management are recorded, irrespective of the level of anonymity, and subsequently discussed and followed up. The respective outcomes are duly recorded.

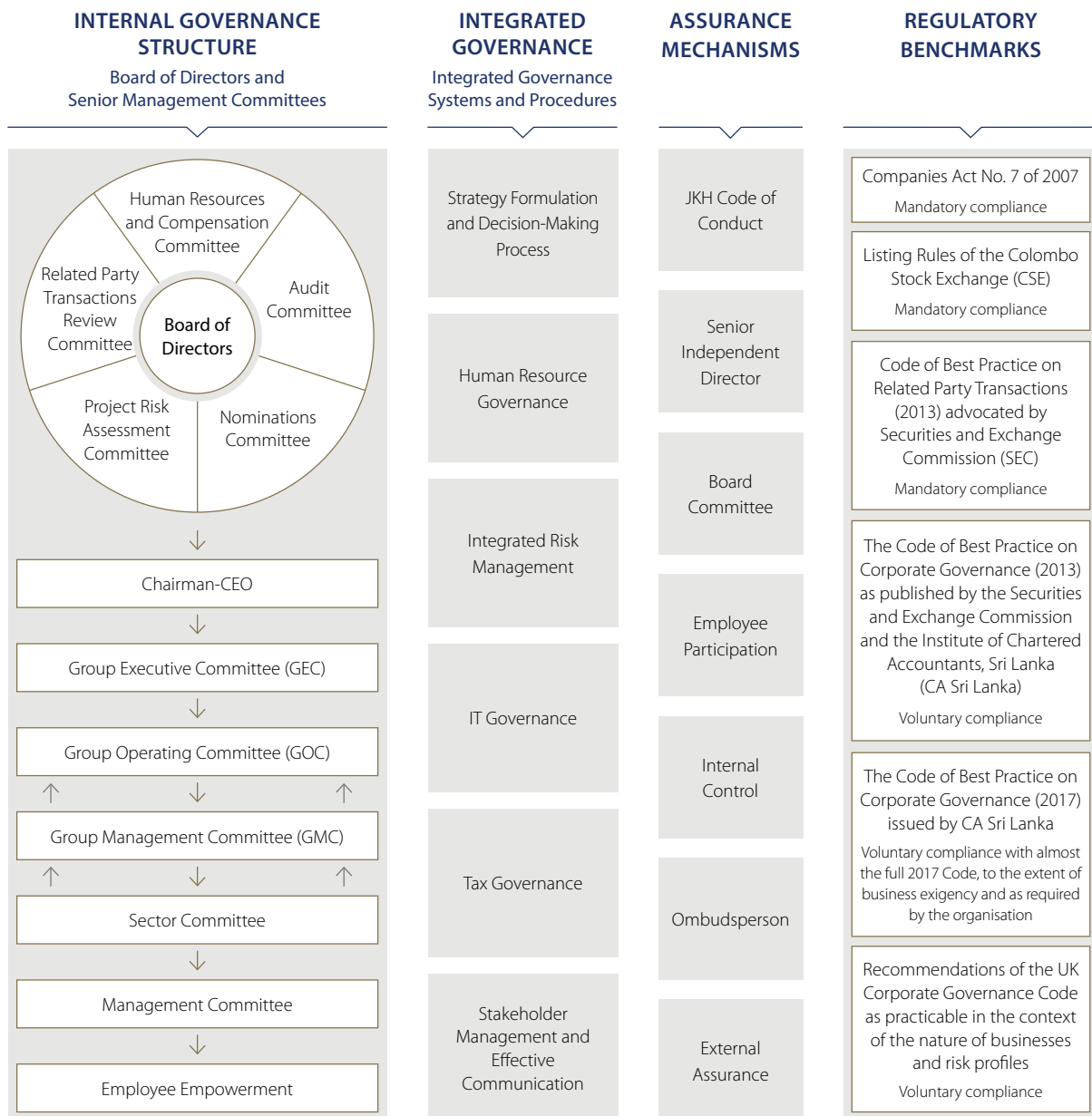


# ANTI-CORRUPTION

## The Corporate Governance System

JKH’s framework has its own set of internal benchmarks, processes and structures towards meeting accepted best practice, in addition to the ‘triggers’ which ensure compliance with mandatory regulatory requirements. This framework is regularly reviewed and updated to reflect global best practice, evolving regulations, and dynamic stakeholder needs, while maintaining its foundational principles of accountability, participation and transparency. The JKH’s Corporate Governance System plays a pivotal role in ensuring the implementation of Company policies and regulatory requirements, including policies aimed at fostering anti-corruption, anti-bribery, fraud prevention, anti-money laundering, among others, and also acts as an assurance mechanism with inbuilt internal controls.

The diagram below illustrates the key components of the Corporate Governance System of JKH. It depicts the internal governance structure, from the Board of Directors cascading down to employee level, the integrated governance systems and procedures, the Assurance Mechanisms in place and the various regulatory frameworks JKH is compliant with from a Governance standpoint.



Refer "[https://keells.com/resource/governance/John-Keells-Holdings-PLC-AR-2019\\_20-Corporate-Governance.pdf](https://keells.com/resource/governance/John-Keells-Holdings-PLC-AR-2019_20-Corporate-Governance.pdf)" on the Corporate Website, for a detailed discussion of each of the above components.

## ANTI-CORRUPTION

### Regular monitoring, Risk Assessment and Internal Controls

The Company has procedures and processes to enable the prevention and reduction of corruption. JKH assesses the risk of corruption as part of its risk management process and puts in place mitigation measures to reduce such risks.

Independent audits and Management Committees continually review policies and assess the risk of non-compliance regarding corruption. All functions have a process for the prevention and reduction of corruption and are required to include and analyse the risk of corruption as part of their risk management process. In order to ensure compliance, reviews are carried out at Management Committee level while instances of non-compliance (if any) are formally disclosed to those tasked with governance and oversight on a quarterly basis. Whilst external compliance audits for JKH are carried out annually, independent process reviews are carried out periodically, to assess the efficacy of process and related controls to continuously improve the risk management, controls and compliance posture of the Company.

Employees are also assessed with regard to whether or not they embrace those values set out in JKH's Code of Conduct as part of the performance appraisal cycle.

### Strengthening the Governance framework and controls

During the year under review, several initiatives were undertaken to further strengthen JKH's governance framework and controls. These include implementing a comprehensive data classification and rights management system, roll-out of the anti-money laundering and anti-corruption policies across JKH and strengthening and streamlining the cybersecurity resilience through device management, user access and data protection to cater to the evolving hybrid cloud environment and digitisation requirements of the Company. While JKH has a strong information technology (IT) governance framework, given the higher incidence of remote working arrangements in the wake of the COVID-19 pandemic, measures have been taken to further strengthen the IT governance and cybersecurity framework.



# CORPORATE INFORMATION

## Name of Company

John Keells Holdings PLC

## Legal Form

Public Limited Liability Company  
Incorporated in Sri Lanka in 1979  
Ordinary Shares listed on the Colombo  
Stock Exchange  
GDRs listed on the Luxembourg Stock  
Exchange

## Company Registration No.

PQ 14

## Directors

KN J Balendra - Chairman/CEO  
J G A Cooray - Deputy Chairman/Group  
Finance Director  
D A Cabraal  
A N Fonseka  
M A Omar  
M P Perera  
S S H Wijayasuriya

## Senior Independent Director

A N Fonseka

## Audit Committee

A N Fonseka - Chairman  
D A Cabraal  
M P Perera

## Human Resources and Compensation Committee

D A Cabraal - Chairman  
M A Omar  
S S H Wijayasuriya

## Nominations Committee

M A Omar - Chairman  
KN J Balendra  
M P Perera  
S S H Wijayasuriya

## Related Party Transaction Review Committee

M P Perera - Chairperson  
D A Cabraal  
A N Fonseka

## Project Risk Assessment Committee

S S H Wijayasuriya - Chairman  
KN J Balendra  
J G A Cooray  
M P Perera

## Registered Office of the Company

117 Sir Chittampalam A. Gardiner Mawatha  
Colombo 2, Sri Lanka  
Telephone : +94 11 230 6000  
Internet : www.keells.com  
Email : jkh@keells.com

## Secretaries

Keells Consultants (Pvt) Ltd.  
117 Sir Chittampalam A. Gardiner Mawatha  
Colombo 2, Sri Lanka  
Telephone : +94 11 230 6245  
Facsimile : +94 11 243 9037

## Investor Relations

John Keells Holdings PLC  
117 Sir Chittampalam A. Gardiner Mawatha  
Colombo 2, Sri Lanka  
Telephone : +94 11 230 6170  
Facsimile : +94 11 230 6160  
Email : investor.relations@keells.com

## Sustainability, Enterprise Risk Management and Group Initiatives

186 Vauxhall Street, Colombo 2, Sri Lanka  
Telephone : +94 11 230 6182  
Facsimile : +94 11 230 6249  
Email : sustainability@keells.com

## Corporate Social Responsibility

John Keells Foundation  
117 Sir Chittampalam A. Gardiner Mawatha  
Colombo 2, Sri Lanka  
Telephone : +94 11 230 6172  
Facsimile : +94 11 230 6194  
Email : johnkeellsfoundation@keells.com

## Contact for Media

Corporate Communications Division  
John Keells Holdings PLC  
117 Sir Chittampalam A. Gardiner Mawatha  
Colombo 2, Sri Lanka  
Telephone : +94 11 230 6191  
Email : jkh@keells.com

## Auditors

Ernst & Young  
Chartered Accountants  
P.O. Box 101  
Colombo, Sri Lanka

## Bankers for the Company

Bank of Ceylon  
Citibank N.A.  
Commercial Bank of Ceylon  
Deutsche Bank A.G.  
DFCC Bank  
Hatton National Bank  
Hongkong and Shanghai Banking  
Corporation  
Nations Trust Bank  
People's Bank  
Sampath Bank  
Seylan Bank  
Standard Chartered Bank

## Depository for GDRs

Citibank N.A. New York



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