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Case Study

Dilmah Ceylon Tea

Committed to Taste, Goodness and Purpose



Source: Dilmah

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“My vision is to bring you tea of the highest quality. Tea that is garden fresh – rich in flavour and natural antioxidant goodness – and at the same time give workers and my country a fairer deal. I pledged to make my business a matter of human service.”¹

Merrill J. Fernando, founder, Dilmah Ceylon Tea

Dilhan Fernando, CEO of Dilmah Ceylon Tea Company PLC (DCTC), reviewed the marketing campaign for [Elixir of Ceylon Tea](#) – “a collection of natural extracts of handpicked Ceylon tea for iced tea, tea infused water, tea cocktails/mocktails, shakes and smoothies”. It was the company’s latest offering from a portfolio of over 3,000 products. Since his father Merrill had founded the company in 1988, Dilmah Ceylon Tea had remained faithful to its founding values: taste, goodness and purpose. Dilhan was proud of what his family had achieved: from pioneering the concept of ‘single-origin tea’ to this latest innovation, the tea was ‘picked, perfected and packed’ at origin. The brand was based on three pillars: taste, goodness, and purpose.



The Dilmah Group was the only producer-owned tea brand to be vertically integrated. It owned several Sri Lankan tea gardens, factories, as well as printing and packaging facilities. With 45 new products launched annually, the range included specialty gourmet, herbal infusions, green teas, “fun” flavoured teas, spiced chais, organic teas, and the exclusive Teamaker’s Private Reserve.² Present in over 105 countries, it had become one of the most well-known Sri Lankan brands worldwide. The group invested a minimum 15% of its pre-tax profits in humanitarian and environmental initiatives through the MJF Charitable Foundation and Dilmah Conservation and Sustainability Unit (DCSU).³ By 2020, Dilmah Ceylon Tea Company PLC employed 788 full-time staff, had 941 supply chain partners, and revenues of LKR11,610 million (US\$66 million) (see Exhibit 1).

The tea business was becoming increasingly competitive. Even the largest player, Unilever, was struggling to make an adequate return and was reviewing whether to sell its tea portfolio,⁴ that included storeyed brands such as Lipton. In this context, how could Dilhan ensure the Dilmah Ceylon Tea brand could command the margins necessary to thrive and grow?

The Global Tea Industry

After water, tea in its many different forms, was the most consumed beverage worldwide, with sales of US\$43.7 billion in 2020. With an estimated 5.5% CAGR, sales were forecast to

1 <https://www.dilmahtea.com/dilmah-tea-company/founders-message.html>

2 An eclectic collection of rare teas selected by Merrill J Fernando to represent the finest in tea.

3 DCSU was formed by combining Dilmah’s Sustainability Unit with Dilmah Conservation in 2020. The unit reports to both the COO and the CEO. 100% of conservation interventions happen through DCSU. There are multiple collaborative initiatives with MJFCF and DCSU involvement that address livelihood and environmental issues, such as building climate resilience among farmer communities, and work in the plantations. DCSU is funded solely by DCTC PLC. This funding is over and above the 15% pre-tax funding that benefits MJFCF.

4 <https://www.bbc.com/news/business-51309566>

reach US\$59.29 billion by 2025.⁵ Black, green, white and oolong teas were classed in the hot drinks segment, whereas herbal, instant, iced tea or similar ready-to-drink beverages were grouped in the non-carbonated soft drinks sector (Exhibit 2).

In Asia Pacific (APAC) and Europe, tea was consumed on a daily basis by consumers from all socio-economic groups. China was the largest producer and exporter. Pakistan imported the most tea worldwide. Black, green and herbal teas were the most popular due to their perceived health benefits. Tea was said to boost the immune system and reduce the risk of cardiovascular disease and type 2 diabetes. But by 2020, the traditional black and green tea markets were saturated, while sales of mate and other herbal teas had increased significantly. With the COVID-19 pandemic, the move to “healthier” teas was expected to accelerate and take market share from black and green teas.

As disposable income and willingness to pay increased, manufacturers introduced premium blends such as Twinings’ range of “Superblends” (teas and infusions blended with botanicals, natural fruit flavours, added vitamins and minerals) that claimed to “help you to unleash your everyday greatness, whenever you need it”, and Mindfull Inc’s custom blends of tea with organic herbs designed to “elevate your mind and raise your spirit”.

The market comprised of (i) retail sales for at-home consumption (off-trade) via supermarkets, convenience stores, and online channels; (ii) on-premise or foodservice sales to hotels, restaurants, catering, cafés and bars (HORECA segment – Hotels, Restaurants and CAFes). In 2020, home consumption accounted for 55% of revenues and 86.7% of volume.⁶ Out-of-home volume was expected to grow to 16.1%, from its current 13.3% volume share, by 2023.⁷

Competition

Unilever (Lipton), Associated British Foods (Twinings) and Tata Global Beverages (Tetley) were the largest players in the industry by revenue (see Exhibit 3).

Unilever was the largest tea company in the world, with iconic brands including PG Tips, Brooke Bond, Bushells, Tazo, Pure Leaf and Pukka. Its tea business, including packaged and bottled tea, generated US\$3.2 billion in annual sales, Lipton alone generated more than US\$1 billion. Its brands were sold in more than 110 countries and accounted for 10% of global tea production. The world’s most powerful tea company often reduced prices to undercut the competition and gain market share. However, in the face of declining demand for black tea in developed countries, in January 2020 Unilever announced plans to sell its tea business.

Tata Consumer Products Limited was formed in February 2020, when Tata Global Beverages combined with Tata Chemicals to become the second-largest tea company in the world. It owned more than 50 tea plantations with on-site processing facilities. Almost 90% of its production was for its own branded tea products. In 2000, the company acquired Tetley, the

5 Euromonitor - TEA IN WORLD - DATAGRAPHICS Datagraphics | Mar 2021

6 Euromonitor - TEA IN WORLD - DATAGRAPHICS Datagraphics | Mar 2021

7 Euromonitor - TEA IN WORLD - DATAGRAPHICS Datagraphics | Mar 2021

largest tea company in the UK and Canada, and the second largest in the US by volume. Tata Consumer Product brands spanned black, herbal and functional tea, with six distinct tea brands sold in 40 countries. It had a strong domestic distribution network in India, reaching 200 million households. Globally, the company had difficulty penetrating the premium tea market and had exited non-performing international businesses in Russia, Sri Lanka and China.

Associated British Foods (ABF), a diversified international food ingredients and retail group, acquired Twinings in 1964. Twinings was the UK's #2 tea company (after Tetley) and was sold in 90 countries. It was seen as an upmarket tea brand and had led a trend towards herbal tea and blends, particularly in the US. Its products were segmented: mass market tea bags available from supermarkets; premium selections like pyramid sachets and loose-leaf teas only available online or at its physical stores. ABF derived 40% of its revenues from the UK, but since moving production to Poland and China in 2011, British consumers perceived the tea to be of lower quality.

Dilmah Ceylon Tea – Sri Lankan Heritage

"Dilmah Ceylon Tea owes its success to the quality of Ceylon tea. Our business was founded on an enduring connection to the land and the communities in which we operate."⁸

Merrill J. Fernando

Born in 1930, in the village of Pallansena, Merrill J. Fernando left his native Sri Lanka (then called Ceylon) in 1954 for London, where he trained as a tea taster in Mincing Lane before working for AF Jones & Co. The tea industry at that time was dominated by large companies, mainly based in the west, that blended tea from Vietnam, China and Kenya (i.e., lower-cost leaves) with a small portion (as little as 10%) of the prized Ceylon tea,⁹ which was sold as "Ceylon tea" for a premium price. When Merrill discovered what these producers were doing, he was determined to create a brand based on 100% pure Ceylon tea and restore the country's reputation for high-quality tea.

In 1974, he bought a first tea estate in Sri Lanka. In 1981 he founded Ceylon Tea Services Limited, which subsequently launched the "Dilma" brand - the name derived from his children Dilhan and Malik - later adding an "h" for visual balance. It was the first producer-owned tea brand in the world. At the end of 1984, an agreement was reached with Mauri Foods Grocery Products to launch the Dilmah brand in Australia.

The company was based in Sri Lanka and managed its global operations from headquarters in the capital Colombo. The board, chaired by the founder, was responsible for strategy. Dilhan, as CEO, managed day-to-day operations (Exhibit 4).

8 <https://www.dilmahtea.com/dilmah-tea-company/founders-message.html>

9 Ceylon tea is famous globally for its unique taste and qualities, it is recognised as being one the best manufactured teas.

From 2019 to 2020, revenues grew by 8% to LKR 11,610 million (US\$66 million), and operating profits increased by 25% to LKR 1,975 million (see Exhibit 1).¹⁰ Staff numbers decreased by 9%. R&D investment declined by 18%, with a 4% increase in Capex investments over the period. The decline in R&D investment was due to funds being diverted to the commercialization of Elixir. During this period, it launched 45 new products and increased its number of distributors by 11% to 108.

Price Positioning

Dilmah sold single-origin Ceylon tea that was expensive, unlike competitors that sold multi-origin tea blends under the Ceylon tea label and had shifted operations to low-cost locations (like Twinings). According to Dilmah, this had come at a cost – it fuelled the migration of consumers away from black tea. Dilmah's ingredients cost three times more than its competitors'. It promised customers tea that was fresh, which meant it could not buy in bulk or when prices were low and store the tea for months. The promise of freshness also meant additional costs in terms of systems and processes to manage just-in-time procurement and the inability to avail of efficiencies related to procurement of packaging materials, production, and logistics. In 2021, Dilmah Ceylon Tea was priced 10% higher than its direct competitors.

Competitors resorted to heavy discounting. For example, discounts of over 50% accounted for 80% of Twining's sales in Australia. Regular discounting influenced consumer shopping behaviour – they checked for discounts before making a purchase.¹¹ Discounting was driven by changes in purchasing by the retail chains. In the past, the buyers were domain specialists who understood quality and cared about the product. Traditionally, they had stayed in the role for several years, allowing them to build a relationship with sellers. More recently, retailer purchasing teams changed frequently and their expertise was in buying and finance rather than tea. With an overriding emphasis on cost, the selling process became driven by price and retail margins, which compromised quality and stifled quality-led innovation.

In the face of this challenge, Dilmah invested in innovation. On the demand side, it listened to customers and customised its offerings, to differentiate the brand, as showcased in webinars (e.g., the 'Tea & Food, a Match Made in Heaven' led by the CEO). On the supply side, it invested in backward integration – investing in plantations and packaging companies. Plantation ownership ensured that it could offer pure Ceylon tea, experiment with cultivars and introduce sustainable practices. On the packaging front, it helped Dilmah reduce the amount of materials required, eliminated the staples used in tea bags, and made the packaging compostable. It had 24 closed-loop collaborations¹² with suppliers (26% of its supplier base) to engender sustainable packaging solutions on a continuous basis. It invested in process automation and made regular engineering improvements. In 2020-21,

10 The exchange rate between the Euro/US\$ and LKR, at the end of December 2020, was 1 to ~230/185.

11 Some studies indicated that these same customers claimed they were willing to pay more for ethical and sustainable products (Meet the 2020 consumers driving change Why brands must deliver on omnipresence, agility, and sustainability (Report) National Federation and IBM Institute of Business Value, 2020, p. 5)

12 Collaborative initiatives to improve recovery of packaging. These actions could take many different forms, e.g. an industry-led collection program for a particular packaging material; or collaboration with other organisations (e.g. research group, local council) to develop a new market for a recycled material.

machinery improvements resulted in an increase in tea bag production per minute by 30 to 40%, thus reducing costs.

Sustainability at Dilmah Ceylon Tea's Heart

"The environment is central to Dilmah's business, and Dilmah Conservation was established as an affirmation of this core commitment to environmental sustainability. As Dilmah has grown, I have not forgotten my pledge, and revenue from the sale of Dilmah funds the work of the MJF Charitable Foundation. Our Foundation – I say 'our' because every Dilmah tea drinker is a part of the MJF Foundation."¹³

Merrill J. Fernando

Merrill's dream was for the company to 'give back' to the community – values instilled by his mother from a young age. From its inception, sustainability was an integral part of corporate values and mission. As early as 1982, in its Ceylon Tea Services avatar, it began manufacturing fully biodegradable (non-heat seal) filter-paper tea bags, long before sustainability was "fashionable" (see Exhibit 5).

Its commitment to high-quality tea and ethical principles was guided by the "Dilmah Standard" – a system that followed international and national quality systems and certifications. Sustainability was incorporated throughout Dilmah Ceylon Tea's value chain. The board considered how strategies mitigated operational risk and built long-term resilience through environmental efficiency and innovation. It did not apply for Fairtrade (FT) or Ethical Tea Partnership certification, considering that its own standards surpassed those set by the organisations (Exhibit 6) and believing that, rather than helping struggling tea producers, up to 95% of certification costs went into obtaining and maintaining the certification.^{14 15}

The Dilmah Conservation and Sustainability Unit was responsible for the company's sustainability agenda, in coordination with the MJF Charitable Foundation (MJFCF) and the functional departments (engineering, production, supply chain). Exhibit 7 lists the projects that they invested in. To date, the MJF Group has contributed over LKR5.5 billion to MJFCF activities and LKR450 million for DCSU activities focused on climate action and related environmental initiatives.

Environmental Initiatives

As an agricultural product, tea is affected by climate change. In 2019, the company invested LKR40.1 million¹⁶ in environmental sustainability initiatives through Dilmah Conservation

13 <https://www.dilmahtea.com/dilmah-tea-company/founders-message.html>

14 For example, on a £2.79 box of 80 teabags marked as Freetrade in a UK supermarket, the tea farmers only receive four pence or a mere 1.5% of the retail value.

15 <https://www.nytimes.com/2006/03/19/business/yourmoney/fair-prices-for-farmers-simple-idea-complexreality.html>

16 LKR 40.1 million in 2018/2019, down from LKR 60.1 million in 2017/2018

Sustainability Unit. It became a founding partner of Biodiversity Sri Lanka (BSL)¹⁷ and a lead advocate of corporate sustainability within the United Nations Global Compact.¹⁸ In 2018, Dilmah Ceylon Tea launched the “Climate Reality” initiative, a national-level dialogue on the impact of climate change, followed by a series of lectures and workshops, attended by over 2500 people including Dilmah staff, plantation officers and communities. The launch of The Sustainable Lifestyle Series in December 2019 was designed to show how individual consumption choices impact the environment. By 2021 it had educated over 5,000 individuals.

Dilmah monitored its water consumption, waste, and carbon emissions. It aimed to make hydropower its largest source of power generation, contributing over 90% to its carbon neutral programme. In 2016, work started on two hydroelectricity plants at the Queensberry and Craighead estates, where power generation began in July and September 2018, respectively, accounting for about 10% of Dilmah Ceylon Tea’s energy consumption. The company hoped to generate 1.5 million units of electricity annually from renewable sources.

Each component – from the packet to the filter paper, tag, gum tape to the tin caddy – was examined to ensure the best biodegradable options were adopted. This resulted in over 70% of waste being recycled, with 3% upcycling of its waste packaging material. An assessment by the Australian Packaging Covenant Organisation Ltd. (APCO) of its packaging sustainability standards, yielded a score of 80% for its industry leadership in packaging sustainability and related innovations.¹⁹

In 2017, Dilmah Ceylon Tea achieved carbon neutrality for farming and at headquarters. The following year, its production facility and entire product range were certified carbon neutral from cradle to gate. In 2020 that was extended to include product and facility from the tea gardens to the port of destination. That year it launched the Carbon Negative Action Plan 2030, describing how the company would be carbon negative by 2030, focusing on ‘sustainably made’ rather than achieving carbon neutrality in its efforts to go beyond legal requirements. It invested US\$500,000 in 12 solar power generation sites with a total capacity of 826 KWp as part of a 10-year plan to increase its solar power capacity fivefold by 2030: 1848KWp by 2022, 2950KWp by 2025, and 5042KWp by 2030. The ultimate goal was to generate over 100% of Dilmah’s operational energy consumption.

As an active member of the Climate Emergency Taskforce of the UNGC Sri Lanka, in 2021, Dilmah pledged to commit to the UNGC Science-Based Targets initiative (SBTi), thus further aligning the company’s voluntary greenhouse gas reduction targets with climate science.

17 A national platform owned and driven by the private sector to promote engagement of the corporate sector in biodiversity and environmental conservation in Sri Lanka.

18 A strategic policy initiative for businesses committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

19 APCO has over 1500 global members including brands that are committed to sustainable packaging supply chains. It conducts annual surveys of members, scoring and rating their sustainability efforts in their packaging supply chains. According to the scores the members are categorised into five performance categories, where the 5th is the highest range a company can be placed (Beyond Best Practise). Dilmah is in the fourth category (Leading Companies) by scoring 80% as at 2020/21.

The Dilmah Conservation Centre for Climate Change Research and Adaptation was the first private sector-initiated climate change collaborative research facility in the world. It collected data as the basis of solutions for mitigating all aspects of climate change that affected Sri Lankan farmers, including tea producers. Other initiatives included tree planting, reforestation of degraded patches within the plantations, hydropower plants in the tea gardens, and Sri Lanka's first urban arboretum.

Social Sustainability

Dilmah Ceylon Tea regarded its employees as its most valuable business resource. It had an 80% annual staff retention rate²⁰ and had spent LKR36 million to train and develop its staff. All tea estates in Sri Lanka were regulated by a tripartite wage agreement between the government of Sri Lanka, the plantation companies and the trade unions, which established a common standard for wages and benefits. Dilmah Ceylon Tea went beyond the agreement by providing healthcare, education and infrastructure support services for its plantation workers and families (see Exhibit 8). By 2020, through the MJF Charitable Foundation, Dilmah had funded and promoted community-driven projects to reduce societal inequality, reaching more than 12,500 families. Other initiatives included IT training, vocational training, and small entrepreneurship grants (Exhibit 9).

An Authentic Brand

"[Dilmah Ceylon Tea is] an authentic local brand from Sri Lanka due to the quality perceivably lacking amongst other players... the success of Dilmah as a choice of tea for consumers at home and abroad cannot be separated from the authenticity that the brand stands for."²¹

Philip Kotler, Professor of Marketing and Branding,
the S. C. Johnson & Son Distinguished Professor of International Marketing,
Kellogg School of Management at Northwestern University

"Through our products, workforce, and willingness to adapt and explore, we strive to combine tradition and innovation to create a healthier, happier and better world by bringing the best from bush to cup. These attributes form our assurance of taste, goodness and purpose."²²

DCTC Annual report 2018-19

20 In the beverage industry, the retention rate was 42%.

21 Marketing guru Kotler cites Dilmah Ceylon Tea for authenticity in his latest book | Daily FT

22 <https://www.dilmahtea.com/tea-inspired-ebooks/free/annual-report-2019/annual-report-2018-19.pdf>

Business strategy aimed to engage the company's stakeholders "so that every action in the business process contributes to a sustainable approach"²³ (see Exhibit 10). Its three pillars (taste, goodness²⁴ and purpose²⁵) and 12 principles guided the brand (see Exhibit 11).

Retail Segment

In the increasingly competitive and commoditized market, price competition was the order of the day. The retail segment, growing at 5% annually, accounted for 80% of Dilmah's business. Australia and New Zealand were its largest markets, representing 50% of sales. Countries accounting for its top ten markets included Poland, Russia, Chile, Vietnam, Singapore, Lithuania, Egypt and Kuwait (see Exhibit 12).

Originally, Dilmah targeted the 40-65 age range, and mid-to-high socio-economic groups who were quality conscious. An advertising campaign in New Zealand which presented the founder resulted in a 300% increase in market share and a 2.6% rise over 12 months among younger customers (see Exhibit 13). However, it retained an 'old school' image.

To cultivate the younger and affluent segment (middle-income and up), Dilmah redesigned its packaging and added new lines designed to engage a new generation of tea drinkers, like the café line of casual gourmet teas and infusions, introduced in 2021 as a contemporary brand (see Exhibit 14).

Since these customers were digitally savvy, in 2019, Dilmah put much of its US\$15 million marketing into social media, social commerce, digital marketing and e-commerce, such as Facebook (2.3 million fanbase in 2021), Twitter (4,300), YouTube (6764 subscribers), Pinterest (1827 followers) and Instagram (127,880 followers), LinkedIn (39,837 followers). Search engine optimization (SEO)²⁶ was used to promote the content of brand ambassadors who were trending as mixologists. Dilmah engaged with influencers with large followings. Some simply loved its offering (e.g., Simon Toohey, MasterChef® Australia, 2019), others received financial support for their engagement (e.g., Chef Peter Kuruvita, an Australian chef with Sri Lankan roots, who regularly posted on pairing Dilmah Ceylon Tea with food; cooking with tea; and creating novel beverages based on Dilmah Ceylon Tea).

Dilmah's sponsorship of popular shows resulted in the hosts acting as influencers. For instance, in New Zealand, Dilmah sponsored TVNZ's breakfast show and ran a Facebook contest to win a weekend in Queenstown with Matty McLean, the show host (see Exhibit 15), leading to a series of posts on social media by Matty McLean.²⁷

23 Dilmah tea

24 <https://www.schooloftea.org/module/tea-and-health.html>

25 <https://www.dilmahtea.com/tea-inspired-ebooks/free/purpose/>

26 SEO is a process that increases visibility for a website for relevant searches. Search engines such as Google use bots to search pages on the web, going from site to site, collecting information about the pages and indexing them. Algorithms then analyse pages in the index, taking into account multiple ranking factors or signals, to determine the order pages should appear in the search results for a given query.

27 Matty McLean has 55K followers on Instagram (https://instagram.com/mattymcleannz?utm_medium=copy_link) and 15K followers on twitter (<https://twitter.com/MattyMcLean>) as of October 2021.

The HORECA Segment (HOTels, REstaurants, CAfes)

Hospitality service establishments sales were increasingly important to Dilmah and were growing at 15% per annum. By 2020, they accounted for 20% of its business. It connected with HORECA customers at trade fairs such as Gulffood, Dubai and Prodexpo Russia.

For hospitality clients, the source of the ingredients was important as well as the journey 'from plant to cup', to differentiate their offering. Thus, Dilmah's commitment to "origin purity", traditional manufacturing and service appealed to these customers. These clients wanted to offer an innovative taste experience to their customers, including tea paired with food and novel presentation to add theatre to tea. Specific initiatives for hospitality clients included the Real High Tea Challenge that has engaged 710 hospitality professionals from 14 countries since its introduction.

Dilmah Ceylon Tea was the exclusive tea partner of Accor, I.H.G., Marriott and Hilton hotel chains in Australia, New Zealand, Chile, China, Poland, the UAE and some South-East Asian countries. Its national airline partners included Qantas, KLM, Malaysian Airlines, Thai Airways, and a 29-year partnership with Emirates to serve Dilmah tea exclusively on-board.

To retain its premium pricing, which enabled a gross margin of 47% in 2019 from this segment, Dilmah Ceylon Tea maintained investment in R&D (0.4-0.5% of revenue) to generate an innovative range of products and experiences to its hospitality customers (see Exhibit 16).

Promoting Tea

Dilmah partnered with chefs and mixologists to understand better how tea could be reimaged. In addition to the Real High Tea Challenge, there was the Dilmah School of Tea (see Exhibit 17), The Mixologist and the Tea Maker, Chefs and the Tea Maker, Tea in Five Senses, Dilmah Tea Inspiration for the 21st Century (TI21) and special projects including Seasonal Flush.

The Dilmah School of Tea programme sought to inspire passion through "the knowledge of the artisanal aspects of tea among hospitality professionals, tea aficionados and consumers." The emphasis was on the importance of *real tea* and the versatility of the natural herb in tea gastronomy, food pairing and tea mixology, and on educating people in the preparation and presentation of traditional hot and iced tea. Participants included distributors, chefs, F&B directors, culinary school students and tea buyers. The programme covered the history, manufacturing, culture and applications of tea. Primarily aimed at the HORECA segment, it was the only tea training programme approved by WORLDCHEFS.²⁸ The first was established in 2009 at the Lyon-based centre of culinary and hospitality excellence, Institut Paul Bocuse. The goal was to foster respect for tea and its cultural heritage.

28 The World Association of Chefs' Societies (WORLDCHEFS) www.worldchefs.org is a global network of chefs associations first founded in October 1928 at the Sorbonne in Paris. Today, this global body has 96 official chefs associations as members that represent over 10 million professional chefs world wide.

Digital Dilmah Ceylon Tea

Pandemic-related travel restrictions led to the School of Tea developing a virtual format, with monthly global sessions, each attracting over 500 students. Sessions were complemented by the School of Tea E-learning platform, E-books and an online radio station - [Tea Radio](#). By 2021, there had been 70 sessions across multiple continents, with 5,200 attendees, who graduated to become Dilmah Ceylon Tea ambassadors.

Competitions included the Dilmah Ceylon Tea Gastronomy Challenge, endorsed by the World Association of Chefs Societies (WACS) that began in 1998. In the first event, 20 teams from Sri Lanka's top hospitality venues made soup using Dilmah Ceylon Tea, and mixed innovative tea-based cocktails, judged by celebrity mixologist Tomek Malek and others. Malek regularly posted Dilmah Ceylon Tea inspired creations on [Instagram](#), where his 'Ceylon 75' cocktail had over 23,000 views and 2000 Likes (see Exhibit 18).

The History of Ceylon Tea website was launched in 2003 as a service industry project, with almost 500,000 pages that documented the development of Ceylon Tea since the mid-1800s.

Seeing e-commerce as an increasingly important channel to drive brand awareness and customer loyalty – albeit global sales on e-commerce sites constituted less than 5% of total sales – Dilmah launched an [online shop](#) in 2003 (Exhibit 19). The platform generated 12,108 orders, with revenues of more than US\$531,000 in 2020.²⁹ Dilmah's initiatives attracted media attention. From September 2018 to August 2019 there were 75 mentions in magazine articles, influencer blogs and media interviews.

Tea Shops

In 2014, Dilmah Ceylon Tea launched its first t-Lounge in Colombo, believing that high-quality tea would soon be purchased at specialty tea shops. The t-lounge offered 39 different teas from selected estates – aimed at the discerning consumer. Visitors to the t-Lounge could enjoy a tasting experience and learn how to make, drink and appreciate Dilmah Ceylon Tea. By 2020 there were 12 t-Lounges in five countries: Indonesia, Kuwait, UAE, UK and Sri Lanka (see Exhibit 20).

In 2018, Dilmah Ceylon Tea launched Brew 1867, a grab-and-go/online delivery café (see Exhibit 21) aimed at bringing its products to younger consumers, while building a sub-brand. Brew 1867 operated two cafes in Colombo and served typical café-fare in addition to its tea products. The name came from the year 1867 when Ceylon Coffee was overtaken by Ceylon Tea. Dilmah sold its retail tea products through both Brew 1867 and the t-Lounge.

Its branding efforts paid off. In Australia and New Zealand Dilmah Ceylon Tea was recognized as one of the most trusted brands by *Reader's Digest* in 2020 - an honour received for five consecutive years in New Zealand. In 2020, Dilmah Ceylon Tea's Natural Infusions won the Australian consumer award for Product of the Year. Massey University awarded Merrill a DSc. in recognition of his expertise. This boosted sales through both traditional and ecommerce

29 Dilmah Ceylon Tea Company PLC Annual Report 2019/2020

channels. In Australia, its market share increased to 12.4% by value (8.6% by volume) by mid-2021. New Zealanders consumed a billion cups annually, making it the nation's top tea brand, commanding almost a quarter of the tea market by value (28.6% market share and almost 30% by volume).³⁰

The Future

Although growth in the global retail tea market had slowed and prices had been depressed by excess supply, during the COVID-19 pandemic there was a surge in demand globally as people spent more time at home under lockdown. According to Reuters, colder-than-usual weather in producing countries disrupted the leaf-picking season, leading to price hikes, but the HORECA segment was hit badly during the pandemic. By mid-2021, the outlook remained uncertain and businesses anticipated turbulent times ahead. This raised a number of questions: Who should Dilmah Ceylon Tea target? Should it focus on at-home consumption or on-trade? If at-home, which segment should it prioritize given it had expanded its focus to younger, affluent consumers? Were there synergies between segments to leverage? Australia and New Zealand accounted for 50% of its business – should it focus on these or look to other markets?

Was Dilmah Ceylon Tea's current brand positioning suitable given the changing face of its customer base? Did it require an entirely new brand positioning, or could its current brand positioning be tweaked to expand in the segments it chose to prioritize?

"Purpose" was becoming increasingly important, particularly among younger consumers, whom Dilmah Ceylon Tea had started targeting.³¹ While it was important to communicate this for growth, experience showed that brands often misunderstood and misused the idea of brand purpose, engendering a backlash in the marketplace (see [PepsiCo's much criticized advertisement featuring Kendall Jenner](#)).³² What was Dilmah's purpose and did consumers clearly understand it? And how could it be authentically and effectively conveyed?

Dilmah Ceylon Tea had responded to trends in the market for herbal and iced teas and had maintained all related activities in-house, from tea plantation to marketing of branded tea. Should it concentrate on a few products and outsource others?

The MJF Group had expanded into the hospitality sector with Resplendent Ceylon Resorts (RCS). How should the relationship between Dilmah Ceylon Tea and RCS be managed? Were there synergies between the two to be exploited – what and how? Should RCS be integrated into the Dilmah Ceylon Tea brand, or be managed independently?

30 The commoditisation of tea has prevented DCTC from introducing their speciality teas in high volume channels, although that has changed in 2021 with the introduction of Dilmah Inspirations and Gourmet Teas in retail.

31 A survey by Kantar Consulting found that 60% of consumers under 30 preferred brands that had a point of view or took a stand, compared to under 50% of middle-aged and older consumers.

32 <https://time.com/4726500/pepsi-ad-kendall-jenner/>

Exhibit 1

Growth of Dilmah Ceylon Tea – 10-year Financials Summary³³

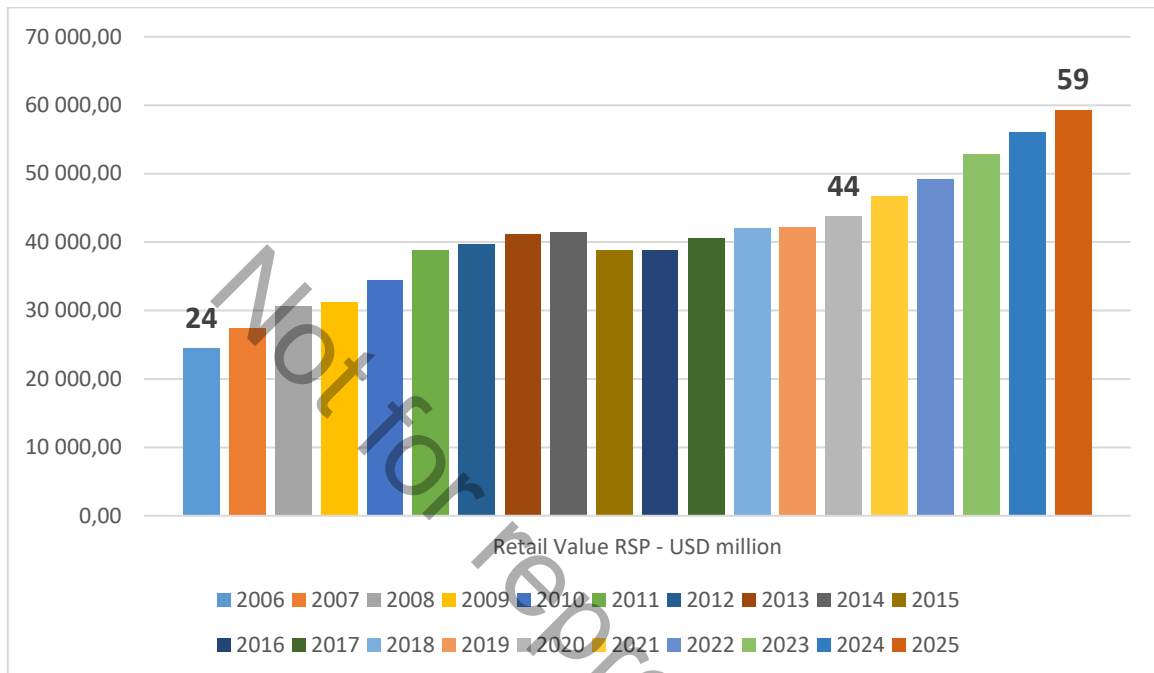
DCTC TEN YEAR FINANCIAL SUMMARY										
For the year ended 31 March										
	2020	2019	2018	2017	2016	2015	2,014	2,013	2,012	2,011
TRADING RESULTS (USD. 000's)										
Turnover	66,030	68,661	60,499	49,496	54,122	56,159	58,881	55,284	52,883	50,868
Operating Expenses	57,076	63,300	55,556	47,026	47,830	50,170	53,072	45,324	43,772	42,931
Other Income	3,450	5,629	3,655	4,209	7,277	942	1,829	2,999	7,972	4,339
Interest Expense	1,040	93	227	131	0	1	7	5	13	16
Profit before Income Tax	11,365	10,897	8,372	6,548	13,570	6,930	7,630	12,954	17,069	12,260
Income Tax on Profits	2,452	712	509	928	1,460	801	860	1,523	2,128	704
Profit for the Year	8,913	10,185	7,863	5,620	12,109	6,129	6,770	11,431	14,941	11,556
SHAREHOLDERS' FUNDS (USD.000's)										
Stated Capital	3,671	4,132	4,235	1,358	1,499	1,531	1,578	1,563	1,813	1,759
Reserves	66,782	69,922	63,832	67,105	71,102	64,474	64,650	60,176	62,836	57,151
NET ASSETS	70,455	74,054	68,067	68,463	72,602	66,005	66,228	61,738	64,648	58,910
ASSETS (USD.000's)										
Property , Plant & Equipment	18,218	18,929	19,993	15,797	14,574	8,423	9,674	10,619	9,149	8,662
Investment Property	3,763	4,121	3,402	1,590	1,755	1,792	1,847	1,829	2,121	-
Intangible Assets	1,120	1,985	2,920	3,020	2,909	2,936	42	24	35	28
Right of Use Assets	6,541	-	-	-	-	-	-	-	-	-
Other Financial Assets / Investments	2,684	3,294	3,321	3,555	4,236	4,029	4,990	4,797	4,604	6,203
Current Assets	66,363	53,873	46,851	61,971	55,036	53,604	55,241	51,032	56,603	50,371
LIABILITIES (USD.000's)										
Non-current Liabilities	8,866	2,541	2,814	2,147	1,637	1,486	1,331	1,105	1,054	939
Current Liabilities	19,368	5,607	5,605	15,323	4,271	3,293	4,235	5,458	6,810	5,416
NET ASSETS (USD.000's)	70,455	74,054	68,067	68,463	72,602	66,005	66,228	61,738	64,648	58,910
Market Price Per Share (USD)	3.03	3.99	3.66	4.07	4.62	5.44	5.21	5.09	5.89	7.04
Dividend Per Share (USD)	0.14	0.13	0.30	0.10	0.22	0.17	0.18	0.31	0.36	0.31

Source: Dilmah

33 The exchange rate between the Euro/US\$ and LKR, at the end of December 2020, was 1 to ~230/185.

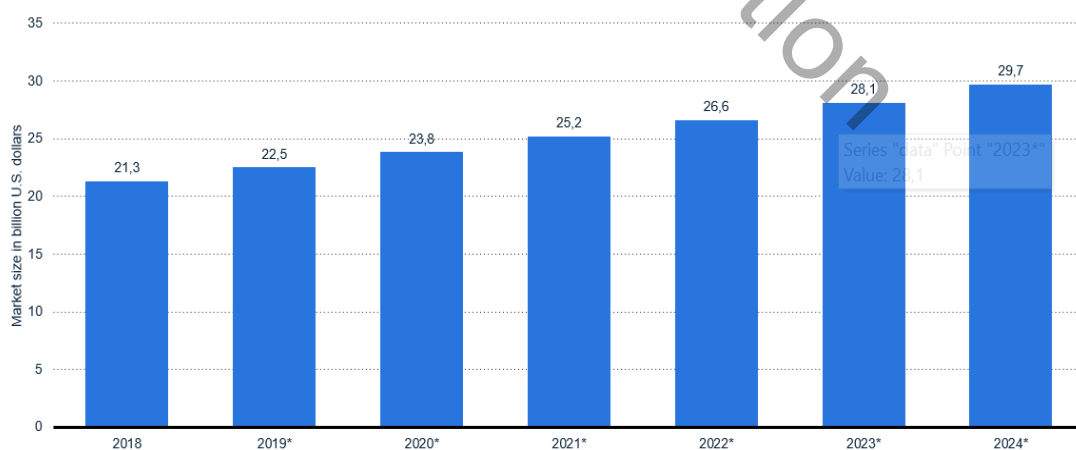
Exhibit 2 Tea Consumption and Production

Global Tea Sales by Value (billion US\$) 2006 – 2026



Source: Euromonitor Tea in the World 2021

Ready-To-Drink Market 2018 – 2024 (billion US\$)



Source: Statista World Tea Market Report 2020

Exhibit 3

SWOT Analyses of the Main Players in the Tea Industry

Unilever

Strengths:

- Sold in more than 110 countries selling approximately 10% of the global tea production
- Major MNC conglomerate with 400 brands, including well-recognized tea brands Lipton, PG Tips and Pukka.
- Secured significant partnerships, and JVs to advance tea market share: e.g., Pepsico-Lipton 50:50 JV in 1991 to enter RTD packaged iced tea market.
- As a multi-industry MNC, has strong distribution and marketing network across 150 countries. Lipton is particularly popular in N. America, Europe, Africa and Middle East.
- Strong environmental sustainability focus that customers are increasingly concerned about. Committed to 100% sustainable sourcing by 2020. Has sustainability certification from Rainforest Alliance.

Weaknesses:

- Declining demand for black tea in developed nations threatens \$3.3 billion yearly revenue from flagship Lipton brand, which are not being compensated by increases in its branded tea sales.
- Does not have top presence in Asia and is not the #1 tea brand in major tea-drinking nations China, India & Japan. In India it is #2 after Tata Consumer Products.

Opportunities:

- Use its scale and resources to make acquisitions in high growth tea segments. e.g., bought Tazo Tea from Starbucks for \$384m in 2017.
- Leverage Lipton's strong brand to enter adjacent markets, e.g., soup mixes which it has already introduced to the market.
- Expansion into rural areas, where there is still relatively strong demand for loose leaf black teas and flavoured tea market is in its infancy.

Threats:

- Cannibalization among its own brands, due to increasing number of tea brands all under the Unilever group.
- Scrutiny by NGOs on its production processes. In 2012, Greenpeace found toxic pesticides in Lipton tea bags sold in China that failed EU safety standards and contravened Chinese laws.
- Pressure on agricultural land for other crops, especially coffee whose demand has overtaken tea even in traditionally tea-drinking cultures.

Tata Consumer Products Limited

Strengths:

- 2nd largest blended tea player in the world, with 6 distinct tea brands catering to multiple market segments. Spans black, herbal and functional teas: Tata Tea, (includes Agni leaf, Agni Dust tea, Masala Chai, Gold, Premium etc.), Tetley (UK's #2 tea brand after PG Tips), Vitax (herbal tea),

Joekels (3rd largest S. African tea brand specializing in rooibos and herbal tea), Good Earth (One of US's first herbal tea companies)

- Vast domestic distribution network to reach over 200 million households in India following merger of Tata Chemicals and Tata Global Beverage under Tata Consumer Products Limited. Its brands also have a presence in 40 countries.
- Focus on health and wellness, it has its own nutrition and e-commerce platform, Tata Nutrikorner. With the merger, beverage division can benefit from chemical division's science-based R&D and innovation for product development.

Weaknesses:

- Face challenges penetrating the premium tea market. Majority of revenue still in low-end Tata Tea, while Tetley's revenues were around \$400 million in 2016, compared to Twinings and Lipton which were both above \$1 B.
- Slow growth in revenue and profits, as raw material costs have increased. While 40% of its revenues are international, it had to exit non-performing international business in Russia, Sri Lanka and China.

Opportunities:

- Cross-sell tea through its other consumer products offline and online channels, e.g., Tata-Starbucks, a 50-50 JV, which owns and operates Starbucks cafes in India, as well as NourishCo (originally a 50-50 joint venture with Pepsico, that is currently wholly owned by Tata Global Beverages), which produces non-carbonated RTD wellness drinks. Recently, it had forged partnerships with e-commerce food delivery services like Domino Pizzas to supply essential products in India. It also has a partnership with Chinese e-commerce firm Alibaba to enter the China market.
- Continue aggressive acquisition of top tea brands as a means to expand global footprint, especially in the premium tea segment.

Threats:

- Competition from other bidders for prime acquisition targets of global brands if it does not move faster, e.g., from China, causing it to shrink back to serving domestic and/or lower-end market segments. With regards overseas expansion, Ratan Tata has been quoted as saying "We are still timid. We are still digesting small bites."

Associated British Foods (ABF)

Strengths:

- Has a rich luxury and British heritage brand image and the company holds a UK royal warrant. Generally acknowledged as the world's oldest tea brand and the first to market Earl Grey tea in the 1800s.
- Twinings is UK's #2 tea company (behind Tetley) and is distributed in 90 countries.
- Has clear segmentation of its products: mass market tea bags are available at supermarkets, while more premium selections like pyramid sachets and loose-leaf teas are only available online or at their physical stores. Has developed blends specific to geographic locations, e.g., Australia.
 - Founding member of the Ethical Tea Partnership, an NGO that promotes improving conditions on tea estates globally. Like Unilever and Tata Consumer Products, Twinings has committed to 100% sustainable sourcing by 2020.

Weaknesses:

- Strong reliance on the UK market, where ABF derives 40% of its revenues. There is an ongoing perception of lower quality of Twinings tea, by its British consumers, after the company moved most of its production out of the UK to Poland and China, in 2011.
- Twinings has a relatively small production volume of 180,000 MT, compared to Tata's 250,000 MT and Unilever's 600,000 MT.

Opportunities:

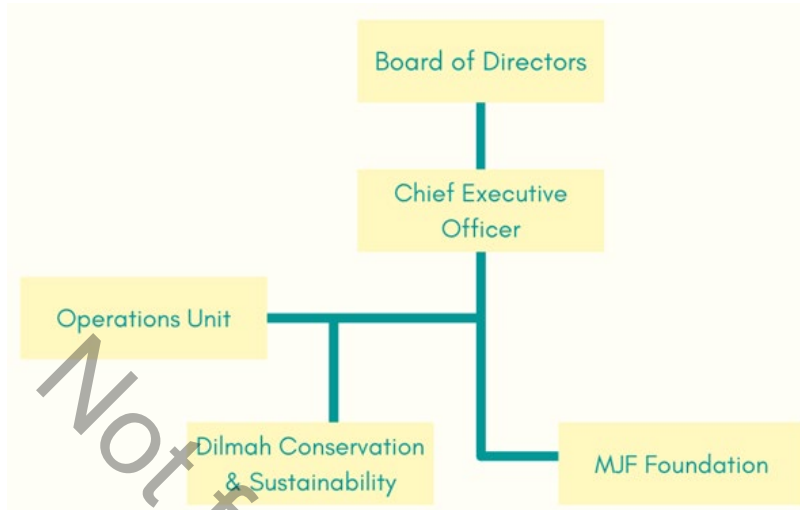
- Expand even more into the coffee sector, where demand is shifting to, and away from tea. Twinings has already launched single-serve specialty coffee blend pods, under the K-Cup system by Keurig, a US beverage brewing machine company.
- Build upon its perceived authenticity and heritage tea lines which still enjoy broad demand. Public outcry forced the company to revert to its original Earl Grey tea after the company tried to tinker with the blend by adding fruit flavors.

Threats:

- Negative media publicity and labour union issues in UK after Twinings announced it was moving production to Poland and China due to high labour costs domestically.
- Unlike other pure play food conglomerates, ABF also owns the fashion retail chain Primark, which has been suffering declining sales. This may leave it with fewer resources to devote to its other subsidiaries like Twinings.

Source: Dilmah, Euromonitor, INSEAD team analysis

Exhibit 4
Organisational Structure



Not for reproduction

Exhibit 5

Dilmah's Sustainability Journey

1982	<ol style="list-style-type: none"> 1. Dilmah tea bag manufacturing started with fully biodegradable, i.e., non-heat seal filter paper tea bags 2. Introduction of new non-heat seal filter paper machine line (T4) to strengthen the 100% biodegradable product portfolio
2000	<ol style="list-style-type: none"> 1. Eliminated the plastic overwrap in 80% of tea packs by introducing a tear strip design
2002	<ol style="list-style-type: none"> 2. The MJF Charitable Foundation established as the philanthropic arm of Dilmah Ceylon Tea to work with underserved communities to ensure that they have control of their futures and give back to their own communities
2007	<ol style="list-style-type: none"> 3. Packaging breakthrough. Pyramid tea bags changed to PLA, a plant-based material 4. Establishment of Dilmah Conservation exclusively for environmental sustainability Initiatives
2010	<ol style="list-style-type: none"> 1. Packaging that contains 10 tea envelopes (10E) was changed to include a window to reduce material usage
2011	<ol style="list-style-type: none"> 2. Continuous material reduction measures in tea tags, bags and packs
2015	<ol style="list-style-type: none"> 3. Environmental impact of end-product included in the selection criteria when investing in new machinery 4. Rooftop solar implemented
2018	<ol style="list-style-type: none"> 1. Dilmah brand ecosystem redefined
2019	<ol style="list-style-type: none"> 2. Sustainability strategy revised 3. All inner cartons were delivered by suppliers wrapped in kraft paper which has now been discarded and 75% changed to reusable corrugated inner cartons and a system is in place to return to suppliers
2020	<ol style="list-style-type: none"> 4. Eliminated 421, 052 Kgs of plastic from packaging. Brought together Dilmah Conservation and Dilmah Sustainability to create the integrated Dilmah Conservation and Sustainability Unit

Source: Dilmah

Exhibit 6

Dilmah Compliance beyond Ethical Tea Partnership and Freetrade

Key criterion of Ethical Tea Partnership (ETP) & Fairtrade (FT)	Dilmah Compliance	Dilmah initiatives beyond the mandatory compliance
<p>A premium offered to ETP and FT certified tea. The profit gained from the premium should be used only for social and environmental initiatives within plantation communities.</p> <p>Price and Fairtrade Premium To ensure that the price producers receive for their Fairtrade products will enable them to cover their costs of production and invest in the sustainability of their businesses and their communities.</p> <p>Fairtrade Premium To ensure that producers receive a Fairtrade Premium in addition to the price of their product, to make social or</p>	<p>The Company sets aside 10% of the group's pretax profits for initiatives to benefit the people and the planet, which incorporates welfare work within tea plantations to lift community livelihood. This is equivalent to the stipulated "premium" referred to in the ETP and FT.</p>	<p>This commitment was increased by 50% in 2018 to a minimum of 15% of pretax profits.</p> <p>Dilmahs approach: Our Small Entrepreneurship Programme (SEP) supports rural communities with little or no access to seed capital to break the cycle of poverty. Instead of taking loans at exorbitant rates of interest masked as microfinance, individuals in communities come up with a one-of-a-kind project aimed at enhancing existing businesses or new business ideas. Successful businesses then employ others from their own communities to provide jobs as well as opportunities for individuals to scale up. Additional investment is also provided along with the support in marketing, hygiene and other key business skills. To date the programme has handed small grants to 1990 micro and small entrepreneurs and 5 CBOs for a total of LKR 86,500,000; a further 54 entrepreneurs will receive equipment and funding by the end of March 2020.</p> <p>No extra premium added to the selling price on behalf of giving back to the estate communities or/and environmental conservation</p> <p>Further according to the Fairtrade standard, the manufacturer has to transfer their premium earnings to the supplier therefore the execution of the social environmental and philanthropy work is carried out by the supplier.</p>
<p>1. Human Rights & Labour</p> <p>Compliance with labour law and ILO conventions [FT 3.1.1] Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)</p>	<p>Dilmah Business Ethics Policy: Business Ethic/Non-Discrimination; these policies ensure that the company supports and respects the protection of internationally proclaimed human rights.</p>	<p>At Dilmah, human rights take the form of non-discrimination and encouraging diversity in personnel practices, privacy, professional development, and work-life balance. They value differences in thought, style, culture and ethnicity. Human rights are embedded as a core value, which translates to respecting each individual</p>

<ol style="list-style-type: none"> 1. Right to Organise and Collective Bargaining Convention, 1949 (No. 98) 2. Forced Labour Convention, 1930 (No. 29) 3. Abolition of Forced Labour Convention, 1957 (No. 105) 4. Minimum Age Convention, 1973 (No. 138) 5. Worst Forms of Child Labour Convention, 1999 (No. 182) 6. Equal Remuneration Convention, 1951 (No. 100) 7. Discrimination (Employment and Occupation) Convention, 1958 (No. 111) 	<p>The Human Resource Policy and the Code of Conduct cover key areas of labour relations such as working hours, discrimination, regular employment, anti-harassment, anti-corruption, disciplinary and grievance procedures.</p> <p>The supplier capability assessment assesses each supplier on their labour relation, integrity, social etiquette and environmental sustainability.</p> <ol style="list-style-type: none"> 1. Dilmah conducts monthly worker meetings - a platform for members of the staff to express grievances and workplace inquiries to management. Quarterly Joint Consultative Committee (JCC) meeting with directors and upper management to maintain a direct channel of communication between staff and management. 	<p>and their respective role within the company's structure. Human Rights are integrated into the company's sustainability strategy. Initiatives include:</p> <ol style="list-style-type: none"> 1. Established Human Rights Committee with multi departmental representation from HR, Legal, Sustainability. 2. A system was designed to report issues relating to workplace harassment and grievances confidentially. 3. HR incorporated training and education on ethics and the company's commitment to ethics for into the compulsory orientation programme for all new recruits. 4. Awareness sessions are held regularly to communicate the rights of staff and the company's commitment to improve their welfare at scheduled monthly workers and staff meetings, and through heads of departments. 5. Launched 'A Cup of Kindness'--program to foster human rights, health & safety in the workplace. International Human Rights Day is celebrated and communicated amongst all our staff. <p>Supplier capability assessments identified key areas for development. human rights, labour regulations, environment and ecosystem conservation have been defined and policies and standards have been set in all these key areas.</p> <p>At least one (if not all) of the following facilities have been provided to staff across the estates managed by Dilmah.</p> <p>The MJF Foundation is involved in multiple projects within the estates to improve the livelihoods of the plantation communities, e.g., constructing permanent houses, toilets and other infrastructure for the plantation workers, including field restrooms in weighing stations.</p> <p>Grants for small entrepreneurship programmes. Educational scholarships to plantation workers' children. Building child development centres and supporting primary and special education for the children of these communities. Medical and neo-natal support for women and the elderly.</p>
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<p>6. Trade</p> <p>Traceability Ensure that for each sale of Fairtrade product, an equivalent volume has been bought from Fairtrade producers under Fairtrade conditions, and that Fairtrade products can be traced back to Fairtrade producers.</p> <p>Physical traceability Ensure that Fairtrade products are physically differentiated from non-Fairtrade, so that Fairtrade products can be traced back to producers.</p> <p>Mass balance Ensure that the amount of output sold as Fairtrade is not more than the amount of inputs sourced as Fairtrade, taking into account the processing yields and all losses.</p>	<p>Traceability is a fundamental requirement of quality, food safety, organic and Rain Forest standards for which Dilmah is certified.</p> <p>The company is able to trace all raw materials including tea from its suppliers through all stages of processing and dispatch to its customers and vice versa.</p> <p>This can be done through the company ERP system and documented information.</p> <p>Same requirement is specified in organic and Rain Forest Alliance standards</p> <p>Same requirement is specified in Organic and Rainforest Alliance standards</p>	<p>The company has a documented traceability procedure designed to maintain traceability throughout the company's processes.</p> <p>Traceability system is tested annually. Any product can be traced forward and backward within 4 hours.</p> <p>Traceability system applies not only to tea but also to all raw material and packaging material.</p> <p>Identification of tea and other raw materials (including primary packaging), intermediate and finished products done through labelling at all stages of production to ensure physical traceability.</p> <p>Mass balance is inbuilt system for all material in ERP system. Therefore mass balance can be taken for any material at any given time.</p>
<p>7. Health and Safety</p> <p>Health and Safety Officer, existence of a Health and Safety Committee, conduct health and safety risk assessments, visible safety instructions, provide training on occupational health and safety, presence of a medical officer, monitoring of worker health, and prevention of contagious diseases and epidemics</p>	<p>The health and safety management committee executes Dilmah's health and safety strategy. Training on the correct use of equipment and occupational health and safety training is provided to all workers in the head office, production facilities and across the estates.</p> <p>Certain staff members have been identified in different locations across the company to form a fire emergency group. All staff members are trained on fire safety equipment handling and evacuation procedures in place, in case of an emergency.</p>	<p>In addition to the standard protocols administered by HR, the MJF Foundation established the following initiatives.</p> <ol style="list-style-type: none"> 8. Special eye care programmes 9. Water and sanitation projects 10. Nutritional improvement programmes 11. Establishment of a medical centres 12. Distribution of ergonomically designed baskets for tea pickers

<p>13. Environment</p> <p>Manage environmental impact Understand and act to minimize direct negative environmental impact related to Fairtrade products with regard to land use & biodiversity, water use, energy use (including carbon footprint), wastewater effluents, emissions to air, waste & incident prevention.</p> <p>Recycled or biodegradable packaging material Maximize the use recycled or easily biodegradable materials for packaging</p> <p>Carbon footprint reduction Take actions to reduce your carbon footprint within your Fairtrade supply chain(s).</p>	<p>The internal environmental aspects and impacts are handled through an existing Environmental Management System (EMS), and Dilmah’s ecological commitment is detailed in its Environmental Management Policy (EMP). The EMS addresses different areas of priority, categorised as waste management, materials management, atmospheric emissions and climate change, noise management, energy & fuel management and water management. Dilmah has proven the capability of circulating resources across its supply chain including innovative waste disposal such as tea waste into biochar, upcycling of packaging waste into decorative notebooks, coasters etc. as well as introducing digital screens to reduce paper waste on notice boards.</p> <p>The Group complies with the requirements of ISO 14001:2015 Environmental Management Systems. It complies with the Rainforest Alliance chain of custody to maintain traceability of its products throughout the supply chain. It complies with the SMETA34 guidelines and has modified the supplier capability assessment covering environmental ethics and sustainability in every transaction.</p>	<p>Dilmah Conservation has introduced multiple initiatives since 2007 to restore, protect and sustainably manage the ecosystem services within estates and the surrounding environments by investing over US\$445,188.86 over five years.</p> <p>Dilmah applies biochar made from tea waste in the plantations. In the trials conducted by Dilmah Conservation together with the Tea Research Institute, plots indicated a 42% increase in crop yield with a 50% reduction in fertilizer application. Biochar is a carbon-rich residue produced through pyrolysis of plant-derived biomass and mineralizes 10–100 times more slowly than uncharred biomass. It also has the potential to reduce average emissions by 1.0–1.</p> <p>The Dilmah Conservation Centre for Climate Change Research and Adaptation (DCCCCRA) was established in 2017. The centre focuses on SDG 13, SDG 15, and SDG 9. This is to develop climate smart techniques. There are 14 international and national research programmes facilitated by the centre.</p> <p>Dilmah’s Endana tea estate was selected for a pilot-scale biological corridor in the year 2014. The project aimed to lay the groundwork for much larger nature corridors that can enhance the biodiversity and conservation value of Dilmah’s land holdings, and Sri Lanka at large. Dilmah collaborates not only with government and private sector entities, but also with the community around the area, providing green recovery opportunities and community benefits. The Endana nature corridor project focuses on SDG 13, SDG 15, and SDG 1.</p>
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34 SMETA (Sedex Members Ethical Trade Audit) is the most widely used social audit in the world to understand working conditions in their supply chain.

<p>14. Business Development</p> <p>Sharing risks To ensure that quality issues are dealt with in a transparent and equitable way</p> <p>Capacity building To encourage traders to provide additional support to producers, beyond the commercial transaction, in order to contribute to their development and empowerment.</p> <p>Sourcing and market information for planning To ensure producers can better understand the market prospects and better estimate the volume that they will be able to sell as Fairtrade, so that they can manage their business and their Fairtrade Development plan more effectively.</p>	<p>Quality claims for tea is handled as per tea board and CTTA guidelines.</p> <p>Packaging material quality issues are documented and communicated. Approved samples are provided to all packaging material suppliers with specifications.</p> <p>Supplier development program is in place including supplier audits and training.</p> <p>Order patterns and trends for Dilmah's production are shared with the supplier to improve the efficiency of the sourcing process. We have extended our internal systems for the suppliers enhancing the system transparency to get notified as soon as an order is received.</p>	<p>Suppliers are trained on quality requirements and to develop their knowledge on quality inspections.</p> <p>Quality issues are communicated in writing to suppliers and get their response on actions to avoid recurrence of quality issues.</p> <p>Supplier performance is evaluated with continuous data monitoring.</p> <p>One-on-one meetings are held with suppliers on the results of performance evaluation.</p> <p>The entire supply chain is run using the bespoke ERP developed precisely to cater to the Dilmah supply chain and production processes. This means that both ends of the supply chain (customer order taking and sourcing materials to produce these orders) is run through the system defined process. This covers</p> <ol style="list-style-type: none"> 1. Customer order taking 2. Order planning for production 3. MRP - material sourcing 4. Production and quality checking <p>We have enabled the packaging suppliers to produce in bulk quantities agreed upon during a period of validity. Based on the demand predicted through the Dilmah Vendor Portal issues the bulk order as a staggered supply, which reduces the lead time to Dilmah consumers. At the end of the agreed period of validity Dilmah purchases the remainder produced by the suppliers ensuring the process doesn't cost any wastages to the supplier</p>
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Note: The Rain Forest Alliance and Ethical Tea Partnership recently merged. Estates are now only certified under the Rain Forest Alliance. Dilmah has been certified since 2018.

Source: Dilmah

Exhibit 7

A Selection of Dilmah Conservation Projects

The Dilmah Conservation and Sustainability Unit (DCSU) is focused on enhancing the agricultural sustainability of the tea sector and building climate resilience and awareness.

Climate and Conservation Advocacy

Dilmah was one of the founding partners of Biodiversity Sri Lanka (BSL), a national platform entirely owned and driven by the private sector, established to promote strong engagement of the corporate sector in biodiversity and environmental conservation in Sri Lanka. It is also a lead advocate of corporate sustainability within the United Nations Global Compact, a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. DCSU is the climate lead for the United Nations Global Compact (UNGC) Network Sri Lanka and has established a collaborative platform to build climate awareness amongst businesses and the larger community through multiple initiatives.

Climate Reality initiative launched in 2018 in collaboration with BSL and UNGC. As Agriculture is one of the highly affected sectors by climate change building awareness, preparedness and dissemination of climate knowledge across the supply chain increases the climate resilience of the tea industry

The Sustainable Lifestyle series was launched in December 2019 as a part of the Climate Reality initiative. To date, this programme has educated over 300 individuals by creating a platform that practically demonstrates sustainable day to day choices and living conscientiously can have a positive impact on the SDGs in addressing global crisis' like climate change. We believe that the leadership and facilitation demonstrated by Dilmah will help people to better associate the Dilmah brand with Sustainability, an emerging consumer trend.

Climathon 2019 – Climathon is a global movement and the largest climate action collective of its kind, inspiring community and citizens to gather, create and implement solutions to the imperative effects of Climate Change. The event encourages people to operate at a local level and create effective change in their cities, whilst creating a global platform for entrepreneurs, students, developers and citizens to get together to solve pressing climate issues. An initiative aimed at raising awareness about climate change as well as to seek future-oriented solutions. Climathon aims at translating climate action solutions into tangible projects. The initiative also focuses on supporting climate-positive businesses and start-ups as well as addressing local policy changes.

Over 600 schoolchildren, youth and adults were educated on climate change over the two-day event.

Climate Research

Establishment of the Climate Change Research Center & Associated Research

- [One Year of One Earth Centre - Dilmah Conservation](#)
- [One Earth Center for Climate Change Research and Adaptation](#)
- [Dilmah Opens 1st Private Sector Initiated Climate Change Research Station](#)
- [World Time Article - Agriculture is a game of chance](#)

Conservation of Blue Carbon Resources

Between 2011 and 2012 Dilmah Ceylon Tea conducted a preliminary rapid assessment survey at Kayankerni, an extensive reef system located in Sri Lanka's Eastern Coast, that had not been fully explored and documented. Kayankerni was gazetted as the 18th marine and marine associated sanctuary in Sri Lanka, in April 2019, thus exhibiting that the private sector can positively influence and participate in the

process of creating positive policy level impacts by establishing appropriate public-private partnerships with equally invested stakeholders. With the declaration by Commonwealth Blue Charter appointing Sri Lanka as the pioneering country for mangrove conservation in 2019, Dilmah collaborated with the respective governmental entities to initiate a project to establish a blue carbon research and a resource station in the north-west coasts of Sri Lanka. It will facilitate both education and research tourism, whilst restoring mangroves and conserving the habitat, to also inspire other businesses to promote blue carbon projects in a similar manner.

Global IUCN RED List Assessment

Almost 120 species of frogs inhabit Sri Lanka, the vast majority of which are found nowhere else in the world. The island was also home to more than a dozen amphibian species that now seem to have become extinct. Both these factors help to rank Sri Lanka as one of the world's critical hotspots for amphibians. DCSU joined forces with conservationists from Global Wildlife Conservation (USA), Durrell Wildlife Conservation Trust (UK) and the IUCN Species Survival Commission on amphibians, to build the capacity of Sri Lankan herpetologists to facilitate building a national scientific platform to include them in the Global IUCN Red List. As the first tea plantation of Sri Lanka, Loolcondra is the only home to the frog species named after Dilmah (*pseudophilautus dilmah*). The project demonstrates the genuine sentiment the company has toward the protection of biodiversity beyond common CSR objectives, which is an inquiry made by most of the conscious consumers.

Affordable Environmental Publications

The fourteen environmental and cultural publications of Dilmah, which are sold at print costs, have been an iconic initiative taken up by a corporate.

Source: Dilmah.com

Exhibit 8

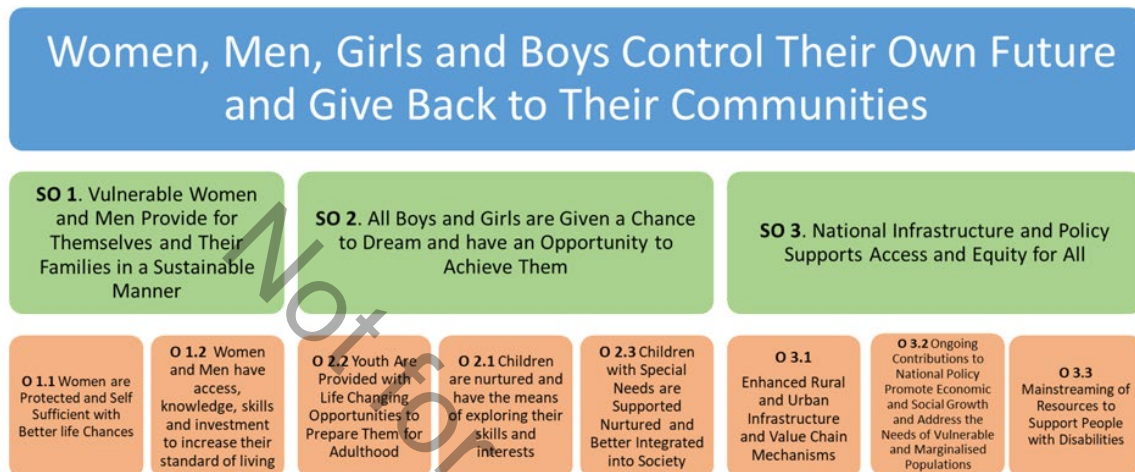
Going Beyond the Requirements

Requirement as per Collective Agreement	Serving Beyond the Requirement
For patients needing hospitalization, provide transportation to the government hospital.	The company has funded LKR24million to the Nawalapitiya District hospital which is the resource centre for the entire country's plantation sector.
Creche facilities are provided for children of estate workers.	Workers' children aged between 6 months to 5 years of each estate division is provided with professional care at a "Child development centre", where lunch is provided free of charge.
Requirement not stated in the agreement.	The company provides a scholarship for every estate worker's child who passes the A/L examination and are selected by a university. - University Scholarship - LKR144,000 - A/L Scholarship - LKR48,000
Requirement not stated in the agreement.	During the pandemic period the company supported 772 families (471 estate worker families, 206 non estate worker families) in the estates, at a cost of LKR1.7 million
Requirement not stated in the agreement.	The company has spent LKR72million on infrastructure development activities that benefit estate worker families.
Requirement not stated in the agreement.	Every new-born child of estate worker families will be provided with a savings pass book with a deposit of LKR500

Source: Dilmah

Exhibit 9
MJF Charitable Foundation Strategy

MJF CF STRATEGY 2021



MJF Foundation Projects

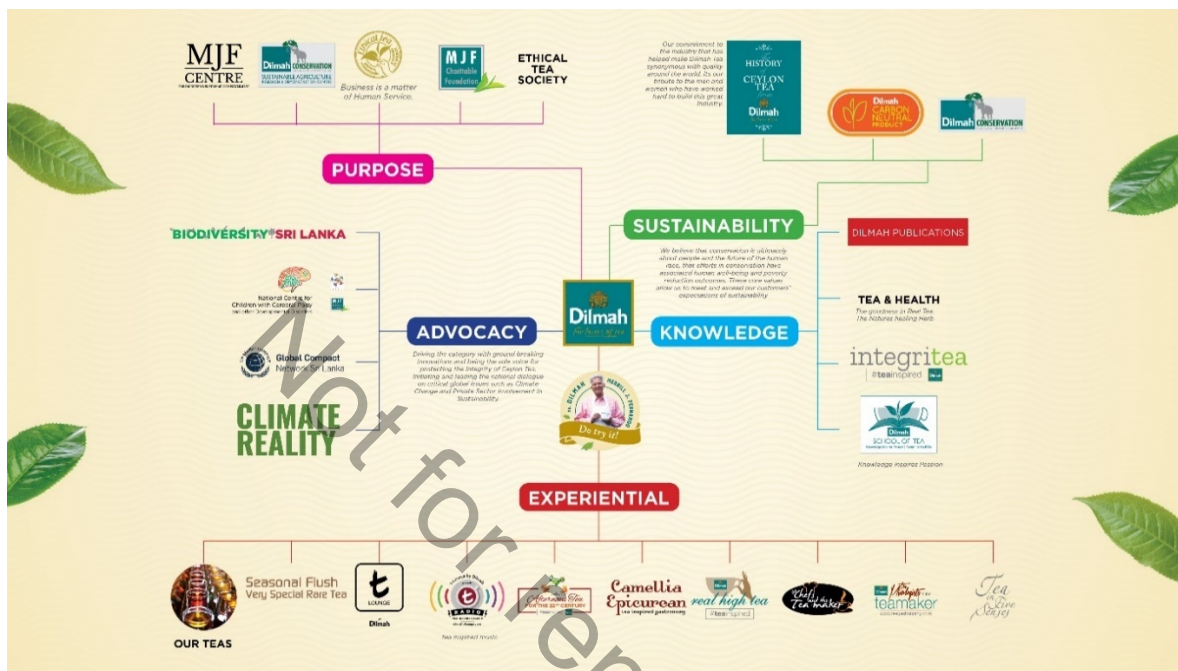
- CHILD DEVELOPMENT CENTRES provide care and nutrition to approximately 2,500 plantation children daily.
- CULINARY INSTITUTES in eastern and western Sri Lanka create opportunities in the gastronomy and hospitality industry for some 60 disadvantaged youth each year.
- KOUL ARA SCHOOL OF INSPIRATION touches the lives of 70 village kids who are encouraged towards a better future.
- ESTATE HOUSING PROJECTS enable the estate workers to lead dignified lives. Today, around 50 plantation workers at our Dunkeld estate have benefited from the project.
- SMALL ENTREPRENEUR PROGRAMME alleviates poverty through assistance for small business--over 2000 individuals supported.
- MJF DIRIYA RESOURCE CENTRE educational and vocational training for 300 rural youth.
- RAINBOW CENTRE and the NATIONAL CENTRE for CHILDREN with *CEREBRAL PALSY* and other development disorders provide holistic development for over 450 special needs children, daily.
- MJF KIDS exposes 1,000 less privileged children to a life of possibility, daily.
- CURTISS CENTRE FOR DESIGN supports youth from low-income families to excel in the area of graphic design--792 graduated, up to now.
- SWASHAKTHI BAKERY provides sustainable means of income for 35 less privileged individuals.
- CRICKET LIVE PROGRAMME using cricket as a medium to develop marginalised kids. So far over 900 have benefited
- WOMEN'S DEVELOPMENT PROGRAMME has trained over 2500 women on skills development to ensure their financial and economic development

- YOUTH AND VOCATIOANL TRAINING PROGRAMMES serve over 100 young people to provide English language, public speaking, life skills and other career related support.
- ETHICAL TEA SOCIETY is a partnership with the Dilmah global family and their consumers that benefits the underprivileged and the environment by engaging with partners, consumers, and other members of the global Dilmah Family to volunteer their time, resources, expertise while also learning a new skill when working with less privileged communities and the environment.
- LOCAL HEROES rewards the individual talent of successful Small Entrepreneur Programme recipients to employ and benefit additional members of their communities. The project has established seven such individuals up to now.

Source: <https://www.mjffoundation.org/about-us/charity-outreach.html>

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Exhibit 10 Brand Ecosystem

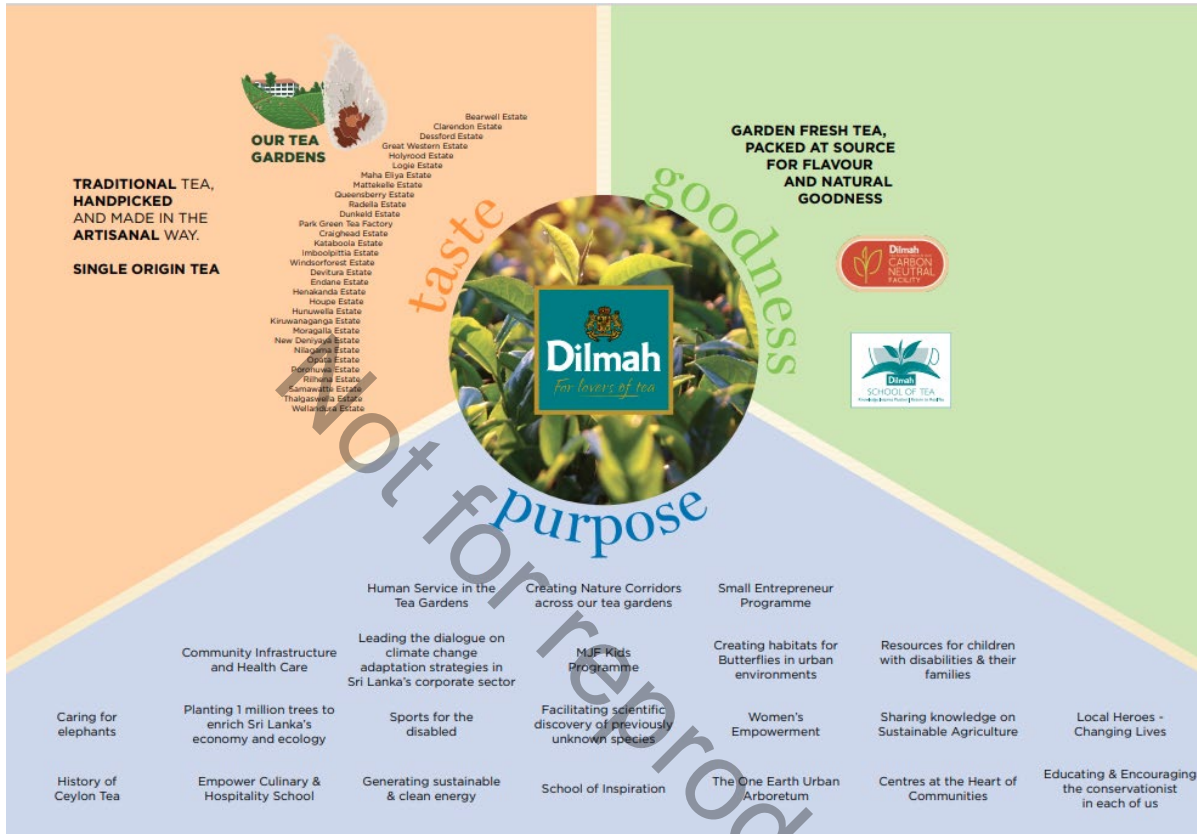


PURPOSE	ADVOCACY	DILMAH EXPERIENTIAL	KNOWLEDGE	SUSTAINABILITY
MJF Centre	Biodiversity Sri Lanka	Our Teas	Dilmah Publications	History of Ceylon Tea
A place for communities to come together to receive training, resources and services. Each facility is unique and caters to the various needs of the communities that surround it.	A national platform entirely owned and driven by the private sector - established to promote strong engagement of the corporate sector in biodiversity & environmental conservation.	Dilmah is one of the most sought-after Ceylon tea brands, both locally and globally. It's Pure Ceylon tea, unblended, garden fresh, the single origin tea.	Dilmah has publications from tea to biodiversity, conservation and indigenous people, these are researched and written by some of the most significant people in their field providing a hands-on insight into each area.	This project is a tribute to the pioneers of the Ceylon tea industry. Ancient and unique publications which are improperly stored in various state departments, are being collected, indexed, repaired and properly housed with the assistance of Dilmah Tea. Those publications where copyright is thought to have lapsed are also being made available online via this non-profit site.
Dilmah Conservation – Sustainable Agriculture Research Centre	National Centre for Children with Cerebral Palsy and other Developmental Disorders (NCCCPDD)	Seasonal Flush Very Special Rare Tea	Tea & Health	Carbon Neutral Facility
Acts as a resource centre and nursery promoting organic, indigenous and nutritious food for healthy living.	Serves as a national hub in giving education, therapy and training, not only for those living with CP and other developmental disorders but also for their caregivers and for teachers and trainers who work with such special needs individuals.	Seasonal Flush teas are extremely rare and unique. The ten days preceding the January Seasonal Flush, with dry winds, chilly nights and bright, dry days with infrequent light afternoon showers, cause flavor in the leaves to become concentrated as the tea plant undergoes stress and prepares for drought. This combination offers the perfect conditioning for tea leaves to produce 'seasonal character'.	Scientific research confirms that green and black tea contain powerful natural antioxidants which can protect regular tea drinkers from many degenerative diseases, like heart disease, high blood pressure, stroke, cancer and diabetes.	The Dilmah Head Office and factory located at Peliyagoda became Carbon Neutral in 2017.

Source: Dilmah

Exhibit 11

Dilmah Ceylon Tea Brand – 3 Pillars and 12 Principles



01. Pure Ceylon Tea Dilmah selects the finest amongst Ceylon Teas, protecting the heritage of the island's centuries old tea industry and nurturing the artisanal style that makes the finest Ceylon Teas indisputably the best in the world.

02. Unblended Blended tea compromises authenticity, freshness and sacrifices quality in tea. Dilmah remains true to the pledge that Merrill J. Fernando made to quality and authenticity in keeping Dilmah unblended.

03. Garden Fresh In tea, freshness is as important as quality. Tea that is shipped in bulk for blending and packing overseas, or not packed and protected shortly after harvesting, absorbs moisture as it ages. This leads to the development of toxins which degrade flavour and can significantly affect the natural antioxidants in tea.

04. The Single Origin Tea Dilmah is unique in maintaining an unwavering commitment to the integrity of origin.

05. Cared for by a Teemaker Who is Passionate about Tea Merrill J. Fernando devoted his life to tea. Now joined by his sons Dilhan and Malik, his dedication as a producer and the Foundation of quality and integrity he established are what make Dilmah different.

06. Ethical The success of Dilmah is shared with the underprivileged with 15% of the global earnings from Dilmah funding the work of the MJF Charitable Foundation and Dilmah Conservation.

07. Traditional The traditional style of manufacturing tea is artisanal, demanding expertise at each step. At Dilmah, we offer only tea that is made in the traditional manner.

08. Finest Quality From the moment our tea is handpicked on our tea gardens to the artisanal style of manufacture, we taste over 12,000 teas each week in order to select only the finest. Dilmah comes with a guarantee of quality.

09. Natural There is no better teamaker than Nature, and our task is to nurture the terroir of fine tea by respecting the artisanal style of production, and thereby respecting Nature.

10. Authentic We stay true to the heritage of *Camellia sinensis* - real tea - and the terroir of specific origins. In this way, Dilmah offers genuinely authentic teas that celebrate the subtle variations of different origins, the natural goodness and character in real tea and a style of manufacture that has been perfected over millennia.

11. The Pioneer Dilmah was the first producer-owned tea company in the world when it started in 1988. It continues to lead innovations like the Dilmah Seasonal Flush Tea, the Dilmah School of Tea, etc.

12. Committed to Sustainability and to the Future of the Ceylon Tea Industry Dilmah School of Tea is one part of the Dilmah effort to share knowledge of tea and inspire passion for quality amongst tea drinkers. Dilmah Conservation and the MJF Foundation both share the success of Dilmah, seeking to address environmental concerns and humanitarian issues.

Source: Dilmah

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Exhibit 12

Dilmah Key Markets, Growth MAT³⁵ and Brand Share Data

Country	Market Size Volume-cups'000	Market Size Value-'000	Growth MAT 01-03-2022-Volume	Growth MAT 01-03-2022-Value	Dilmah Brand Share Value	Dilmah Brand Share Volume
Australia	4,089,606	AUD 285,810	-1%	5.00%	8.3%	13%
New Zealand	1,152,365	NZD 85,953	-2%	1%	24%	29%

Source: Dilmah, Aztec 20 March


Country	Retail market Size Volume (Tonnes 2019)	Retail Market Size – US\$ Million-2019	CAGR 2014-2019 Value	CAGR 2019 to 2024-Value	Dilmah Brand Value Share %
Poland	28,565.8	628.2	3.18%	6.3%	3.2%
Russia	131,874.2	1,819.1	2.01%	4.1%	1.2%
Chile	14,927.3	179.8	5.65%	3.0%	4.0%
Vietnam	20,457.3	308.5	10.21%	9.4%	7.3%
Singapore	1,071.8	30.8	0.93%	3.0%	2.4%
Egypt	80,242.3	511.1	18.10%	6.2%	3.0%
Kuwait	4,893.1	115.3	8.95%	6.9%	1.1%
Lithuania	598.1	24.3	-6.11%	-1.3%	6.3%

Source: Dilmah, Euromonitor 2019

35 Growth Moving Average Total (MAT) The total value of a variable over the course of the previous 12 months. This is a rolling yearly sum, so changes at the end of each month with data from the new month added to the total and data from the first month of the period taken away

Exhibit 13 Examples of Dilmah Advertising

"I WOULD LIKE TO PRESENT TO YOU MY FAMILY OF FINE TEAS"



MERRILL FERNANDO
Chairman of Board, The Tea Co.

Over the years my wife I've discovered a great way of life growing and drinking Ceylon tea. My company's goal is to bring to you the finest quality tea in the world. As a leader, each brand name carries with it a certain reputation. The Dilmah name carries a reputation for quality and consistency in the marketplace. From the tea gardens to the packaging, we ensure that every cup of Dilmah is a masterpiece of quality and consistency. We are proud to be the world's finest tea company. We are proud to be the world's finest tea company. We are proud to be the world's finest tea company.


Handfuls of leaves of outstanding quality and flavor. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world.

Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it.



Dilmah
CEYLON'S FINEST TEA

"THERE'S A JOURNEY OF DISCOVERY IN EACH OF MY CLASSIC TEAS."



MERRILL FERNANDO
Chairman of Board, The Tea Co.

Let me tell you my story. I've discovered a great way of life growing and drinking Ceylon tea. My company's goal is to bring to you the finest quality tea in the world. As a leader, each brand name carries with it a certain reputation. The Dilmah name carries a reputation for quality and consistency in the marketplace. From the tea gardens to the packaging, we ensure that every cup of Dilmah is a masterpiece of quality and consistency. We are proud to be the world's finest tea company. We are proud to be the world's finest tea company. We are proud to be the world's finest tea company.

Handfuls of leaves of outstanding quality and flavor. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world.

Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it.



Dilmah CLASSIC
CEYLON'S FINEST CLASSIC TEAS

"I CAME TO NEW ZEALAND TO BRING YOU 10,000 CUPS OF MY DILMAH TEA... FREE!"



MERRILL FERNANDO
Chairman of Board, The Tea Co.

Let me tell you my story. I've discovered a great way of life growing and drinking Ceylon tea. My company's goal is to bring to you the finest quality tea in the world. As a leader, each brand name carries with it a certain reputation. The Dilmah name carries a reputation for quality and consistency in the marketplace. From the tea gardens to the packaging, we ensure that every cup of Dilmah is a masterpiece of quality and consistency. We are proud to be the world's finest tea company. We are proud to be the world's finest tea company. We are proud to be the world's finest tea company.

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Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it.



Dilmah
CEYLON'S FINEST TEA

FREE TEA OFFER!

Name: _____
Address: _____
City: _____ State: _____ Zip: _____

Send to: Dilmah Tea, P.O. Box 100, Colombo, Sri Lanka.

Strength and passion make a family, and the finest tea.



Handfuls of leaves of outstanding quality and flavor. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world.

Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it.



Dilmah
CEYLON'S FINEST TEA

DILMAH IS THIS FRESH...



Handfuls of leaves of outstanding quality and flavor. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world.

Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it.



Dilmah
Return to Real Tea!

Taste the difference of our real tea, fresh from our tea gardens.



Handfuls of leaves of outstanding quality and flavor. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world. In each pack you will find the finest quality tea in the world.

Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it. Whichever variety you choose, I know you'll love it.



Dilmah
Return to Real Tea!

Source: Dilmah Tea

Exhibit 13 Cont'd
Examples of Dilmah Advertising



Source: Dilmah

Exhibit 14

Dilmah Premium Ceylon Tea Packaging Design Upgrade



Source: Dilmah

Exhibit 15

Example of Facebook Promotion



Source: https://www.facebook.com/permalink.php?story_fbid=2466001460371772&id=1415281545443774

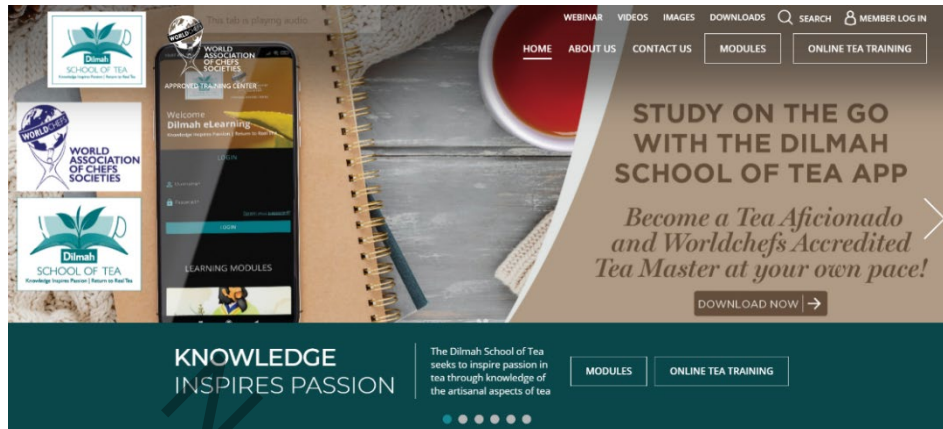
Exhibit 16

High-end Hospitality Distributors and Customers

Country	Distributors	Customers
Australia	Dilmah Australia Pty Ltd	Services 470 customers within HORECA Customers mainly consist of 4- and 5- star hotels and Qantas airlines
New Zealand	Dilmah New Zealand Ltd	10% of HORECA customer universe Cafes and office catering dominant
Indonesia	P.T. David Roy Indonesia	3-5 star hotel penetration Customers mainly consist of Hilton, Marriott, IHG, Rezidor, Four Seasons and Shangri-la hotels
China	Regal China Co. Ltd	3-5 star hotel penetration Dilmah customers being mainly western, focus on 4-5 star hotels Local hotels prefer Chinese tea
Singapore	Walson Food Distributor Pte Ltd	15% of 5 stars 17% of 4 stars Customers mainly consist of Hilton and IHG hotels
Thailand	Global Premium Wine Co Ltd	4-5 star hotels Customers mainly consist of Hilton, Marriott, IHG, Accor and Anantara hotels
Poland	Gourmet Foods SP ZOO	Current customer base consists of over 4000 restaurants and cafes Hotel penetration mainly consists of 3-4 star hotels
Dubai	W.J. Towell & Co. LLC	Customers mainly consist of Hilton, Marriott, IHG and Rezidor hotel chains
Saudi Arabia	Coffee Moments Co.	Customers mainly consist of Hilton, Marriott, IHG and Rezidor hotels

Source: Dilmah

Exhibit 17 Dilmah School of Tea



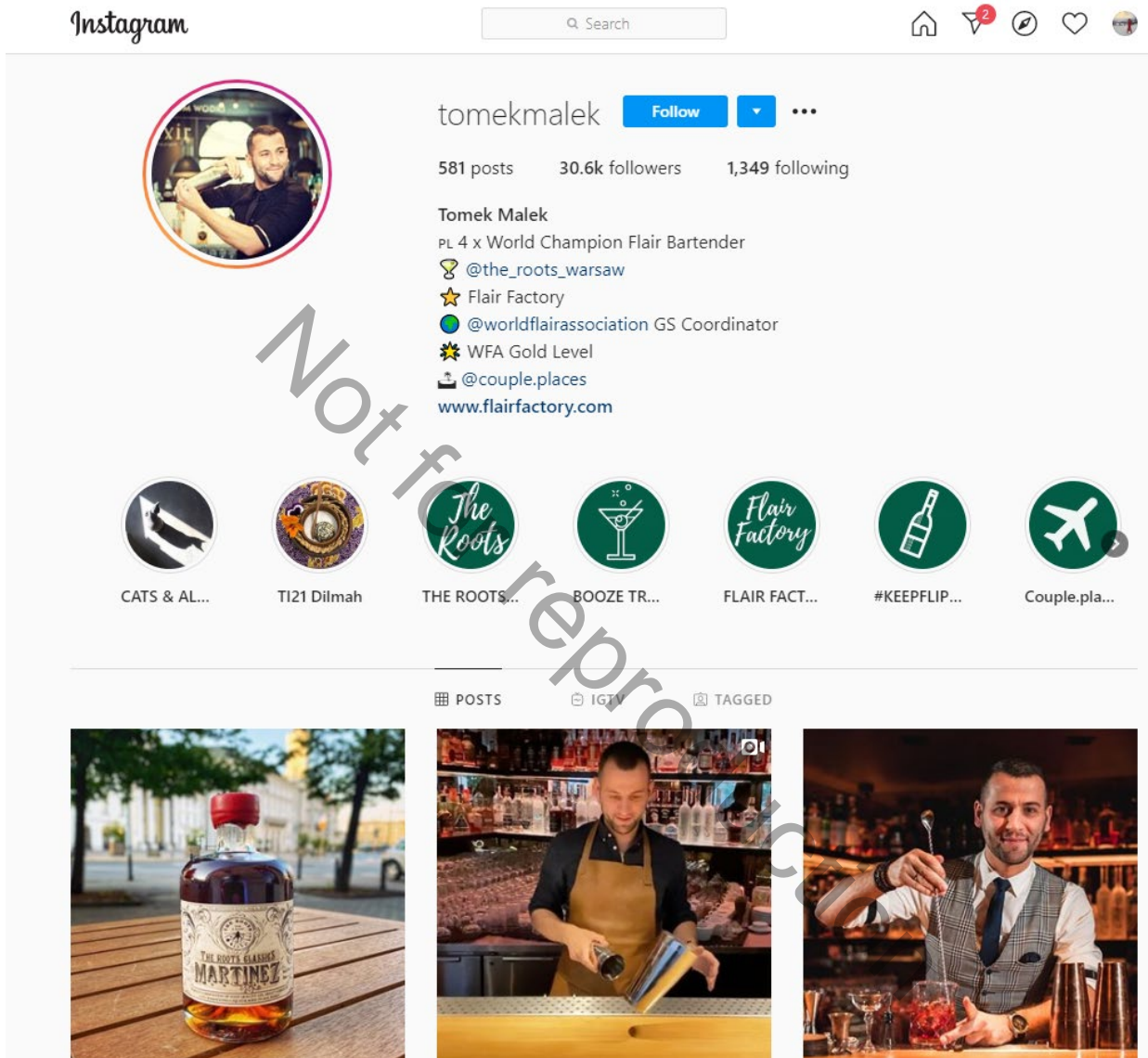
Modules

 <p>1 HISTORY AND CULTURE OF TEA</p> <p>The heritage of this remarkable herb and its 5,000 year history.</p>	 <p>2 TRADITIONAL TEA MANUFACTURING</p> <p>Real tea is made by the traditional method, and starts with two handpicked leaves and a bud.</p>
 <p>3 BREWING A PERFECT CUP OF TEA</p> <p>Real tea, produced with expertise and love, requires care in brewing to produce a truly extraordinary tea experience.</p>	 <p>4 TEA AND HEALTH</p> <p>Tea offers protective benefits against every chronic disease and is truly nature's healing herb. Learn about the science behind the health benefits in tea.</p>
 <p>5 PROFILING OF TEA</p> <p>Tea can be experienced in various ways, The appearance, form and colour of dry leaf, liquor and also the wet leaf are first noted. Finally the tea is tasted so that its aromas and flavours are enjoyed</p>	 <p>6 MJF CHARITABLE FOUNDATION</p> <p>The MJF Charitable Foundation is a realization of the Dilmah family's philosophy that Business is a Matter of Human Service.</p>
 <p>7 DILMAH CONSERVATION</p> <p>An extension of the philosophy that Business is a Matter of Human Service, Dilmah Conservation works towards sustainable use of the environment.</p>	

Source: <https://www.schooloftea.org/>

Exhibit 18

Example of Dilmah Social Media Influencers



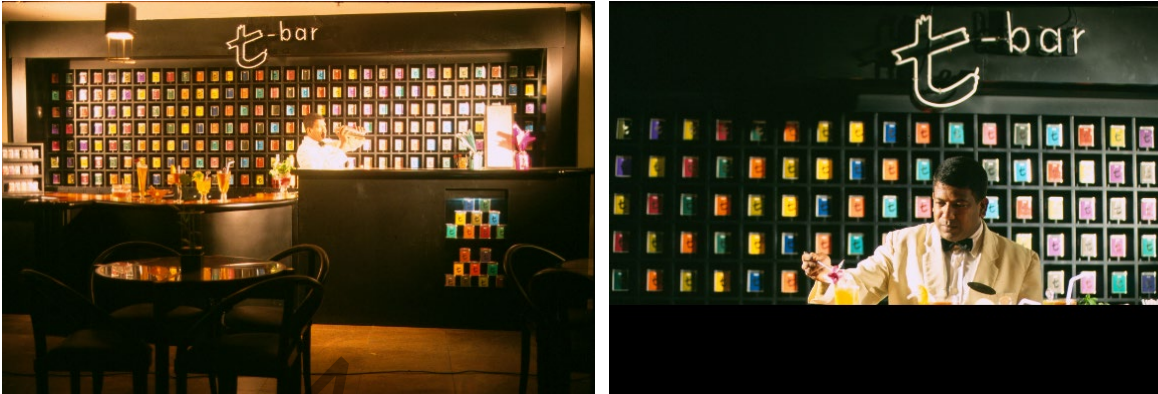
Source: Instagram Tomek Malek

Exhibit 19 Dilmah Online Shop

The screenshot displays the Dilmah Online Shop interface. At the top left is the Dilmah logo with the tagline 'For lovers of tea'. A navigation bar includes 'Our Ranges', 'Tea Format', 'Tea Type', 'Tea Gifts', 'Promotions', 'Accessories', and 'Tea Club'. A search bar is located on the right. A large banner features a 'Special Offer' stating 'WE NOW DISPATCH WITHIN 5 DAYS' and 'SHOP ONLINE & ENJOY FREE SHIPPING WORLDWIDE!' with a 'SHOP NOW' button. Below the banner, a breadcrumb trail reads 'Home . Our Ranges . Fast Dispatch'. A left sidebar contains filters for 'Price' (US\$44 to US\$84), 'Custom Pack Size' (3 packs), 'Tea Types' (Black Tea, Flavoured Black Tea, Green Tea, Flavoured Green Tea, Earl Grey, Chai & Herbal Infusion), and 'Tea Format'. The main content area is titled 'Fast Dispatch' and includes the text 'Ensuring Freshness and Quality, your Dilmah Tea will be produced within 5 working days as soon as your order is placed.' Below this, there are 28 products, with the first three being 'PERFECT CEYLON 120 TEA BAGS', 'LEMON FLAVOURED TEA 160 TEABAGS', and 'THE ORIGINAL EARL GREY 600G'. Each product listing includes an image, a 'FAST DISPATCH' badge, and the product name and quantity.

Source: Dilmah

Exhibit 20
t-Lounge



Source: Dilmah

Exhibit 21
Brew 1867



Source: Dilmah