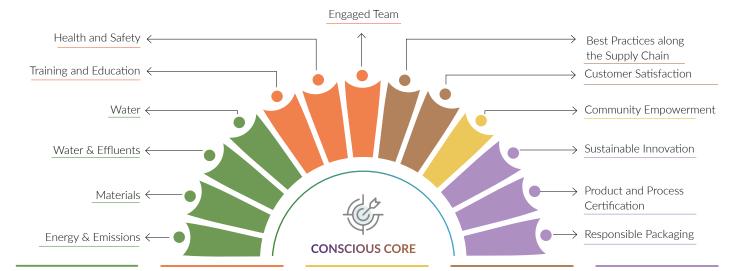
ACTIVATE - ESG ROADMAP 2030

IN PURSUIT OF A MORE SUSTAINABLE FUTURE

Launched in August 2023, our ESG Roadmap, Activate, clearly articulates our commitment to embedding ESG drivers across all aspects of our strategy and operations as we seek to effectively respond to shifting risk landscapes and forge new decision-making norms that appropriately value nature and society. It details our 2030 ESG aspirations and a clear roadmap towards delivering these goals through collective action. Activate centres on five action pillars (as shown below) which details the Group's commitment to the environment, its customers, the communities it operates in and its product value proposition. The Conscious Core of Activate represents its central focus on governance and the role played by robust

and responsive governance practices in driving the Group's ESG agenda. As part of the Hayleys Group, Haycarb's ESG Roadmap is broadly aligned to that of its parent entity's ESG aspirations - the Hayleys Lifecode - which outlines the Hayleys Group's 2030 ESG goals and its roadmap to achieving them.



Restore

We restore the natural world by transforming our relationship with nature, using sustainable practices in our manufacturing process and by supporting projects that protect and restore ecosystems.

Inspire

We inspire our teams to drive positive and meaningful change by providing them with the resources, training and support they need to succeed. We also create a culture of innovation and collaboration that encourages our employees to think outside the box and to come up with new ways to make a difference.

Excite

We aim to excite our customers by guaranteeing their satisfaction through the provision of unique products and excellent service. Our goal is to create a positive and memorable customer experience that leaves them wanting to come back for more.

Uplift

We uplift our communities and suppliers by working with them to develop meaningful and impactful projects. We believe that by empowering micro, small and medium enterprises, and entrepreneurs, we can create a more sustainable and equitable supply chain. We also support a variety of local organisations that are working to improve the lives of people in the communities where we operate.

Innovate

We innovate products and services by investing in research and development, by developing new and innovative products and by using cuttingedge technology to improve our manufacturing and management processes. We are committed to being at the forefront of innovation in the coconut shell activated carbon industry and we believe that our products and services have the potential to make a positive impact on the world.

STEWARDSHIP OF ACTIVATE

Board of Directors



Deputy Managing Director oversees the Corporate Sustainability and **ESG** Department

Corporate Sustainability and **ESG** Department

- As the apex decision making authority of the Group, the Board is directly responsible for formulating and driving the Group's ESG Roadmap.
- The Board includes an Executive Director who is responsible for overseeing the implementation of Activate including identifying and effectively responding to the Group's ESG related risks and opportunities. This Director is also tasked with ensuring that aspirations of Activate are integrated into the Group's strategy and decision making across functions.
- The ESG Steering Committee was established to drive the formulation and implementation of Activate.
- The Committee is led by the Managing Director and comprises representatives from diverse functions including HR, Finance, Marketing and Sales, Business Development, Procurement, R&D, Manufacturing and Environmental Engineering. The Committee provides oversight over the Group's ESG strategy, policies, risks, opportunities, initiatives, and external commitments.
- The Corporate Sustainability and ESG Department is responsible for actioning Activate in collaboration with relevant sustainability champions in all locations.

Oversight from Hayleys PLC

POLICY ARCHITECTURE

Haycarb has formulated many policies for ESG factors which entail significant risk, are a strategic area of focus and /or is a criterion for success in accessing markets. Other areas are governed by the policies of the Hayleys Lifecode, which serve as the minimum standard across all entities of the Hayleys Group. The policy architecture of Activate is given below.

Environment	Social	Governance							
Haycarb policies									
 Material and waste management policy Energy and emission management policy Water management policy Environmental policy 	 Human Resource policies Recruitment and selection procedure Disciplinary policy Salaries and benefits policy Fit for work policy No harassment and abuse policy Anti-discrimination policy No child labour policy No forced labour policy Health and safety policy Policies related to other stakeholders Customer management policy Procurement policy 	 Board and Sub-Committee Charters Information technology (IT) policy Information security policy Vendor and third-party management policy Innovation policy 							
	Hayleys Lifecode policies								
 Biodiversity policy Chemical management policy 	 Human Resource policies Grievance handling policy Learning and development policy Talent management and succession planning policy Performance management policy Human rights policy Whistle-blower policy CSR policy	Stakeholder engagement policy							

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With boundless energy and unwavering determination, we have embraced the possibilities that lie ahead. remaining steadfast in our commitment to creating a more sustainable and healthier planet.

OUR SUSTAINABILITY TARGETS

Our sustainability targets for 2030 are given alongside. We track progress against internal goals and targets on a quarterly basis.

The Haycarb Group's ESG related data is consolidated within the Haycarb Corporate Sustainability and ESG Division and performance is reported to the Haycarb Management team, ESG Steering Committee and ultimately the Board of Directors, on a quarterly basis. ESG related performance is also reported to the Hayleys Group ESG Steering Committee and the Hayleys Group Management Committee.



LINK TO SDGS

















MORE INFORMATION







For more information on Activate



Increase - 🛧	Decrease - ↓	Achieved -	On track -	Missed -
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Key performance indicator	Source	Baseline	2023/24		2025	2028	2030
	of metric used	(2022/23)	Progress made	On track / Achieved / Missed	Target	Target	Target
Waste and effluents				•			
Reduction of solid waste generation (Mt per Rs. Mn revenue)	GRI	0.11	0.12 (16%)	0	4 4%	↓ 10%	↓ 15%
Reduction of wastewater generation (m3 per Rs. Mn revenue)	GRI	3.66	6.22 (↑ 70%)	C	↓ 2.8%	↓ 7%	↓ 10%
Materials							
Use of sustainable packaging for packaging	GRI	Purchased 1,000,000 Nos Leno sacks for charcoal intake	Purchased only 619,00 Nos leno sack during this period - reduction mainly due to increase in usage* of bulk bags (BB's) for charcoal intake. *01 bulk bag reused at least 5 times for charcoal packaging *01 leno sack reused at least 2 times for charcoal packaging	V	7%	21%	25%
Water							
Sustainable water sourcing (Litres'000)	GRI	-	45,839 (6%)	V	2.8%	7%	10%
Water usage dedicate to reuse and recycling sustainable practices (Litres'000)	GRI	-	12,318 (2%)	\checkmark	4%	10%	15%
Reduction in Group water intensity (m3 per Rs. Mn revenue)	GRI	10.66	16.97 (↑ 59%)	C	♦ 8%	↓ 20%	↓ 30%
Energy and emissions							
Increase in renewable energy use - as a % of total non renewable energy consumption (GJ)	GRI	5,390	5,915 (2.4%)	<u>e</u>	14%	35%	50%
Increase biofuels utilisation (GJ)	GRI	Assessment in progress	-	-	-	-	-
Reduction in energy intensity Gj per Rs.Mn revenue	GRI	19.81	26.24 (↑ 32%)	0	\ 2.8%	→ 7%	↓ 10%
Ensuring science-based target approach to reduce carbon footprint per revenue	Non-GRI	-	-	V	-	-	-
Reduction in Scope 1 and 2 emissions (tCO ₂ eq)	GRI	25,952	24,388 (\ 6%)	$\overline{\checkmark}$	↓ 7%	↓ 17.5%	↓ 25%
Maintain mapping of all the direct and indirect GHG emissions of the sector	GRI	Direct and indirect emissions calculated annually.	Direct and indirect emissions are being calculated annually.	V	100%	100%	100%

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	Key performance indicator		Baseline	seline 2023/24		2025	2028 Target	2030 Target
			(2022/23)	Progress made	On track / Achieved / Missed	Target		
	Engaged team							
	Maximum attrition rate (%)	GRI	5%	8%	C	5%	5%	5%
	Coverage of permanent employee performance appraisals (%)	GRI	100%	100%	Q	100%	100%	100%
	Training and development							
	Mapping of all training requirements across the Group (%)	Non-GRI	100%	100%	<u> </u>	100%	100%	100%
ត	Average hours of training per employee per annum	GRI	9 hrs	12.1 hrs	$\overline{\checkmark}$	17 hrs	29 hrs	40 hrs
Inspire	Health and safety							
_	Zero fatalities and reduce work related injuries across all	SASB	RIR - 1.8	RIR - 1.58	C	1.5	1	0
	manufacturing facilities.		LTIF - 0.9	LTIF - 1.53	C	1	1	<1
	Reduce recordable incident rateLost time injuries frequency rate							
		Non CDI		Periodic health checks				
	Mandatory health screening for all employees Ensure annual 'Haycarb Health Plan' conducted for all executives (>40 years age) considered at risk.	Non-GRI	-	conducted to identify any health issues early on.		-	-	-
	Customer management							
	Target customer satisfaction score (%)	GRI	85%	>90%	<u>Q</u>	>90%	>90%	>90%
Excite	Increase in global market share (%)	GRI	16%	Parallel with the market growth of its volume, we will continue to grow ourselves to meet the growing demand while ensuring market share while focusing on further expansion possibilities	V	-	-	1%
	Community development							
	Increase in CSR beneficiaries (Nos)	GRI	>100,000	>105,000 (↑ 5%)	V	1 4%	↑ 35%	↑ 50%
	Supplier value creation							
Uplift	Use of green charcoal as raw material in all manufacturing locations (%)	GRI	42%	40%	C	52%	67%	>75%
	Supplier assessments of all suppliers on their environmental and social standards and contributions (%)	GRI	5%	8%	V	15%	30%	40%

		Key performance indicator	Source of metric used	Baseline (2022/23)	2023/24		2025	2028	2030
					Progress made	On track / Achieved / Missed	Target	Target	Target
Innovate	ate	Product and process certifications (Nos)	Non-GRI	All mandatory and strategically important certifications obtained	Refer page 138 to 139 under intellectual capital		-	-	-
	Innovä	Sustainable innovation (Rs.Mn)	Non-GRI	Continuous efforts to carryout initiatives relating to sustainable innovation	Refer page 170 to 176 under manufactured capital		-	-	-