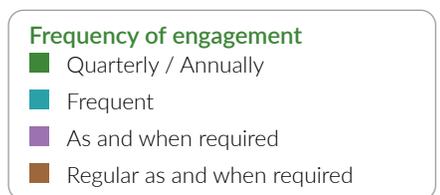


LISTENING TO OUR STAKEHOLDERS GRI 2-29

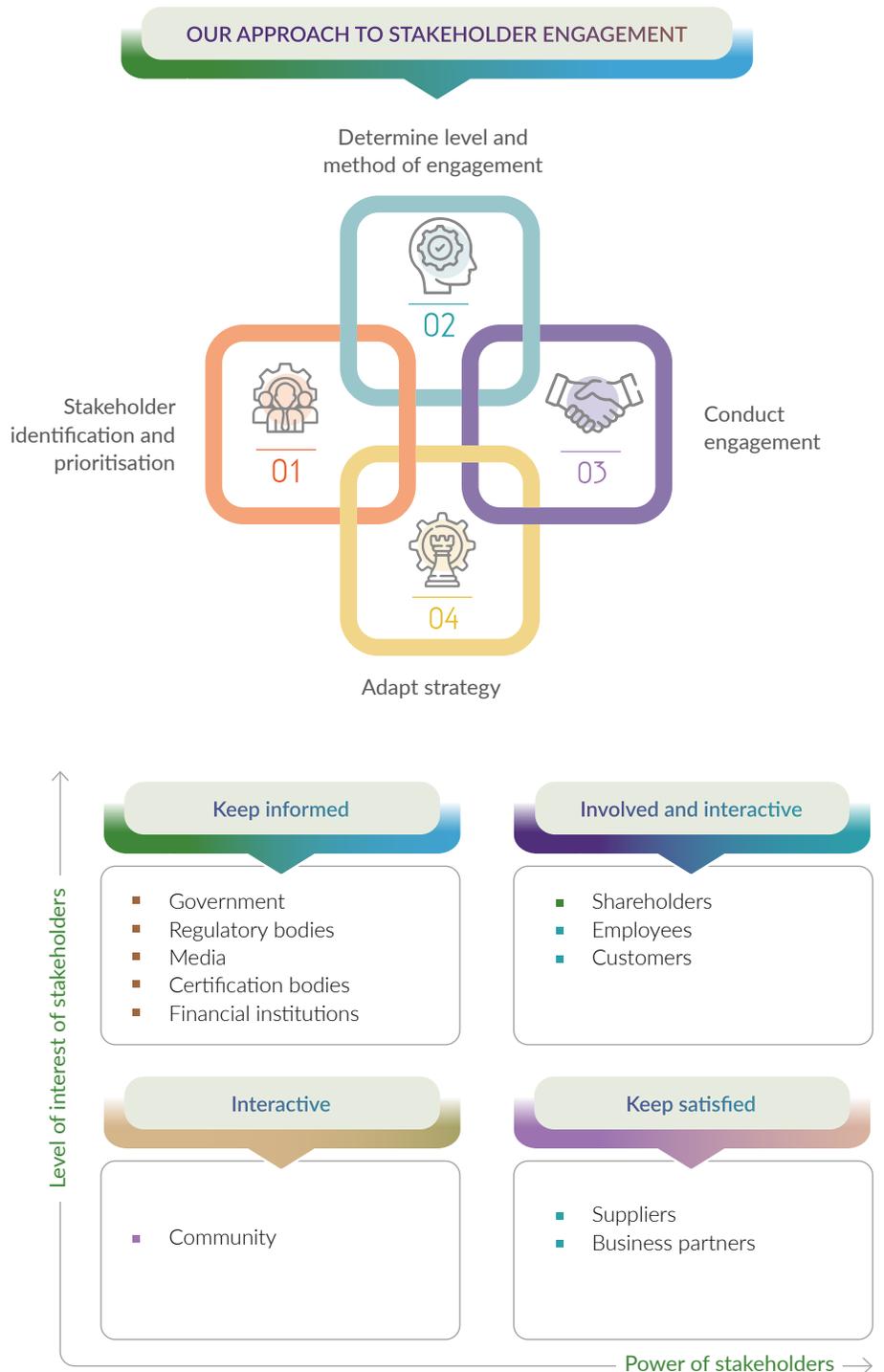
Our stakeholder identification process takes into consideration all parties who currently have an interest in the business or are likely to have an interest in the future. These parties are then prioritised based on:

- The level of influence they have over the business directly or through others.
- The extent to which stakeholders will be impacted by the Group's activities.
- The expertise, level of information and guidance that can be given by the stakeholder.
- The nature of the relationship.

Based on the above, our engagement approach and mechanisms of engagement are determined. Our engagement strategies based on the level of interest and potential influence of stakeholders is set out below.



Proactive engagement with our stakeholders is a priority for formulating strategies and driving our innovation. Stakeholders enable us to identify, mitigate and manage risks, their concerns are a key input into strategy formulation, determining material issues and the corporate reporting process. Our approach to stakeholder engagement is guided by the Hayleys Group Stakeholder Engagement Policy and is described below.



HIGHLIGHTS OF OUR STAKEHOLDER ENGAGEMENT IN 2023/24

SHAREHOLDERS

Methods of Engagement

- Annual General Meeting
- Annual reports
- Quarterly performance updates
- Press releases

Level of engagement

- Involved and interactive

Frequency of engagement

- Quarterly / Annually

Areas of Concern

- Implications of the global and local economic environment on financial performance and position.
- Opportunities for sustainable growth.
- Corporate governance
- Adequacy of risk management.
- Corporate reputation

Our Response

- Strategic emphasis on growth markets in Asia, West Africa, Middle East and South America.
- Strategic investments in energy storage carbons including hard carbon and other new products developments to capture emerging opportunities.
- Advanced our greenfield investment in the Philippines.
- Strategic emphasis on sustainability through the launch of Activate, our ESG Roadmap 2030.
- Assessed the resilience of our business to the implications of climate change.
- Robust risk management to proactively identify and respond to new developments and risks.

LINK TO CAPITALS



VALUE CREATED

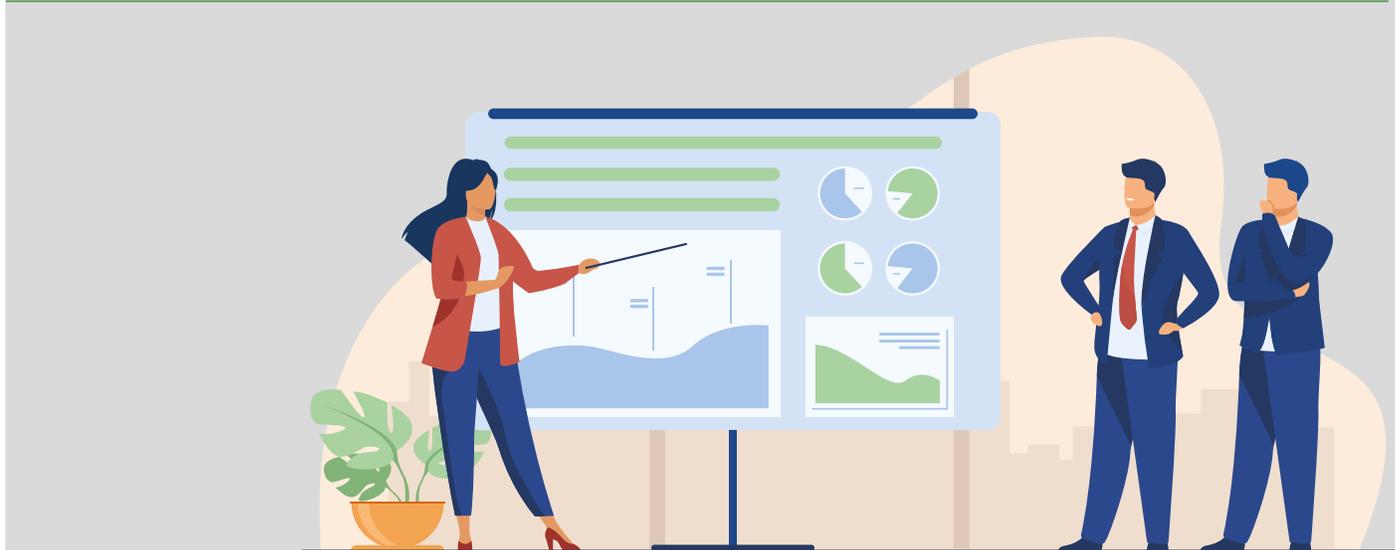
<p>Profit after tax</p> <p style="font-size: 24px; font-weight: bold; color: #337ab7;">Rs. 4.3 Bn</p>	<p>DPS</p> <p style="font-size: 24px; font-weight: bold; color: #337ab7;">Rs. 6.00</p>	<p>ROE</p> <p style="font-size: 24px; font-weight: bold; color: #337ab7;">16.8%</p>
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LINK TO SDGS

8 DECENT WORK AND ECONOMIC GROWTH


9 INDUSTRY, INNOVATION AND INFRASTRUCTURE


12 RESPONSIBLE CONSUMPTION AND PRODUCTION

LISTENING TO OUR STAKEHOLDERS

EMPLOYEES AND TRADE UNIONS

Methods of Engagement

- Monthly town hall meetings
- Open door policy with management
- Open dialogue with trade unions
- One-on-one meetings with the HR department

Level of engagement

- Involved and interactive

Frequency of engagement

- Frequent

Areas of concern

- Financial stability and job security
- A safe and conducive work environment
- Opportunities for training and skill development
- Opportunities for career progression

Our Response

- Fair and equitable remuneration for all employees.
- Invested over Rs. 100 Mn on enhancing occupational health and safety and overall employee well-being.
- Adhered to numerous occupational health and safety related certifications.
- Invested over Rs. 11.3 Mn to create a learning organisation and empower employees.
- Implemented targeted training for middle management to prepare them for leadership roles.

LINK TO CAPITALS



LINK TO SDGS



VALUE CREATED

Payments to employees

Rs. 5.4 Bn
(+15.6%)

Average training hours per employee

12.1

Investment in health and safety and overall well-being

>Rs. 100 Mn



CUSTOMERS

Methods of Engagement

- Customer visits to our factories
- Regular engagement through digital platforms
- In-person visits to customers
- Trade shows and exhibitions

Level of engagement

- Involved and interactive

Frequency of engagement

- Frequent

Areas of concern

- Capacity to innovate.
- Capacity to customise products to meet specific technical requirements.
- Consistency in quality and timely delivery.
- Sustainable and ethical business practices.

Our Response

- Ongoing emphasis on evolving our product portfolio to meet emerging needs.
- Strategic investments in new product developments to fulfill specific needs of customers.
- Strong engagement with customers to proactively address concerns and issues.
- Strategic emphasis on enhancing the sustainability of our business through the launch of our Activate, ESG Roadmap 2030.
- Robust manufacturing and QA systems and processes entrenched through a range of certifications such as ISO and GMP, to deliver products of consistent quality at the right time and right place.

LINK TO CAPITALS



LINK TO SDGS



VALUE CREATED

Customer satisfaction score
>90%

New products launched
14

Investment in R&D
Rs. 231.4 Mn



LISTENING TO OUR STAKEHOLDERS

SUPPLIERS

Methods of Engagement

- Continuous engagement through in-person, on-site meetings and through mobile and digital platforms.
- Supplier screening processes

Level of engagement

■ Keep satisfied

Frequency of engagement

■ Frequent

Areas of concern

- Stable procurement of raw materials at a fair price.
- Timely payments and ease of doing business.
- Technical support for process improvements
- Building long-term relationships.
- Environmental and social compliance

Our Response

- Close engagement, ethical business practices and payments on time.
- Ongoing emphasis on propagating green charcoaling practices to suppliers.
- Enhanced supplier convenience in Sri Lanka, through the establishment of collection centres in Galle and Malsiripura.
- ESG related capacity building and supplier audits.

LINK TO CAPITALS



VALUE CREATED

Payments to coconut shell and charcoal suppliers

Rs 12.8 Bn

New Haritha Angara pits constructed

23

Total No. of coconut shell and charcoal suppliers supported

> 600

LINK TO SDGS



BUSINESS PARTNERS

Methods of Engagement

- Continuous engagement through in-person, on-site meetings and through mobile and digital platforms.

Level of engagement

- Keep satisfied

Frequency of engagement

- Frequent

Areas of concern

- Sustainable business success through collaborative partnerships.
- Professionalism and accountability
- Robust risk management and corporate governance practices
- Corporate reputation

Our Response

- Equitable distribution of technical capabilities, employee training and market growth across all business entities.
- Transparent business practices.
- Timely communication of financial and relevant information.
- Systematized corporate governance practices, risk mapping and mitigation strategies
- Equitable sharing of business profits.

LINK TO CAPITALS



LINK TO SDGS



VALUE CREATED

Business partner satisfaction rate

>95%

Relationship in Thailand

>26 years

Relationship in Indonesia

>11 years



LISTENING TO OUR STAKEHOLDERS

COMMUNITY

Methods of Engagement

- Impactful, long term community development projects.
- Grievance handling mechanisms

Level of engagement

■ Interactive

Frequency of engagement

■ As and when required

Areas of concern

- Employment opportunities.
- Environmental and social concerns

Our Response

- Created employment opportunities within the communities we operate.
- Created employment opportunities to small holders through the Haritha Angara programme in Sri Lanka.
- Maintained existing projects under the Puritas Sath Diyawara initiative facilitating purified drinking water to communities with high incidence of chronic kidney disease.
- Donated school supplies to school children through the Puritas Sath Diyawara Going Beyond and other school donation initiatives.
- Donated 90 laptops to state university students to support their education.
- Continued the mid-day meal programme, providing mid-day meals to over 800 students, across 13 schools
- Compliance with all regulatory requirements including social environmental regulations.

LINK TO CAPITALS



VALUE CREATED

Investment in CSR initiatives

Rs. 40.8 Mn

CSR beneficiaries

>105,000

Anniversary of the Puritas Sath Diyawara initiative.

9th

LINK TO SDGS



GOVERNMENT, INDUSTRY, REGULATORY BODIES AND MEDIA

Methods of Engagement

- One to one engagement
- Engagement through digital platforms including the company website.
- Engagement through audits, industry forums and associations.

Level of engagement

■ Keep informed

Frequency of engagement

■ Regular as and when required

Areas of concern

- Compliance with all laws and regulations across all the countries we operate in.
- Transparency in work practices
- Knowledge sharing with industry partners
- Responsible corporate citizen and employer.

Our Response

- Complied with all laws and regulations in each jurisdiction.
- Timely and accurate disclosures.
- Timely payments of taxes, levies, licensing fees and other government payments.
- Maintained strong corporate governance and risk mitigation frameworks.
- Created non-partisan employment and career progression opportunities.
- Impactful CSR initiatives with a long-term focus, mainly to address needs in education, nutrition, healthcare and access to potable water.

LINK TO CAPITALS



VALUE CREATED

Tax payments	Foreign exchange earnings for 3 developing economies	Instances of significant non-compliance
Rs. 2.8 Bn	USD 100.3 Mn	Zero

LINK TO SDGS



LISTENING TO OUR STAKEHOLDERS

CERTIFICATION BODIES

Methods of Engagement

- Audits
- Collaborative meetings with the relevant members of the Haycarb team
- Training sessions

Level of engagement

- Keep informed

Frequency of engagement

- Regular as and when required

Areas of concern

- Compliance with the requirements of the certification bodies.
- Transparency, accuracy, and timeliness of disclosures.

Our Response

- Complied with all requirements of the certification bodies.
- Disclosed all required information completely and in a timely manner.

LINK TO CAPITALS

VALUE CREATED

Adherence to certification bodies 100%	Score on systems and process audits >90%	Re-certifications obtained in 2023/24 5
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LINK TO SDGS

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION



FINANCIAL INSTITUTIONS

Methods of Engagement

- Face to face engagement
- Open dialogue through mobile and digital platforms.

Level of engagement

- Keep Informed

Frequency of engagement

- Regular as and when required

Areas of concern

- Meet debt obligations in a timely manner and adhere to covenants.
- Accurate disclosure of financial information.
- Robust and responsible, financial management.

Our Response

- Timely repayment of capital and interest payments
- Disclosed all required information accurately and in a timely manner.
- Prudent financial management.

LINK TO CAPITALS



VALUE CREATED

Timely debt payments

100%

Digitisation of operations with financial institutions

>90

Relationship with most banking partners

Over 5 Years

LINK TO SDGS

