

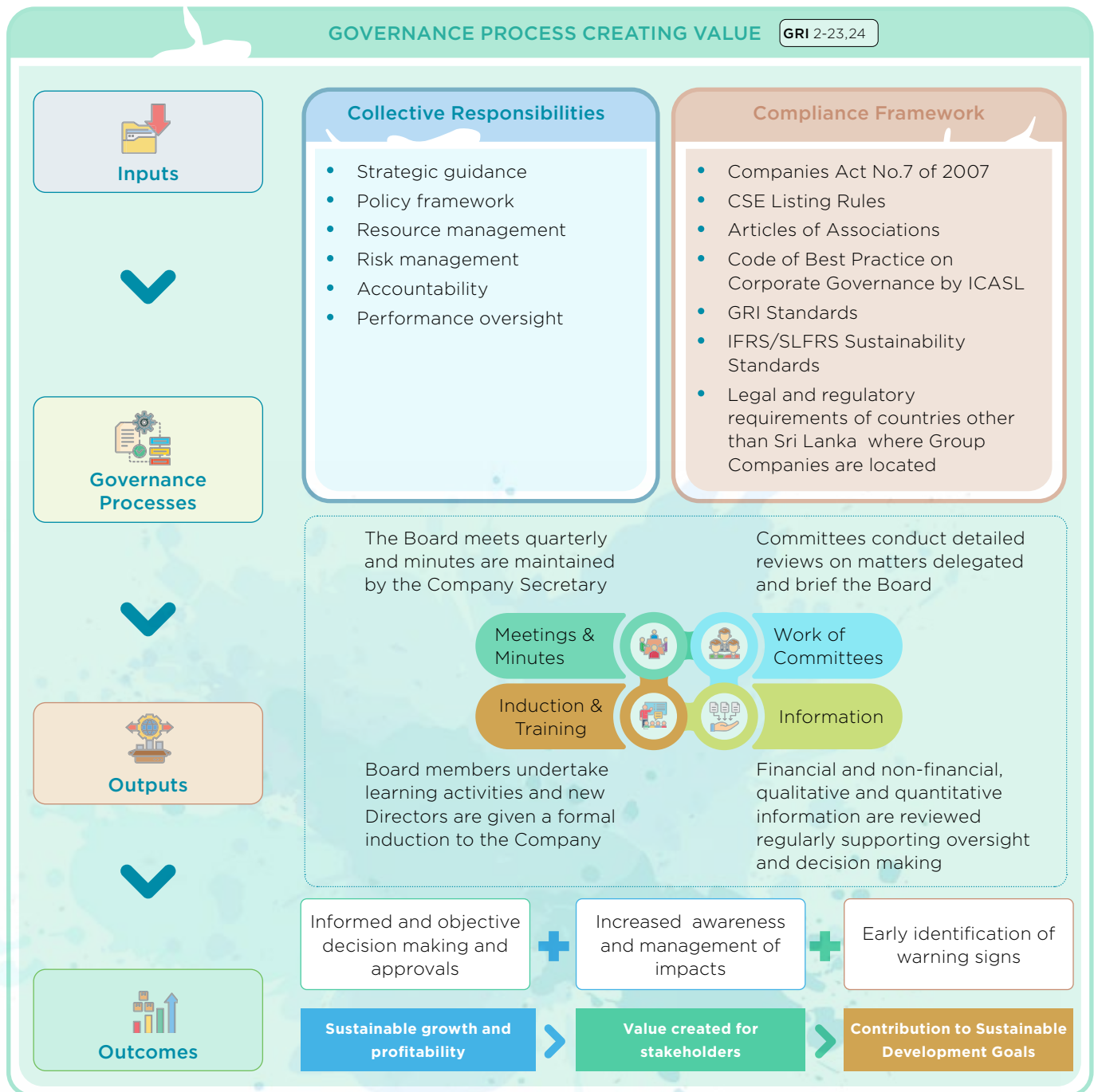
# Boundless Impact

Corporate Governance



# Corporate Governance

THE COMPANY HAS FULLY COMPLIED WITH THE LATEST REGULATORY PRONOUNCEMENTS, INCLUDING SECTION 9 OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE, THE CODE OF BEST PRACTICE ON CORPORATE GOVERNANCE ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA, AND THE RECENTLY INTRODUCED SLFRS SUSTAINABILITY STANDARDS S1 AND S2.



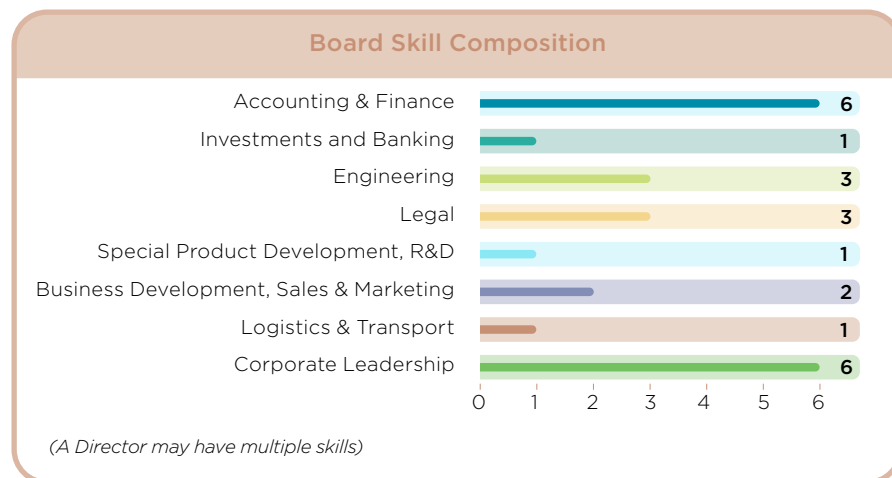
## COMPOSITION IS KEY

GRI 2-9, 17, 405-1

As of 31st March 2025, the Board comprised 14 Directors, whose profiles are presented on pages 28 to 32 of this Report. The Board includes six Executive Directors, among them the Chairman and the Managing Director, and eight Non-Executive Directors, five of whom are independent. This composition ensures compliance with Section 9.8 of the Colombo Stock Exchange Listing Rules, which requires a minimum of one-third independent representation on the Board. The diverse mix of skills, experience, and

perspectives among the Directors enables robust and objective deliberation on matters brought

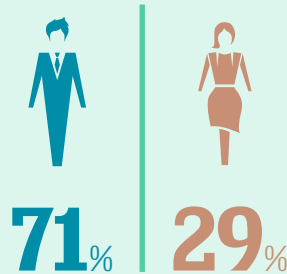
before the Board. A summary of the Board's collective strengths is provided below.



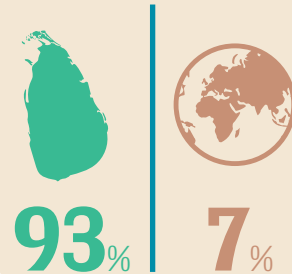
### Balanced Composition of the Board as of March 31, 2025

Executive Directors (including Chairman and MD)		43%
Non-Independent Non-Executive Directors		21%
Independent Non- Executive Directors		36%

### Gender Representation of the Board



### Nationality Representation of the Board



### Age Diversity of the Board of Directors

> 60		65%
55 - 60		14%
50 - 55		14%
< 50		7%

### Tenure on the Board (Years)

> 15		36%
10 - 15		14%
5 - 10		7%
< 5		43%

# Corporate Governance

## NOMINATIONS AND GOVERNANCE

GRI 2-10

The Nominations and Governance Committee supports the Group in identifying suitable candidates for Board appointments as required. The Committee assesses prospective Directors based on their skills, competencies, experience, and personal attributes, while also considering the overall composition and diversity of the Board. The primary criterion is to select the most qualified individual who aligns with the Company's strategic needs and satisfies the Board's requirements for independence and diversity.

## FIT & PROPER CRITERIA / DETERMINING INDEPENDENCE

GRI 2-13, 18

The criteria for determining whether a Director is 'fit and proper' to discharge their duties and independence, where applicable, are defined under Section 9 of the CSE Listing Rules. Haycarb adhered to these criteria throughout the year in its Board evaluation processes. Self-declarations were obtained from all Directors during the year and were duly reviewed and assessed.

## APPOINTMENT, RETIREMENT AND RESIGNATIONS

Directors are appointed by the Board in accordance with the Company's Articles of Association and are subsequently reappointed by the shareholders at the Annual

General Meeting. The Board recommends suitable candidates for appointments based on the advice of the Nomination and Governance Committee. Upon appointment, the details of new Directors are duly disclosed to the Colombo Stock Exchange, in line with regulatory requirements.

- A brief resume of the Director
- The nature of his expertise in relevant functional areas
- The names of companies in which the Director holds directorships or memberships in Board Committees
- Whether such Director can be considered 'Independent' in accordance with the CSE Listing Rules

The Board is empowered to appoint Directors to fill any casual vacancies that may arise during the year. In accordance with the Articles of Association, such appointments are valid until the next Annual General Meeting, at which point the appointed Directors are required to stand for election by the shareholders. This process ensures active shareholder participation in the appointment of Directors.

One-third of the Directors in office retire at each Annual General Meeting by rotation with the Directors who have served for the longest period since their appointment/re-appointment retiring first. Retiring Directors are generally eligible for re-election. The names of the Directors who

are submitted for election or re-election are given in the Notice of Meeting and their resume is provided in the Annual Report to enable shareholders to make an informed decision on their election.

Provisions of the Articles of the Company do not require the Director who is the Managing Director to retire by rotation.

## SUBCOMMITTEES OF THE BOARD

GRI 2-9


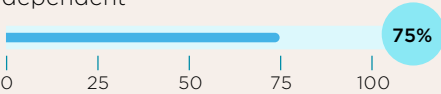

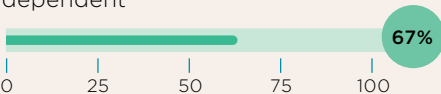

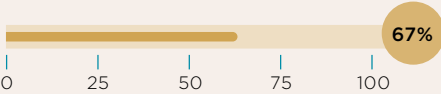

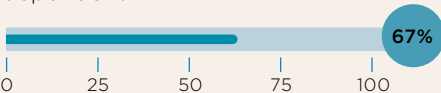
During the year, the Board established the Nominations and Governance Committee, the Remuneration Committee and the Related Party Transactions Review Committee to aid in fulfilling its obligations in accordance with the recently introduced CSE Listing Rules, Section 9 on Corporate Governance.

Before the formation of these three new committees, the respective committees of the parent company Hayleys PLC discharged the duties towards the Haycarb Board.

The Company has its Audit Committee, responsible for overseeing financial reporting, risk management, internal controls, and assessing the work of both External and Internal Auditors, including the Independence of the External Auditor.

The composition and respective areas of oversight of the subcommittees are summarised below.



Board Committee	Composition	Areas of Oversight
<b>Audit Committee</b> (Refer pages 246 to 248 for Report of the Committee)	Comprises three Independent Non-Executive Directors and one Non-Executive Director. <div>  <p>INED NED</p> <p>% of committee members who are independent</p>  <p>0 25 50 75 100</p> </div>	<ul style="list-style-type: none"> <li>Evaluating the integrity of the financial statements and adequacy of internal controls</li> <li>Review of the key risk exposures and measures in place to mitigate risks</li> <li>Internal Audits</li> <li>External Audit</li> </ul>
<b>Nominations and Governance Committee</b> (Refer pages 251 to 253 for Report of the Committee)	Comprises two Independent Non-Executive Directors and one Non-Executive Director. <div>  <p>INED NED</p> <p>% of committee members who are independent</p>  <p>0 25 50 75 100</p> </div>	<ul style="list-style-type: none"> <li>Appointment of Key Management Personnel</li> <li>Establish and maintain a formal procedure for the appointment of new directors</li> <li>Succession Planning</li> <li>Effectiveness of the Board and its Committees</li> </ul>
<b>Remuneration Committee</b> (Refer pages 249 to 250 for Report of the Committee)	Comprises two Independent Non-Executive Directors and one Non-Executive Director. <div>  <p>INED NED</p> <p>% of committee members who are independent</p>  <p>0 25 50 75 100</p> </div>	<ul style="list-style-type: none"> <li>Remuneration policy for Key Management Personnel</li> <li>Goals and targets for Key Management Personnel</li> <li>Performance evaluation</li> </ul>
<b>Related Party Transactions Review Committee</b> (Refer pages 244 to 245 for Report of the Committee)	Comprises two Independent Non-Executive Directors and one Non-Executive Director. <div>  <p>INED NED</p> <p>% of committee members who are independent</p>  <p>0 25 50 75 100</p> </div>	<ul style="list-style-type: none"> <li>Review of all related party transactions of the Group.</li> <li>Monitor that all related party transactions are transacted on normal commercial terms</li> <li>Oversight on disclosure of related party transactions</li> </ul>

# Corporate Governance

## A FRAMEWORK FOR COMPLIANCE

GRI 2-27

The Group's compliance framework has evolved beyond meeting regulatory requirements, reflecting its commitment to adopting global

best practices and maintaining high standards of governance. In line with this approach, the Group incorporated the SASB Standards for the chemicals sector and adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). No

instances of non-compliance or legal actions were reported during the year. The current structure of the Group's compliance framework is outlined below. There have been no significant instances of non-compliance with laws and regulations during the reporting period.

### Regulatory Frameworks

- Companies Act No.7 of 2007
- Sri Lanka Accounting and Auditing Standards Act No.15 of 1995
- Section 9 on the Corporate Governance Rules for listed Companies issued by the Colombo Stock Exchange (CSE)
- Inland Revenue Act No. 24 of 2017 and amendments thereto
- Customs Ordinance No. 17 of 1869
- Foreign Exchange Control Act No. 12 of 2017
- Industrial Disputes Act No. 43 of 1950
- The Shop and Office Employees Act No. 15 of 1954
- Factories Ordinance No. 45 of 1942
- All legal and regulatory framework of countries where the Group Companies are operating.
- Continued Listing Requirements of the Colombo Stock Exchange - Section 7.

### Voluntary Standards, Codes and Frameworks

- "Code of Best Practice on Corporate Governance 2023" issued by the Institute of Chartered Accountants of Sri Lanka
- Integrated Reporting Framework
- Global Reporting Initiative Standards
- Recommendations of the Taskforce on Climate Related Financial Disclosures
- IFRS S1 and S2 Sustainability Reporting Standards/ SLFRS Sustainability Standards
- Chemicals Sustainability Accounting Standard
- Requirements of Environmental & Social Certifications
- Requirements of the Environmental Quality Standards and Certifications.
- Sustainability Accounting Standards Board (SASB) Disclosures.
- Non-Financial Reporting Guidelines of the Institute of Chartered Accountants of Sri Lanka.

### Internal Mechanisms

- The Articles of Association
- Charters of the Board of Directors and the Subcommittees
- "Hayleys Life code" - ESG Framework
- The Hayleys Way
- "Activate" - ESG Roadmap 2030
- Haycarb's Policies and Procedures
- Delegation of Authority Limits /SOPs

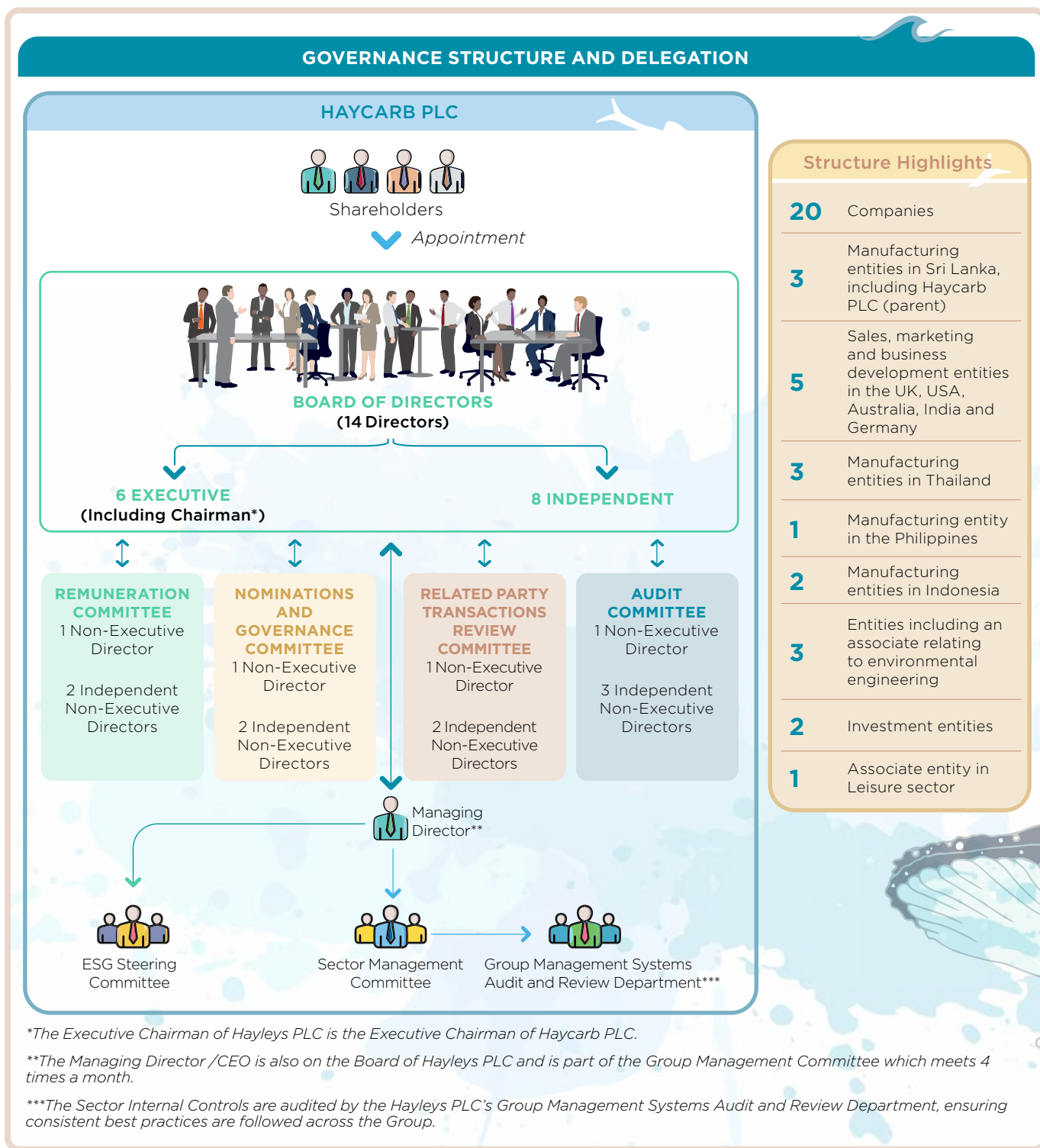




## A FIT FOR PURPOSE GOVERNANCE STRUCTURE

GRI 2-9

The Group has 20 Companies including 17 subsidiaries and 2 associates. The governance structure of the Group facilitates the line of sight to the Board on the geographically diverse operations as set out alongside.



## ROLES AND RESPONSIBILITIES

GRI 2-12

### Chairman

Leads the Board, preserving good corporate governance and ensuring that the Board works ethically and effectively.

#### *Responsibilities:*

- Setting the ethical tone for the Board and Company.
- Setting the Board's annual work plan and the agendas, in consultation with the Company Secretary and the Managing Director.
- Building and maintaining stakeholder trust and confidence.
- Ensuring effective participation of all Board members during Board meetings.
- Facilitating and encouraging discussions amongst all Directors of matters set before the Board and ensuring a balance of power is maintained between Executive and Non-Executive Directors (NED's).
- Monitoring the effectiveness of the Board.

### Senior Independent Director (SID)

Provides guidance to the Chairman on matters of governance of the Company.

#### *Responsibilities:*

- Set corporate values facilitating an equitable balance between key stakeholder interests.
- Uphold high standards of ethics, integrity and support executive leadership whilst monitoring their conduct.
- Promote high standards of corporate governance and compliance.
- Meet with NEDs to facilitate discussion and communication of governance matters and communicate same to Chairman.
- Maintain sufficient contact with shareholders and be available in case they have concerns which cannot, or should not, be addressed by the Chairman or Executive Directors.
- Act on the results of any performance evaluation of the Chairman.

### Managing Director/Chief Executive Officer

Accountable for implementation of Haycarb PLC strategic plan and driving performance.

#### *Responsibilities:*

- Appointing and ensuring proper succession planning of the corporate management team and assessing their performance.
- Developing the Company's strategy for consideration and approval by the Board.
- Developing and recommending to the Board budgets supporting the Company's long-term strategy.
- Monitoring and reporting to the Board on the performance of the Company and its compliance with applicable laws and Corporate Governance principles.
- Establishing an organisational structure for the Company which is appropriate for the execution of strategy.
- Ensuring a culture that is based on the Company's values.
- Ensuring that the Company operates within the approved risk appetite.



### Company Secretaries

The office of the Company Secretary is integral to the effective functioning of the Board. Secretarial services to the Board are provided by Hayleys Group Services (Private) Limited. The Company Secretary guides the Board on discharging its duties and responsibilities, promoting best practices in Corporate Governance.

#### *Responsibilities include.*

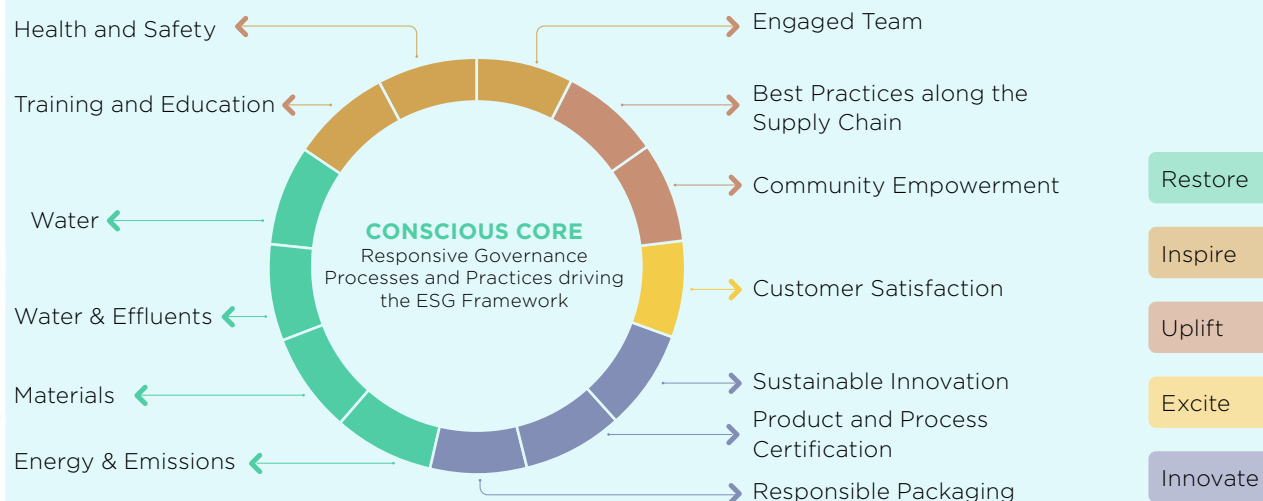
- Ensuring the conduct of Board and General Meetings in accordance with the Articles of Association and relevant legislation.
- Maintaining statutory registers and the minutes of the Board and Committee meetings.
- Prompt communication to regulators and shareholders.
- Filing statutory returns and facilitating access to legal advice in consultation with the Board, where necessary.
- All Directors have access to the advice and services of the Company Secretary. Appointment and removal of the Company Secretary is a matter for the Board.

### Oversight of Subsidiaries

The following mechanisms facilitate oversight of the geographically diverse interests by the Board of Haycarb PLC:

- Mr. Mohan Pandithage is the Chairman of all entities in the Group other than PT. Mapalus Makawanua Charcoal Industry and PT. Haycarb Palu Mitra where he holds the office of President Commissioner and President Director respectively.
- Mr. Rajitha Kariyawasan (Managing Director) is on the Board of all Group entities except for one Associate company
- Mr. Sarath Ganegoda serves on the Boards of two entities of Australia and Indonesia and an Associate company in Sri Lanka.
- Ms. Jeevani Abeyratne (Finance Director ) is on the Board of all Group entities, except two associate entities.
- Mr. Brahman Balarathnarajah (Deputy Managing Director) serves on the Boards of ten entities in Sri Lanka, Thailand, USA, Singapore, Philippines and Indonesia
- Mr. Ali Asgar Munaver Carderbhoy (Director - Business Development) serves on the Board of seven entities in Sri Lanka, Australia, India, Philippines, Singapore and Indonesia
- Mr. James Naylor (resigned w.e.f. 31st January 2025) serves on the Board of the UK entity.
- Mr. M.S.P. Udaya Kumara (Director - Research & Development and Technical) serves on the Board of six entities in Sri Lanka, USA, Philippines, Singapore and Indonesia.
- Ms. Brindiini Perera serves on the Board of the UK entity.
- Mr. Arjun Senaratna serves on the Board of the USA entity

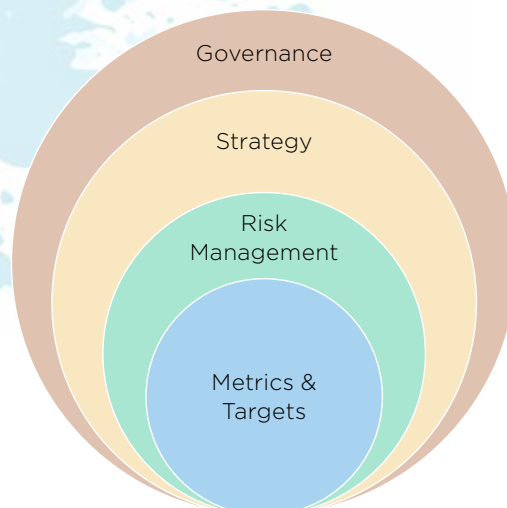
**HAYCARB LAUNCHED "ACTIVATE", ITS OWN ESG FRAMEWORK WHICH BUILDS ON THE HAYLEYS LIFECODE TO CUSTOMISE THE SAME TO MEET OUR NEEDS**



### READINESS FOR IFRS/SLFRS SUSTAINABILITY STANDARDS

Haycarb commenced its journey to report with IFRS as soon as they were launched, spending time and effort to understand the standards and build awareness of sustainability reporting within the Group. Accordingly, training was carried out for the entire leadership of the Group including the Executive Directors to ensure there is alignment of understanding and that every department understands their responsibilities with regard to sustainability reporting, underscoring that sustainability requires the active participation of every employee and stakeholder.

Governance and strategy pillars are in place and we are now focusing on the Risk Management aspect of sustainability reporting. Haycarb reported using the SASB for Chemicals which has the most similar industry description but observed that this is not a good fit as many of the sustainability issues in the standard are not relevant to the Group. Consequently, we explored GRI concepts of ESRS to determine the Group's SRROs and CRROs, to ensure the targets and metrics in place align with our business model and impacts across the value chain.



## ALIGNING FINANCIAL & SUSTAINABILITY REPORTING BOUNDARIES

The ESG Framework has been implemented across all locations and entities. This includes reporting on material topics relevant to both the Group and the industry sector. We firmly believe that any location not reporting ESG information poses a potential unidentified and unassessed risk to the Group.

## STRENGTHENING OVERSIGHT OF ESG IMPLEMENTATION

The Board is responsible for formulating the Group's ESG strategies, policies, goals, and targets. To support the implementation of its ESG agenda across all Group companies, an ESG Steering Committee has been established at the parent company Board level.

### *The composition of the ESG Steering Committee:*

- Chaired by the Managing Director
- Four Executive Directors including, Deputy Managing Director, who heads the Sustainability Division and the Finance Director
- 7 members of the Corporate Management Team

### *The responsibilities of the ESG Steering Committee:*

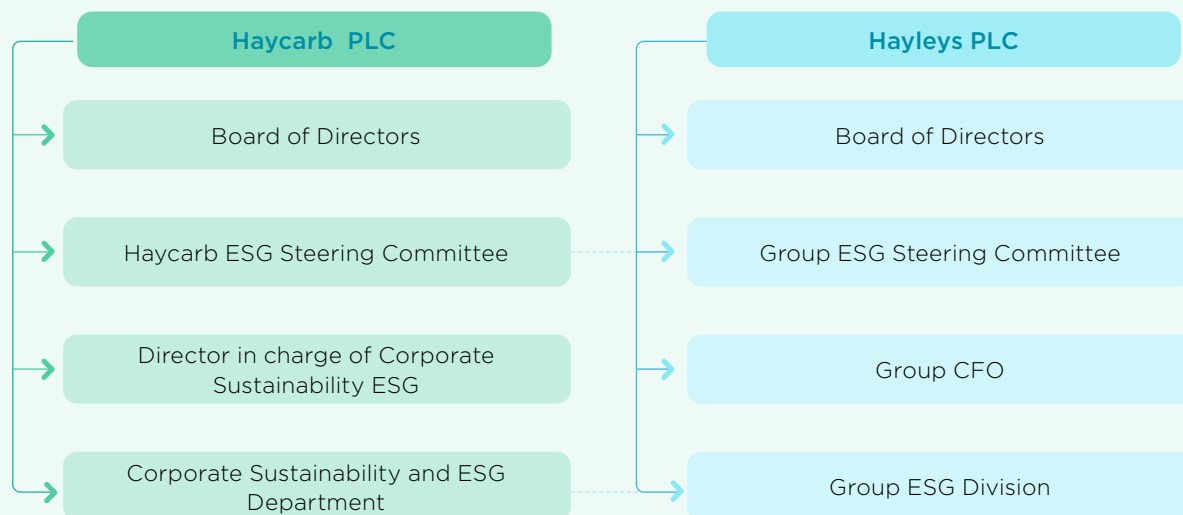
- Provide oversight and monitor the execution of (Activate and the Hayleys Life code) including progress against environmental, social and governance targets in the short, medium and long-term.
- Identify sustainability related risks and opportunities (SRROs) including climate related risks and opportunities (CRROs) and recommend the implementation of appropriate measures to effectively address these dynamics.

- Review and provide guidance on ESG related policies and programmes required to drive the Group's ESG Framework and strategy.
- Review and approve the Group's stakeholder engagement strategy which allows management to identify, understand and respond to stakeholders' legitimate concerns.
- Review emerging trends and issues in the ESG areas and assess potential impact on the Group.

The ESG Steering Committee held 3 meetings during the year to discharge its duties.

The committee is supported by the dedicated Corporate Sustainability & ESG Department of the Company.

## Sustainability Governance Composition



# Corporate Governance

## CODE OF BUSINESS CONDUCT

GRI 205-2

The Haycarb Group has adopted and published an internal Code of Business Conduct and Ethics policy, aligned with the business principles of its parent entity, "The Hayleys Way".

The Board plays an integral role in shaping the Group's organisational culture through setting the right tone at the top and ensuring that behaviour of all internal stakeholders is aligned to the Group's core values.

The Group is committed to maintaining the highest degree of integrity, ethics and transparency in all its operations, which includes measures to prevent the risk of corruption. These measures include monitoring of compliance to all relevant laws and regulations through the Internal Audit function, a clearly articulated and communicated whistleblowing policy and grievance mechanisms. Code of Business Conduct and Ethics sets the tone for ethical behaviour across the Group.

All employees including Key Management Personnel of the Group are bound by this Code which is based on the following principles:

- Commitment to conduct its business operations with honesty, integrity and with respect to the rights and interests of all stakeholders.
- All Group companies and employees are required to comply with the laws and regulations of the countries in which they operate.
- Every employee shall be responsible for the implementation of and compliance with the Code in his/her environment.

## ANTI-BRIBERY & ANTI-CORRUPTION POLICY

GRI 205-1, 3, 2-26

UNGC Principle 10

The Haycarb Anti-Bribery and Anti-Corruption Policy emphasises zero tolerance for bribery and corruption. The policy is applicable

to the Board of Directors and all employees of Haycarb PLC and its subsidiaries and includes guidelines on gifts, hospitality and promotional expenses, facilitating payments, political contributions and donations, charitable donations, commission payments to third parties and partner due diligence among others.

The Group is in compliance to ISO 9001:2015 quality management system which requires the evaluation of external entities, that provide goods and services under contract as to their compliance on anti-corruption and anti-bribery policies. The Group is committed to compliance with anti-corruption laws of all the geographies it operates.

All new recruits receive training on the Group's Code of Conduct which includes Anti Bribery and Corruption provisions within three months of joining. Information on accessibility, anonymity, processes and the policies relating to the Anti-Bribery & Anti-Corruption are communicated to all employees including all the Directors through the intranet and other related/adjacent trainings.

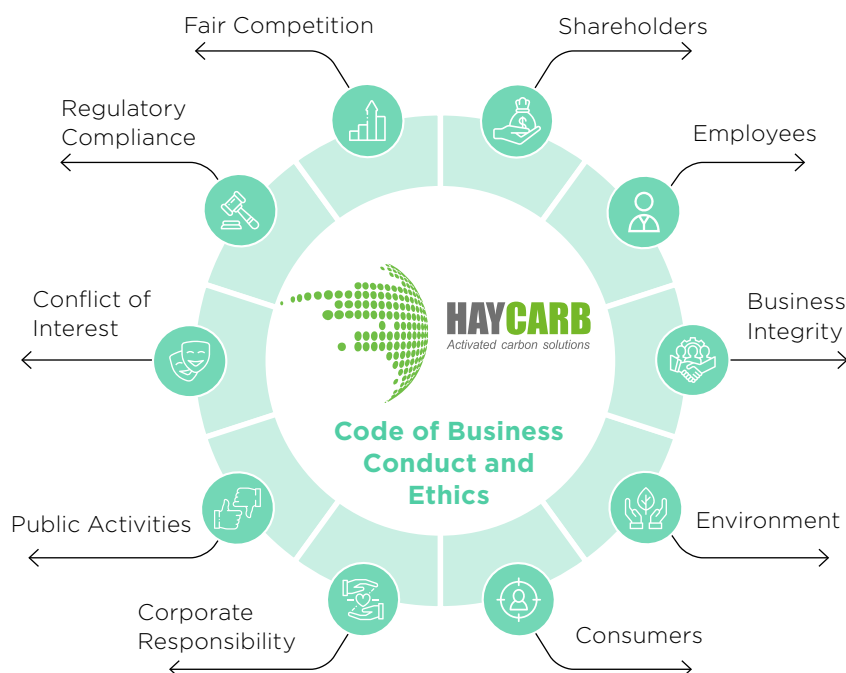
No confirmed incidents of corruption covering employees who were disciplined or dismissed for corruption, contracts and no contracts with business partners were terminated due to corruption. There were also no public legal cases regarding corruption during the year. All operations were assessed for risks related to corruption during the reporting period.

## HUMAN RIGHTS

GRI 2-23

UNGC Principle 1, 2

As a participant to the United Nations Global Compact, Haycarb has committed to its ten Principles of preserving Human Rights. Haycarb Group also abides by the Human Rights Policy implemented by its parent Hayleys PLC.



Key aspects of the policy include the following:

- Fair treatment: Equality of opportunity and treatment for the purpose of eliminating discrimination
- Non-harassment: Creating an environment free of all forms of workplace harassment
- Abolishing child, forced and compulsory labour in both our operations and along our value chain in working with subcontractors and suppliers
- Freedom of Association and Collective Bargaining
- Promoting health and safety by providing appropriate safety measures and precautions at all locations

## WHISTLEBLOWING AND GRIEVANCE MECHANISMS

GRI 2-25, 26

Mechanisms are in place for employees and other stakeholders to seek advice or report concerns about unethical or unlawful behaviour including corruption and bribery. The Haycarb's Whistleblower policy enables anonymous reporting of matters of concern regarding possible inappropriate financial reporting, internal controls or other issues that may require internal investigation. Information on accessibility, anonymity, processes and the policy relating to the whistleblowing service is communicated to all employees.



Scan this QR code for policies published in the Haycarb website ([www.haycarb.com](http://www.haycarb.com)) in line with section 9.2 of the listing rules on Corporate Governance.

## ANTI-COMPETITIVE BEHAVIOUR

GRI 206-1

There were no legal actions for anti-competitive behaviour, anti-trust and monopoly parties in 2024/25. Policies are set out in the Hayleys Lifecode and publicly available on the Hayleys corporate website.

## EXTERNAL AUDITOR

The External Auditor is appointed by the shareholders at the Annual General Meeting in line with the provisions of the Companies Act. The Board makes recommendations in consultation with the Audit Committee in this regard. The Audit Committee monitors and reviews the External Auditor's independence, objectivity and the effectiveness of the audit process considering relevant professional and regulatory requirements.

Assignment of non-audit services to External Auditors is reviewed by the Audit Committee to determine the potential impairment of independence and objectivity of the External Auditor in carrying out his duties and responsibilities.

Shareholders approved the reappointment of Messrs. Ernst & Young (Chartered Accountants) as the External Auditor for 2024/25 at the AGM held on 27th June 2024. In compliance with Section 163 (3) of the Companies Act No. 07 of 2007, the External Auditors submit a statement annually confirming their independence in relation to the external audit.

## CONFLICT OF INTEREST

GRI 2-15

A Director or KMP is prohibited from using his or her position, or access to confidential or price-sensitive information, for personal benefit or benefit of any third party, whether

financially or otherwise. Directors notify the Board promptly of any conflicts of interest they may have in relation to particular items of business or other Directorships. Directors do not participate in and excuse themselves from the Meeting when the Board considers matters in which a conflict may arise.

## MEETINGS, MINUTES & INFORMATION

Board meetings are held quarterly with provision for additional meetings as and when required. An annual calendar is prepared by the Company Secretaries and dates and times are agreed at the commencement of the financial year. Meeting agendas are set by the Chairman in consultation with the MD and the Company Secretary. These are made available to the Directors seven days before the meeting together with the relevant papers, allowing members sufficient time to review the papers and seek clarification in preparation for the meeting. Regular agenda items include performance review, risk management and approval of financial statements besides other matters.

Senior Management Personnel attend Board meetings on invitation to make presentations and update the Board on internal and external developments that impact the business. Management is open and transparent with the Board and directors are encouraged to seek further information or clarification as may be required to make an effective contribution.

All Board minutes are circulated to members within two weeks of the Board meeting and formally approved at the subsequent Board meeting. Directors' concerns regarding matters which are not resolved unanimously are recorded in the minutes.



# Corporate Governance

Resolutions concerning business matters may be passed by circulation, within regulations. However, if a single Director deems it necessary that such resolution must be decided at a Board meeting and not by circulation, the Chairman shall put the resolution to be decided in a meeting.

## INDUCTION & TRAINING FOR DIRECTORS GRI 2-17

On appointment, directors are provided with an orientation pack with all relevant external and internal regulation documents and a tour of a factory. Directors are kept abreast of applicable legislation and regulation, relevant sector developments and changes in the risk and general business environment on an ongoing basis. Directors undertake training and professional development as they consider necessary, which requirements are coordinated through the Company Secretary. Many are members of the Sri Lanka Institute of Directors and attend sessions from time to time. Directors also undertake other Continuous Professional Development (CPD) programmes in their personal capacity to update their knowledge on relevant and emerging topics.

## APPRAISAL OF MD/CEO GRI 2-18

The Board assesses the performance of the MD/CEO annually in line with goals agreed at the beginning of the year with the Board. These goals encompass the Board's expectations in the short, medium and long term. Performance is reviewed at the end of the financial year taking into account the performance of the Group, operating environment and constructive feedback is provided. The outcome of the performance appraisal is linked to the annual increments for the fixed remuneration and determines the variable pay. The Remuneration

Committee reviews and evaluates the performance of Managing Director of the Company. The committee comprises of two Independent Non-Executive Directors and one Non-Executive Director of which two are Independent. The committee met once during the year.

## BOARD EFFECTIVENESS

The Chairman and Remuneration Committee are responsible for evaluating the performance of the Executive Directors and committees through an annual self-evaluation of its own performance. The results of the evaluation are assimilated and submitted to the Chairman for discussion at a Board meeting.

## REMUNERATION GRI 2-19 to 21

The Board is assisted by the Remuneration Committee of Haycarb in determining remuneration of Executive Directors, Non-Executive Directors, KMP and others. Remuneration policy and schemes are designed to attract and retain the skills, capabilities and experience required to pursue business objectives.

## REMUNERATION POLICY GRI 2-19

Remuneration of KMP and Executive Directors is linked to sustainable value creation objectives in line with Haycarb's strategy as agreed by the Board and the Managing Director/CEO which are then cascaded to direct reports and others below. Please refer page 249 for the Report of the Remuneration Committee and Terms of Reference.

The remuneration of the NED's except Hayleys Group Directors, comprise a fee for being a Director of the Board and additional fee for being a member of a committee. Remuneration for Non-Executive Directors reflects the time

commitment and responsibilities of their role, taking into consideration market practices. They do not receive any performance related / incentive payments. Services of HR professionals are sought when required, by the Board and Remuneration Committee in discharging their responsibilities.

## LEVEL AND MAKE UP OF REMUNERATION

The remuneration packages of Executive Directors are designed to attract eminent professionals as directors with the requisite skills and experience. Remuneration of Executive Directors is compliant with the provisions of Schedule "G" of the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka in 2023 and comprises fixed and variable components with the variable component linked to performance. No special early termination clauses are included in the contract of employment of Executive Directors that would entitle them to extra compensation. However, such compensation, if any, would be determined by the Board of Directors. Please refer page 306 for the total Directors' Remuneration.

## ACCOUNTABILITY & AUDIT

This report provides a balanced assessment of the Company's financial position, performance and prospects in compliance with applicable laws and voluntarily adopted reporting standards, codes and frameworks set out on page 196. The Company's position and prospects have been discussed in sufficient depth in the following sections of this annual report.

- Chairman's and Managing Director's Joint Message page 22 to 27.
- Strategy and Resource Allocation on page 108 to 113.





- Managing risks and Opportunities on page 59 to 80.
- Capitals on page 117 to 188.

The Board approved the quarterly reports prior to publication and dissemination to the public through the CSE and the corporate website within 45 days of first three quarters and within 2 months of the last quarter. The Audit Committee reviewed and recommended the Financial Statements for approval to the Board. Price sensitive information, which may have an impact on the shares of the Company, has been disclosed in a comprehensive but concise manner to the Colombo Stock Exchange on a timely basis. Reports required by regulators including the Department of Inland Revenue, Sri Lanka Accounting & Auditing Standards Monitory Board, and the Colombo Stock Exchange have been filed in a timely manner in compliance with specified requirements. The

following reports set out further information required by the Code:

- The Directors' Report on page 238 to 242 (including the declaration that the company is a going concern).
- The Statement of Directors' Responsibility on page 243.
- Report of the Auditors on page 271.

### DIRECTORS INTERESTS AND RELATED PARTY TRANSACTIONS

Directors declare their business interests on appointment and quarterly thereafter which are maintained in a register by the Company Secretary. The Register is available for inspection in terms of the Companies Act. Directors have no direct or indirect interest in a contract or a proposed contract with the Company other than those disclosed on note 33, page 338 to this report.

The Related Party Transactions Review Committee reviews all transactions that require approval in line with the Group's Related Party Transactions Policy and regulatory requirements. Related party transactions are disclosed in Note 33 to the Financial Statements on page 338 to 340.

The Board determined that the total number of Board seats on public listed companies that can be held by a director is 20. The Board is satisfied that all Directors allocate sufficient time to enable them to discharge their duties and responsibilities.

The total number of directorships, names of listed and unlisted both companies in Sri Lanka (as of 31st March 2025) in which such Directors serve in an executive or non-executive capacity are disclosed in below table. (non-listed Hayleys Group companies are not included)

Name of the Director	No of Board seats held in listed Companies		No of Board seats held in un-listed Companies	
	Executive Capacity	Non-Executive Capacity	Executive Capacity	Non-Executive Capacity
<b>Mr. Mohan Pandithage</b> (Chairman)	<b>11 Companies</b> <ul style="list-style-type: none"> <li>• Hayleys PLC</li> <li>• Dipped Products PLC</li> <li>• Singer (Sri Lanka) PLC</li> <li>• Hayleys Fabric PLC</li> <li>• The Kingsbury PLC</li> <li>• Horana Plantations PLC</li> <li>• Kelani Valley Plantations PLC</li> <li>• Hayleys Leisure PLC</li> <li>• Talawakelle Tea Estates PLC</li> <li>• Hayleys Fibre PLC</li> <li>• Alumex PLC</li> </ul>	<b>01 Company</b> <ul style="list-style-type: none"> <li>• Diesel &amp; Motor Engineering PLC</li> </ul>	<b>120 Nos Hayleys Group Companies</b>	<b>10 Companies</b> <ul style="list-style-type: none"> <li>• Beata Power (Pvt) Ltd</li> <li>• Joule Power (Pvt) Ltd</li> <li>• Ocean Network Express Lanka (Private) Limited</li> <li>• The Beach Resorts Ltd</li> <li>• Delmege Forsyth &amp; Co. Exports (Pvt) Ltd</li> <li>• Delmege Coir (Pvt) Ltd</li> <li>• Delmege Forsyth &amp; Co. (Shipping) Ltd</li> <li>• Delmege Freight Services (Pvt) Ltd</li> <li>• Lewis Shipping (Pvt) Ltd</li> <li>• Lewis Brown Air Services (Pvt) Ltd</li> </ul>
<b>Mr. Rajitha Kariyawasan</b> (Managing Director)	<b>03 Companies</b> <ul style="list-style-type: none"> <li>• Hayleys PLC</li> <li>• Dipped Products PLC</li> <li>• Hayleys Fibre PLC</li> </ul>	-	<b>14 Nos Hayleys Group Companies</b>	<b>01 Company</b> <ul style="list-style-type: none"> <li>• Sri Lanka Institute of Nanotechnology (Pvt) Ltd</li> </ul>

# Corporate Governance

















Name of the Director	No of Board seats held in listed Companies		No of Board seats held in un-listed Companies	
	Executive Capacity	Non-Executive Capacity	Executive Capacity	Non-Executive Capacity
<b>Mr. Brahman Balaratnarajah</b> (Deputy Managing Director)	-	-	<b>03 Nos Hayleys Group Companies</b>	-
<b>Mr. Sarath Ganegoda</b> (Non-Executive Director)	<b>02 Companies</b> <ul style="list-style-type: none"> <li>Hayleys PLC</li> <li>Alumex PLC</li> </ul>	<b>08 Companies</b> <ul style="list-style-type: none"> <li>Dipped Products PLC</li> <li>Hayleys Fabric PLC</li> <li>Singer (Sri Lanka) PLC</li> <li>Hayleys Leisure PLC</li> <li>Horana Plantations PLC</li> <li>Kelani Valley Plantations PLC</li> <li>Hayleys Fibre PLC</li> <li>The Kingsbury PLC</li> </ul>	-	<b>52 Nos Hayleys Group Companies + 02 Other</b> <ul style="list-style-type: none"> <li>Sri Lankan Airlines Ltd</li> <li>Sri Lankan Catering Limited</li> </ul>
<b>Mr. Arjun Senaratna</b> (Non-Executive Director)	-	-	-	<b>01 Company</b> <ul style="list-style-type: none"> <li>Hayleys Advantis Limited</li> </ul>
<b>Mrs. Jeevani Abeyaratne</b> (Executive Director)	-	-	<b>02 Nos Hayleys Group Companies</b>	-
<b>Mr. M.S.P. Udaya Kumara</b> (Executive Director)	-	-	<b>02 Nos Hayleys Group Companies</b>	-
<b>Mr. Ali Asgar Munaver Caderbhoy</b> (Executive Director)	-	-	<b>01 No of Hayleys Group Company</b>	-
<b>Mrs. Shamalie Gunawardana</b> (Independent Non-Executive Director)	-	-	-	<b>01 Company</b> <ul style="list-style-type: none"> <li>Capital City Corporate Services (Private) Limited</li> </ul>
<b>Ms. Brindhiini Fernando</b> (Non-Executive Director)	-	<b>10 Companies</b> <ul style="list-style-type: none"> <li>Hayleys Fabric PLC</li> <li>Dipped Products PLC</li> <li>The Kingsbury PLC</li> <li>Hayleys Leisure PLC</li> <li>Singer (Sri Lanka) PLC</li> <li>Vallibel One PLC</li> <li>Lanka Tiles PLC</li> <li>Lanka Walltiles PLC</li> <li>Royal Ceramics Lanka PLC</li> <li>The Fortress Resorts PLC.</li> </ul>	-	<b>04 Companies</b> <ul style="list-style-type: none"> <li>Delmege Limited</li> <li>Otwo Biscuit (Private) Limited</li> <li>The Canbury Biscuit Company Limited</li> <li>Manatee Clothing Company (Pvt) Ltd</li> </ul>

Name of the Director	No of Board seats held in listed Companies		No of Board seats held in un-listed Companies	
	Executive Capacity	Non-Executive Capacity	Executive Capacity	Non-Executive Capacity
<b>Mrs. Anomi Wanigasekera</b> (Independent Non-Executive Director)	-	<b>02 Companies</b> <ul style="list-style-type: none"> <li>• Horana Plantations PLC</li> <li>• Dipped Products PLC</li> </ul>	<b>05 Companies</b> <ul style="list-style-type: none"> <li>• Julius &amp; Creaasy</li> <li>• Jacey Advisory Services (Private) Ltd</li> <li>• Jacey Trust Services (Private) Ltd</li> <li>• Jacey &amp; Lanka (Private) Ltd</li> <li>• Jacey &amp; Company</li> </ul>	-
<b>Mr. Nanda Fernando</b> (Independent Non-Executive Director)	-	<b>04 Companies</b> <ul style="list-style-type: none"> <li>• Dipped Products PLC</li> <li>• Hayleys Fabric PLC</li> <li>• Hatton National Bank PLC</li> <li>• R I L Property PLC</li> </ul>	<b>01 Company</b> <ul style="list-style-type: none"> <li>• Professional Business Consultants (Pvt) Ltd</li> </ul>	<b>01 Company</b> <ul style="list-style-type: none"> <li>• Assetline Finance Ltd</li> </ul>
<b>Mr. Yohan Perera</b> (Independent Non-Executive Director - SID)	-	<b>07 Companies</b> <ul style="list-style-type: none"> <li>• Hayleys PLC</li> <li>• Dipped Products PLC</li> <li>• Commercial Bank of Ceylon PLC</li> <li>• Overseas Reality PLC</li> <li>• E B Creasy &amp; Company PLC</li> <li>• Laxapana PLC</li> <li>• Muller &amp; Phipps Ceylon PLC</li> </ul>	-	-
<b>Mr. Timothy Speldewinde</b> (Independent Non-Executive Director)	-	<b>06 Companies</b> <ul style="list-style-type: none"> <li>• Hayleys Fabric PLC</li> <li>• Dipped Products PLC</li> <li>• The Kingsbury PLC</li> <li>• Horana Plantations PLC</li> <li>• Ceylon Grain Elevators PLC</li> <li>• Three Acre Farms PLC</li> </ul>	<b>01 Company</b> <ul style="list-style-type: none"> <li>• Contemporary Ceylon (Pvt) Ltd</li> </ul>	<b>01 Company</b> <ul style="list-style-type: none"> <li>• WealthTrust Securities Limited</li> </ul>

# Corporate Governance

## MEETINGS AND DIRECTORS' ATTENDANCE

The Attendance of Directors at Board and Subcommittee meetings held during the Financial Year 2024/25 is given below.

Name of the Director	Gender	Date of Appointment	Tenure on the Board (Years)	
Mr. Mohan Pandithage (Chairman)		01.01.2007	>15	
Mr. Rajitha Kariyawasan (Managing Director)		04.01.2010	>15	
Mr. Brahman Balaratnarajah (Deputy Managing Director)		01.04.2015	10-15	
Mr. Sarath Ganegoda		01.11.2009	>15	
Mr. Arjun Senaratna		01.11.2005	>15	
Mrs. Jeevani Abeyratne		01.11.2009	>15	
Mr. M.S.P. Udaya Kumara		15.02.2015	10-15	
Mr. Ali Asgar Munaver Caderbhoy		01.04.2016	5-10	
Mrs. Shamalie Gunawardana		01.03.2021	<5	
Ms. Brindhiini Perera		19.10.2022	<5	
Mrs. Anomi Wanigasekera		03.01.2024	<5	
Mr. Nanda Fernando		03.01.2024	<5	
Mr. Yohan Perera (appointed w.e.f. 01st April 2024) (SID)		01.04.2024	<5	
Mr. Timothy Speldewinde (appointed w.e.f. 22nd November 2024)		22.11.2024	<5	
Mr. James Naylor (resigned w.e.f. 31st January 2025)		01.04.2016	5-10	
Mr. Hisham Jamaldeen (resigned w.e.f. 14th November 2024)		15.03.2017	5-10	

**Ex** - Excused

**N/a** - Not applicable to this meeting

**ED** - Executive Director

**NED** - Non-Executive Director

**INED** - Independent Non-Executive Director

**C** - Subcommittee Chairman

**M** - Subcommittee Member

	Board Meetings						Board Subcommittee Meetings																		
							Audit Committee					Related Party Transactions Review Committee					Nominations and Governance Committee				Remuneration Committee				
	Membership	Quarter - 1	Quarter - 2	Quarter - 3	Quarter - 4	Attendance	Membership	Quarter - 1	Quarter - 2	Quarter - 3	Quarter - 4	Attendance	Membership	Quarter - 1	Quarter - 2	Quarter - 3	Quarter - 4	Attendance	Membership	Quarter - 2	Attendance				
	ED	✓	✓	✓	✓	4/4																			
	ED	✓	✓	✓	✓	4/4																			
	ED	✓	✓	✓	✓	4/4																			
	NED	✓	Ex	Ex	✓	2/4							M	✓	✓	Ex	✓	3/4	M	Ex	✓	1/2	M	Ex	0/1
	NED	✓	✓	✓	✓	4/4	M	✓	Ex	✓	✓	3/4													
	ED	✓	✓	✓	✓	4/4																			
	ED	✓	✓	✓	✓	4/4																			
	ED	✓	✓	✓	✓	4/4																			
	INED	✓	✓	✓	✓	4/4																			
	NED	✓	✓	✓	Ex	3/4																			
	INED	✓	✓	✓	✓	4/4																			
	INED	✓	✓	✓	✓	4/4	M	✓	✓	✓	✓	4/4	M	✓	✓	✓	✓	4/4	M	✓	✓	2/2	M	✓	1/1
	INED	✓	✓	✓	✓	4/4	C	✓	✓	✓	✓	4/4	C	✓	✓	✓	✓	4/4	C	✓	✓	2/2	C	✓	1/1
	INED	N/a	N/a	✓	✓	2/2	M	N/a	N/a	✓	✓	2/2													
	ED	✓	✓	N/a	N/a	2/2																			
	INED	✓	✓	N/a	N/a	2/2																			



# Corporate Governance

## RISK GOVERNANCE

The Board holds ultimate responsibility for risk management. The Board has adopted a framework for Risk Management and processes to identify, assess, monitor and manage risks. The Board has widened the responsibility of the Audit Committee to oversee the Risk Management process of the Company.

Reflecting the increase in complexities in the control environment, managing emerging risks was a key priority during the year. The Audit Committee played a virtual role in monitoring changes to the Company's risk landscape.

## IT AND CYBER SECURITY GOVERNANCE

The Haycarb Group has established a robust governance structure to safeguard its IT systems and manage technology and information assets, as detailed under 'Digital Capital' on page 180.

## RELATIONS WITH SHAREHOLDERS

The Board is accountable to shareholders and is committed to reporting performance and other regulatory matters in a timely manner with sufficient information to provide a clear understanding on the subject.

## COMMUNICATION WITH SHAREHOLDERS

Haycarb engages shareholders are engaged through multiple channels which include the Annual General Meeting (AGM), Annual Report, interim Financial Statements, a dedicated investor relations page on the Company's website and notification of key events through announcements to the CSE which are disseminated to the public via the CSE's website. Shareholders also have the opportunity to ask questions, comment or make suggestions to the Board through the Company Secretaries and at the Annual General Meeting. All significant issues and concerns of shareholders are referred to the Board with the views of the Management.

## CONSTRUCTIVE USE OF ANNUAL GENERAL MEETING (AGM)

GRI 2-16

The Board encourages the active participation of shareholders at the AGM and makes arrangements accordingly. The Chairman, Board members and Chairpersons of Board Subcommittees are available for discussion at the AGM and respond to questions directed to them by the Chairman. Additionally, KMPs of the Group are also present, to contribute to the meeting.

The Notice of the AGM and the Proxy forms are circulated to the shareholders 15 working days prior to the AGM. The annual report is uploaded to the Company website and forwarded to Colombo Stock Exchange at the same time. Shareholders who request a printed copy of the Annual Report will be provided a copy. This allows all the shareholders to review the documentation and participate effectively at the AGM. Separate resolutions are prepared for each item of business, giving shareholders the opportunity to vote on each of such issue, separately. Voting procedures at the AGM are circulated to the shareholders in advance.

All Shareholders are encouraged to exercise their voting rights. The Company has an effective mechanism to record and count all proxy votes lodged for each resolution. In the event there are a significant proportion of the votes cast against a resolution, the Board will take steps to understand the reasons behind the vote results and determine if any actions are required. The outcome of the vote on each resolution is informed to the CSE, soon after the conclusion of the AGM.





SUSTAINABILITY REPORTING

GRI 2-14

Integration of ESG reporting into the Governance framework is set out above on page 197. Environmental, Social and Governance (ESG) metrics are included in the relevant sections of the Annual Report as set out below:

Economic Sustainability	Financial Capital	page 118
Environment	Natural Capital	page 124
Labour Practices	Human Capital	page 144
Society	Social and Relationship Capital	page 160
Product Responsibility	Social and Relationship Capital	page 160
Shareholder Identification, Engagement and Effective Communication	Investor Information	page 368

# Corporate Governance

## COMPLIANCE WITH THE “CODE OF BEST PRACTICE ON CORPORATE GOVERNANCE 2023” ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA

The Institute of Chartered Accountants of Sri Lanka issued a revised “Code of Best Practice on Corporate Governance” in December 2023, effective from 01st April 2024.

Haycarb PLC’s compliance is presented below.

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>SECTION I : THE COMPANY</b>			
<b>A</b>	<b>Directors</b>		
<b>A.1</b>	<b>The Board</b>		
A.1	The Board - direct, lead and control the Company	As of 31st March 2025, The Board comprises 14 directors of whom 6 are Executive and 8 are Non-Executive of whom 5 are Independent. They are responsible for providing strategic direction, putting in place a policy framework, financial reporting and other information systems, internal controls, performance review, risk management and resource allocation and leading and controlling the Company.	Yes
A.1.1	The Regularity of Board meetings, structure and process of submitting information	<p>The Board meets quarterly with provision to meet more frequently if required. Attendance of meetings is given on page 208. Information for the meeting is provided to Board members in advance and typically include the following information:</p> <ul style="list-style-type: none"> <li>• Minutes of the previous Board meeting and any Committee meetings during the quarter under review.</li> <li>• Financial and operational information including progress on agreed Key Performance Indicators.</li> <li>• Financial statements for the relevant quarter and year to date together with comparatives for the corresponding period of the previous financial year and budgets.</li> <li>• Forecasted performance for the financial year.</li> <li>• A Risk Register including key business risks on strategic, operational, financials, investments, governance, Information Technology and System Security (ISS) aspects of the business. The Risk Register also include Sustainability Related Risks/Opportunities (SRROs) and Climate Related Risks/Opportunities (CRROs) affecting the business.</li> <li>• Compliance statements confirming regulatory compliance and other matters considered necessary in accordance with policies of the Group and Board. These statements include information regarding breaches of internal controls or fraud detected during the period together with any action taken or confirm the absence thereof.</li> <li>• Report on number of calls to whistleblowing line or a confirmation that there were no calls recorded.</li> <li>• Information on human resources and capital expenditure.</li> <li>• Share trading of the Company and related party transactions by Key Management Personnel.</li> <li>• Documents to which the Company seal has been affixed to.</li> <li>• Resolutions on other matters referred to the Board.</li> </ul>	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
A.1.2	Roles and responsibilities of the Board	<p>The Board Charter sets out the responsibility of the Board. The Board is responsible to the shareholders for creating and delivering long term sustainable shareholder value through entrepreneurial leadership.</p> <p>The Board is responsible to:</p> <ul style="list-style-type: none"> <li>• Providing direction and guidance to the Company in the formulation of high-level medium and long-term strategies which are aimed at promoting the sustainable long-term success of the Company.</li> <li>• Appointing and reviewing the performance of the Chairman and Managing Director.</li> <li>• Ensure Executive Directors and Key Management Team possesses the skills, experience and knowledge to implement strategy effectively, with proper succession arrangements in place.</li> <li>• Reviewing, approving and monitoring annual corporate plans, corporate budget and capital expenditure.</li> <li>• Reviewing and approving major acquisitions, disposals and major investments by the management within their limits of authority.</li> <li>• Ensure effective systems to secure the integrity of information, internal controls, business continuity and risk management.</li> <li>• Ensure compliance with laws, regulations and ethical standards.</li> <li>• Ensure all stakeholder interests are considered in corporate decisions.</li> <li>• Set and communicate values/standards, with adequate attention being paid to accounting policies/practices and fostering compliance with financial regulations.</li> <li>• Adequacy and the integrity of the Internal Control Systems over financial reporting and Management Information Systems are reviewed by the Board/Audit Committee.</li> <li>• Ensuring that Financial Statements are published quarterly, and the Annual Report is published at the end of the financial year.</li> <li>• Determining any changes to the discretions/authorities delegated from the Board to the Key Management Team.</li> <li>• Approving any amendments to constitutional document.</li> <li>• Ensure the availability of Information Communication Technology (ICT) roadmap in line with business strategy.</li> <li>• Recognising sustainable business development and ESG risks and opportunities in corporate strategy, decisions and activities and consider the need for adopting integrated reporting.</li> </ul>	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
A.1.3	Act in accordance with laws and agreed to obtain independent professional advice	The Board has set in place a framework of policies and procedures and risk management to ensure compliance with relevant laws and international best practices with regards to the operations of the Haycarb Group. Directors have the ability to obtain independent professional advice as deemed necessary and these functions are coordinated by the Group Legal Department or Group Finance, as and when it is necessary.	Yes
A.1.4	Access to the advice and services of the Company Secretary	<p>All Directors have access to the advice and services of the Company Secretary. These functions are provided by Hayleys Group Service (Private) Limited., who are responsible for ensuring follow up of Board procedures, compliance with rules and regulations, directions and laws, keeping and maintaining minutes and relevant records of the Group.</p> <p>The qualifications of the Company Secretary and the Role of the Company Secretary are aligned with Schedules "A" and "A2" of the "Code of Best Practice on Corporate Governance 2023" issued by the Institute of Chartered Accountants of Sri Lanka.</p> <p>The Parent Company, Hayleys PLC has obtained insurance cover for the Board of Directors and Key Management Personnel in the Group which covers the Directors of the Haycarb Group as well.</p>	Yes
A.1.5	Independent Judgement	<p>Directors bring their independent judgment to bear on decisions taken by the Board on matters relating to strategy, performance, resource allocation, risk management, compliance and standards of business conduct.</p> <p>The composition facilitates a balance of power and effective participation by all Directors.</p> <p>Many of the Board members are independent professionals who conform to professional codes of conduct which require the exercise of independent judgement in discharge of their duties.</p>	Yes
A.1.6	Dedicate adequate time and effort to matters of the Board and the Company	<p>The Board of Directors dedicates adequate time and effort to ensure that their duties and responsibilities towards the Company and the Board are discharged.</p> <p>Dates of regular Board meetings and Board Subcommittee meetings are scheduled well in advance and the relevant papers for the meetings are provided for its members in advance giving sufficient time for review. Directors are expected to be familiar with the contents of papers uploaded/circulated at the meeting.</p>	Yes
A.1.7	Call for a resolution	Any Director can call for a resolution to be presented to the Board if deemed necessary.	Yes
A.1.8	Board induction and training, regularly review of training and development needs of the Directors	Directors recognise the need for continuous training and expansion of their knowledge and skills to effectively discharge their duties and are encouraged to attend sessions of the Sri Lanka Institute of Directors and other corporate forums on relevant matters. As independent professionals, many of the Directors also conform to Continuing Professional Development requirements of their respective professional organisations. Board members are also given insights into regulatory changes that may impact the industry at Board meetings by KMPs.	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
		Audit Committee members receive updates on regulatory changes relating to matters entrusted to the Committee on a regular basis to ensure that they are updated on regulatory requirements impacting reporting and risk management processes. They are also given insights into organisation wide initiatives to strengthen internal controls, risk management and financial reporting processes at the same meetings.	
<b>A.2</b>	<b>Chairman and Chief Executive Officer (CEO)</b>		
A.2	Chairman and Chief Executive Officer (CEO)	<p>Functions of Chairman and Chief Executive Officer are separated facilitating a balance of power.</p> <p>The Chairman of the parent serves as the Chairman of Haycarb PLC while the Managing Director serves as the CEO.</p>	Yes
<b>A.3</b>	<b>Chairman's Role</b>		
A.3.1	Chairman's role	<p>The role of the Chairman involves,</p> <ul style="list-style-type: none"> <li>• Conducting of Board meetings ensuring effective participation of both Executive and Non-Executive Directors. The Chairman plays a key role in preserving good Corporate Governance.</li> <li>• Approving the agenda for each meeting prepared in consultation with the Managing Director, other Directors and Company Secretary taking into consideration matters relating to strategy, performance, resource allocation, risk management, and compliance.</li> <li>• Sufficiently detailed information of matters included in the agenda be provided to the Directors on a timely manner.</li> <li>• Ensuring that all Directors are aware of their duties and responsibilities and the Board and Committee structure through which it will operate in discharging its responsibilities.</li> <li>• The effective participation of both Executive and Non-Executive Directors is secured and all Directors are encouraged to make an effective contribution within their respective capabilities.</li> <li>• Ensure the views of Directors on issues under considerations are ascertained and a record of such deliberations are reflected in the minutes.</li> <li>• All Directors are encouraged to seek information considered necessary to discuss matters on the agenda of meetings and to request inclusions of matters of corporate concern on the agenda.</li> <li>• Maintaining the balance of power between Executive and Non-Executive Directors.</li> <li>• The Board is in complete control of the Company's affairs and alert to its obligations to all shareholders and other stakeholders.</li> </ul>	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>A.4</b>	<b>Financial Acumen</b>		
A.4	Availability of financial acumen	<p>The Board comprises six (6) professional accountants, all of whom are members of recognised accounting bodies and possess the necessary financial acumen.</p> <p>Members of the Board have ample experience in handling matters related to finance through leadership in numerous organisations across sectors. Hence the Board has sufficient financial acumen and knowledge to offer guidance on matters of finance.</p>	Yes
<b>A.5</b>	<b>Board Balance</b>		
A.5.1	Majority of Non-Executive Directors	<p>8 out of 14 Directors on the Board are Non-Executive Directors.</p> <p>The composition of the Executive and Non-Executive Directors (the latter are over one-third of the total number of Directors), satisfies the requirements laid down in the Listing Rules of the Colombo Stock Exchange. The roles of the Chairman and the Managing Director are also segregated.</p>	Yes
A.5.2	Independent Non-Executive Directors	5 out of 8 Non-Executive Directors are independent, which is in compliance with the requirement for 1/3rd of directors to be non-executive. The Board has determined that 5 Independent Non-Executive Directors satisfy the criteria for “Independence” set out in the Listing Rules.	Yes
A.5.3	Director’s independency	Non-Executive Directors’ profiles reflect their calibre and the weight their views carry in Board deliberations. Each is independent of management and free from any relationship that can interfere with independent judgement. The balance of Executive, Non-Executive and Independent Non-Executive Directors on the Board ensures that no individual Director or small group of Directors dominates Board discussion and decision-making.	Yes
A.5.4	Annual declaration by Non-Executive Directors	The Board determines the independence of Directors on an annual basis based on annual declarations submitted by each Non-Executive Director based on the requirements of the Code as set out in schedule “C” of the “Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.	Yes
A.5.5	Annual determination of independence of Directors	The Board determines the independence or non-independence of each Non-Executive Director on an annual basis, based on such an annual declaration made on decided criteria and other information available to the Board, based on the requirements of the Code as set out in A.5.5 of the “Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.	Yes
A.5.6	Alternate Directors	There are no alternate Directors as of 31st March 2025.	Yes



Code Ref.	Requirement	Compliance and Implementation	Compliance
A.5.7	Senior Independent Director (SID)	<p>The Chairperson is not the CEO of the Company; however, he is not an Independent Director.</p> <p>In order to comply with section 9.6.3 of the CSE Listing Rules and “Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka”, the Company has appointed a Senior Independent Director (SID) with effect from 01st November 2023. Mr.Hisham Jamaldeen who held this position until 18th November 2024 resigned, and Mr. Yohan Perera was appointed to this position on the same date.</p> <p>Please refer page 254 to the statement by Senior Independent Director (SID) given in this report.</p>	Yes
A.5.8	Confidential discussions with SID	<p>The Senior Independent Director makes himself available for confidential discussions with other Directors who may have concerns if necessary.</p> <p>The Senior Independent Director makes himself available to all meetings with majority, significant and minority shareholders and be made aware of their concerns by the Company Secretary.</p>	Yes
A.5.9	Meetings with Non-Executive Directors by the Chairman	The Chairman holds a meeting with only Non-Executive Directors at least once a year.	Yes
A.5.10	Resolutions / recording of dissent in minutes	All matters of the Company are recorded in the Board minutes with sufficient details to enable a proper assessment to be made of the deliberation and any decisions taken at the meeting.	Yes
<b>A.6</b>	<b>Supply of Information</b>		
A.6.1 & A.6.2	Timely information to the Board.	<p>The Chairman ensures that all Directors are briefed on issues arising at Board meetings by requiring management to provide comprehensive information including both quantitative and qualitative information for the Board Meetings provided in advance to the Board/subcommittee meetings.</p> <p>The Directors have free and open access to Management at all levels to obtain further information or clarify any concerns they may have. They also have the right to seek independent professional advice at the Company’s expense and copies of advice obtained in this manner are circulated to other Directors who request it. Any Director who does not attend a meeting is updated on proceedings prior to the next meeting through:</p> <ul style="list-style-type: none"> <li>Formally documented minutes of discussions.</li> <li>By clarifying matters from the Board Secretary.</li> <li>Separate discussions at start of meeting regarding matters arising for the previous meeting.</li> <li>The minutes of the meetings are provided to Directors within two weeks after the meeting date.</li> <li>Archived minutes and Board papers accessible electronically at the convenience of the Directors.</li> </ul>	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>A.7</b>	<b>Appointments to the Board; Nominations and Governance Committee</b>		
A.7.1	Composition of Nominations and Governance Committee	The Company formally appointed its own Nominations and Governance committee on 16th May 2024 and makes recommendations to the Board on all new Board appointments.	Yes
A.7.2	Functions of the committee	<p>The Nominations and Governance Committee annually assess the composition of the Board to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company.</p> <p>The findings of such assessment will take into account when new Board appointments are considered and when incumbent Directors come up for re-election, including a process to determine that such proposed Board appointees are “fit and proper”.</p> <p>In assessment of Directors to the Board, the Company is compliant to the “fit and proper” assessment criteria detailed in schedule “D” of the “Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.</p>	Yes
A.7.3	Succession plan for Chief Executive Officer (CEO)	The Committee ensure that there is a succession plan for the CEO and for all Key Management Personnel and determine the training and development requirements for those identified.	Yes
A.7.4	Disclosure to Shareholders	On appointment, a brief resumé of the Director including his current and previous appointments and whether he is Independent, Non-Executive or Executive is sent to the CSE and published in the CSE website.	Yes
A.7.5	The Nominations and Governance Committee disclosure in Annual Report	The Nominations and Governance committee report given on page 251.	Yes
A.7.6	Terms of reference for Nominations and Governance Committee	Terms of reference for the Nominations and Governance Committee complying with Schedule “E” of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.	Yes
<b>A.8</b>	<b>Re-election</b>		
A.8.1, A.8.2, A.8.3	Directors to submit themselves for Re-election	One third of the Directors retire at each AGM with those who have served the longest period after their last appointment/re-appointment. Retiring Directors may offer themselves for re-election. The Managing Director does not retire by rotation. Directors appointed during the year to fill casual vacancies cease to hold office at the next AGM and may offer themselves for re-election by shareholders.	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>A.9</b>	<b>Appraisal of Board Performance</b>		
A.9.1, A.9.2, A.9.3, A.9.4	Appraisal of Board and Committee performance	<p>The Chairman and Remuneration Committee are responsible for evaluating the performance of Executive Directors and Committees.</p> <p>The Board undertake an annual self-evaluation of its own performance, that of its Committees, Chairman, Non-Executive Directors and Executive Directors.</p> <p>The outcome of these evaluations is made available to the Nominations and Governance Committee.</p> <p>The Board has an established a process to review the participation, contribution and engagement of each Director at the time of re-election.</p>	Yes
<b>A.10</b>	<b>Disclosure of Information in Respect of Directors</b>		
A.10.1	Information relating to Directors	<ul style="list-style-type: none"> <li>• Profiles of Board members are given on Page 28 to 32.</li> <li>• The members' attendance for Board meetings are given on Page 208 to 209.</li> <li>• Membership of Subcommittees and attendance at Subcommittee meetings are given on page 208 to 209.</li> </ul>	Yes
<b>A.11</b>	<b>Appraisal of Chief Executive Officer (CEO)</b>		
A.11	Appraisal of Chief Executive Officer (CEO)	Prior to the commencement of each financial year, the Board in consultation with the Chief Executive Officer, set reasonable financial and nonfinancial targets which are in line with short, medium and long-term objectives of the Company, achievement of which should be ensured by the Chief Executive Officer. A monthly performance evaluation is performed at which actual performance is compared to the budget. The Chief Executive Officer is responsible to provide the Board with explanations for any adverse variances together with actions to be taken.	Yes
<b>B</b>	<b>Directors' Remuneration</b>		
<b>B.1</b>	<b>Remuneration Procedure</b>		
B.1	Remuneration Procedure	The Company formally appointed its own Remuneration Committee on 16th May 2024 and evaluates the remuneration for Executive and Non-Executive Directors.	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>B.2</b>	<b>Remuneration Committee</b>		
B.2.1, B.2.2, B.2.3, B.2.4, B.2.5, B.2.6, B.2.7, B.2.8, B.2.9, B.2.10, B.2.11, B.2.12, B.2.13, B.2.14, B.2.15, B.2.16	Remuneration Committee	<p>The Remuneration Committee report is given on page 249 which gives in detailed the duties and functions of the Committee. The Remuneration Committee report is in line with the schedule “I” of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.</p> <p>The Committee follows the guidelines given in schedule “G” of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka, in designing schemes of performance related remuneration.</p> <p>The Terms of reference of the Remuneration Committee is in line with the schedule “H” of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.</p>	Yes
<b>B.3</b>	<b>Disclosure of Remuneration</b>		
B.3.1, B.3.2	Disclosure of remuneration	<p>The Report of the Remuneration Committee on page 249 provides a statement on Remuneration Policy. The composition of the Committee, scope and number of meetings held are given in the Remuneration Committee report.</p> <p>The total for Directors’ Remuneration is given on page 306</p>	Yes
<b>C</b>	<b>Relations with Shareholders</b>		
<b>C.1</b>	<b>Constructive use of the Annual General Meeting (AGM) and Conduct of General Meetings</b>		
C.1.1	Notice of AGM	<p>The Board uses the AGM to communicate with shareholders and encourage their participation.</p> <p>The notice and the agenda of the Annual General Meeting are sent to the shareholders 15 working days prior to the meeting. The Annual Report is published on the Company’s website and CSE website.</p>	Yes
C.1.2	Separate resolution for substantially separate items	A separate resolution is proposed at an Annual General Meeting on each substantially separate item. Adoption of the Annual Report of the Board of Directors on the affairs of the Company, Statement of Compliance and the Financial Statements with the Independent Auditor’s Report is considered as a separate resolution. A form of Proxy is provided with the Annual Report to all shareholders to direct their Proxy to vote.	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
C.1.3	Votes and use of Proxy	<p>The Company ensures that all valid proxy appointments received for General Meetings are properly recorded and counted. For each resolution, where a vote has been taken on a show of hands, the Company ensures that the records at the meeting are made available with Company Secretary on behalf of the Company. The level of proxies lodged on each resolution is conveyed to the Chairman.</p> <p>When, in the opinion of the Board, a significant proportion of votes have been cast against a resolution at any General Meeting, the Board takes steps to understand the reasons behind the vote results and determine if any actions are required.</p>	Yes
C.1.4	Answer questions at the Annual General Meeting (AGM)	The Chairman of the Board arranges the Chairman of the Audit, Remuneration, Nominations and Related Party Transactions Review Committees and the Senior Independent Director to be available to answer queries at the AGM when necessary.	Yes
C.1.5	A summary of the procedures governing voting at General Meetings	The Company Circulates, along with every notice of General Meeting, a summary of the procedures governing voting at General Meetings.	Yes
<b>C.2</b>	<b>Communication with Shareholders</b>		
C.2.1	Channel to reach all Shareholders of the Company	<p>The modes of communication between the Company and the shareholders are the Annual Reports, Interim Reports, Announcements made through the Colombo Stock Exchange, other press releases and Annual / Extraordinary General Meetings.</p> <p>Shareholders may raise concerns they have, with the Chairman, the Managing Director or the Secretaries, as appropriate. The soft version of the Annual Report is posted on the Company Website upon release to the Stock Exchange.</p> <p>The website also features news and latest updates of the Company. The active participation of shareholders at the Annual General Meeting is encouraged. The Board believes the AGM is a means of continuing effective dialogue with shareholders.</p> <p>The Board offers clarifications and responds to concerns shareholders have over the content of the Annual Report as well as other matters which are important to them. The AGM is also used to adopt the financial statements for the year.</p>	Yes
C.2.2, C.2.3	Implementation of the policy and methodology for communication with Shareholders	Annual Report and Financial Statement of the Company are available on the Company website enabling all shareholders to access the Annual Report and Financial Statements. However, a shareholder could be provided with a printed copy of the Annual Report if requested in writing to do so. A copy of the interim Financial Statements is released to the Colombo Stock Exchange and posted on their website. Copies of all public announcements are made available to the CSE for dissemination to the public.	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
C.2.4	Disclosure of contact person	Shareholders can forward their inquiries via electronic media (e-mail, telephone call or in writing) to the relevant person to raise queries. The contact person for such communication is the Company Secretary.  Shareholder communication is with the Company Secretary Hayleys Group Services (Private) Limited (Ms. C. Gunawardena - Tel: +94 11 2627653)	Yes
C.2.5	Major issues and concerns of Shareholders	All the major issues relating to shareholders are brought to the attention of the Board.	Yes
C.2.6	Person to be contacted with regard to Shareholders matters	The Company Secretary holds the responsibility to be contacted in relation to shareholders matters.	Yes
C.2.7	Process for responding to Shareholders matters	The Chairman and the Directors answer all the queries raised by the shareholders at the AGM and Extraordinary General Meetings. The Board in conjunction with the Company Secretary formulates the process for addressing shareholders matters.	Yes
<b>C.3</b>	<b>Major and Material Transactions</b>		
C.3.1, C.3.2, C.3.3	Disclosure of material transactions	Transactions, if any, which materially affect the Net Asset base of Haycarb PLC, will be disclosed in the Quarterly / Annual Financial Statements.  During the year, there were no major transactions as defined by Section 185 (1),(2),(3) of the Companies Act No 07 of 2007 which materially affect the asset base of Haycarb PLC or consolidated Group asset base.  The Company in addition complies with the disclosure requirements and shareholder approval by special resolution as required by the rules and regulation of the Securities Exchange Commission (SEC) and by the Colombo Stock Exchange (CSE) which are contained in the section 9.14 (Related Party Transactions) of the listing rules.	Yes
<b>D</b>	<b>Accountability and Audit</b>		
<b>D.1</b>	<b>Financial and Business reporting (The Annual Report)</b>		
D.1.1, D.1.2	Balance and understandable assessment	The Company has presented balanced and understandable Financial Statements which gives a true and fair view of the performance and financial position on a quarterly and annual basis.  In the preparation of Financial Statements, the Company has complied with the requirements of the Companies Act No 07 of 2007 and requirements of Sri Lanka Financial Reporting Standards (SLFRS) and Securities and Exchange Commission.  Price sensitive public reports and reports for statutory requirements are also presented in a balanced and understandable manner.  The Annual Report also conforms to the GRI Standards on Sustainability Reporting published by the Global Reporting Initiative, Integrated Reporting Framework published by the International Integrated Reporting Council and the SLFRS on sustainability reporting S1 and S2 in accordance with transitional relief.	Yes



Code Ref.	Requirement	Compliance and Implementation	Compliance
D.1.3	CEO's & CFO's approval on Financial Statements prior to Board approval	The Finance Director and two other Directors have signed the Financial Statements on behalf of the Board. Responsibilities of Board of Directors and Directors statement on internal controls are given in page 241 on this report.	Yes
D.1.4	The Directors' Report	<p>The Annual Report of the Board of Directors on the affairs of the Company is given on page 238 of this Annual Report which contains the following:</p> <ul style="list-style-type: none"> <li>• Declaration that the Company has not engaged in activities that contravene laws and regulations of Sri Lanka.</li> <li>• Declaration by the Directors on all material interests in contracts involving the Company and has refraining from voting on matters in which they were materially interested.</li> <li>• Equitable treatment to shareholders.</li> <li>• Compliance with best practices of corporate governance.</li> <li>• Information relating to PPE has been given in note 13 to the Financial Statements.</li> <li>• Review of internal controls, risk management and reasonable assurance of effectiveness and adherence.</li> <li>• Going concern of the business.</li> </ul>	Yes
D.1.5	Statement of Directors responsibility and statement on internal controls and Auditor's Report	<p>The Statement of Directors Responsibilities for the Financial Statements is given in page 243.</p> <p>The Auditors' Report is available on page 271.</p>	Yes
D.1.6	Management Discussion and analysis	<p>The Management discussion and analysis has been structured based on the integrated reporting framework issued by International Integrated Reporting Council.</p> <p>Chairman's and Managing Director's Joint Message given in page 22 to 27 in this Report provides an analysis of the Group's performance during the financial year including industry structure and developments, risk management, opportunities and threats, financial performance, social and governance activities carried out by the Company and prospects for the future.</p>	Yes
D.1.7	Summon an EGM to notify serious loss of capital	In the event the net assets of the Company fall below 50% of the value of the Company's Stated Capital, the Directors will forthwith summon an Extraordinary General Meeting to notify shareholders' the remedial action being taken. However, such an event has not taken place since the adoption of the New Companies Act No 07 of 2007.	Yes
D.1.8	Related Party Transaction disclosure	<p>A process has been placed to capture related parties and related party transactions. The related party transactions are properly documented. The responsibility of keeping records of the related party transactions lies with the Company Secretary.</p> <p>The Company has adequately and accurately disclosed the related party transactions in page 338 to this report.</p>	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>D.2</b>	<b>Risk Management and Internal Control</b>		
D.2.1, D.2.1.2, D.2.1.3, D.2.1.4, D.2.1.5, D.2.1.6, D.2.1.7	Framework for Risk Management	<p>The Board of Directors reserves the primary responsibility on business risk management.</p> <p>The Board has adopted a framework for Risk Management and the processes to identify, assess, monitor and manage risks. The Risk Framework is in line with the schedule “K” of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.</p> <p>The Board established the responsibility to the Audit Committee to oversee the Risk Management process of the Company. The Board ensures the Company has carried out a robust assessment of principle risks. The Risk Management Framework, processes and responsibilities are given on the page 59 to this report.</p> <p>The Audit Committee with its responsibility to oversee the Risk Management process has described its activities under Risk Management in the Audit Committee Report on page 246 to this report.</p>	Yes
D.2.2, D.2.2.1, D.2.2.2, D.2.2.3, D.2.2.4	Monitoring sound system of Internal Control	<p>The Board is responsible for the Group’s internal control and its effectiveness. Internal controls are established with emphasis on safeguarding assets, making available accurate and timely information and imposing greater discipline on decision making. It covers all controls required, including financial, operational and compliance controls and risk management.</p> <p>The important procedures in place to discharge this responsibility are as follows,</p> <ul style="list-style-type: none"> <li>• The Directors are responsible for the establishment and monitoring of financial controls appropriate for the operation within the overall Group policies.</li> <li>• The Audit Committee reviews the plans and activities of the Internal Audits and the Management Letters of External Auditors.</li> <li>• The Hayleys Group Management, Audit and System Review Department report on key control elements and procedures followed by the Haycarb Group that are selected according to the Annual Audit Plan.</li> <li>• The Board has established the responsibility to the Audit Committee to ensure carrying out the reviews of the process and effectiveness of internal controls.</li> <li>• The Board ensures its responsibilities in maintaining a sound system of Risk Management and Internal Controls are in line with the schedule “L” of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.</li> </ul>	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>D.3</b>	<b>Audit Committee</b>		
D.3.1	Composition of Audit Committee	<p>The Audit Committee comprises of three Independent Non-Executive Directors and one Non-Executive Director.</p> <p>The Committee is chaired by an Independent Non-Executive Director.</p> <p>Refer Audit Committee Report on page 246</p>	Yes
D.3.2	Audit Committee Terms of reference - The Committee's purpose, duties & responsibilities	Refer Audit Committee Report on page 246	Yes
D.3.3	Disclosures in Annual Report	Refer Audit Committee Report on page 246	Yes
<b>D.4</b>	<b>Risk Committee</b>		
D.4	Risk Committee	<p>The Board of Directors reserve the primary responsibility on Business Risk Management.</p> <p>The Board has adopted a framework for Risk Management and the processes to identify, assess, monitor and manage risks. The Risk Framework is in line with the schedule "K" of the "Code of Best Practice on Corporate Governance 2023" issued by the Institute of Chartered Accountants of Sri Lanka.</p> <p>The Board has wined the responsibility of the Audit Committee to oversee the Risk Management process of the Company. The Board ensures the Company has carried out a robust assessment of principle risks. The Risk Management Framework, processes and responsibilities are given on the page 59 to this report.</p> <p>The Audit Committee with its responsibility to oversee the Risk Management process has described its activities under Risk Management in the Audit Committee Report on page 246 to this report.</p>	Yes
<b>D.5</b>	<b>Related Party Transactions Review Committee</b>		
D.5,D.5.1	Related Party Transactions	The Board ensures that the Company does not engage in transactions with "Related Parties" in a manner that would grant such parties "more favourable treatment" than that accorded to third parties in the normal course of business.	Yes
D.5.2	Related Party Transactions Review Committee	The Company formally appointed its own Related Party Transactions Review Committee on 16th May 2024.	Yes
D.5.3	Terms of reference	Refer Related Party Transactions Review Committee Report on page 244	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>D.6</b>	<b>Code of Business Conduct and Ethics</b>		
D.6	Code of Business Conduct and Ethics	The Directors, Members of the Senior Management Team and all employees are bound by the Code of Business Conduct and Ethics, applicable to the Hayleys Group the “Hayleys Way”. The Code consists of important topics like conflict of interest, bribery and corruption, entertainment and gifts, accurate accounting and record keeping, fair & transparent procurement practices, corporate opportunities, confidentiality, fair dealing, protection & proper use of Company assets including information assets, sexual harassment, discrimination & abuse, compliance with laws, rules and regulations and encouraging the reporting of any illegal, fraudulent or unethical behaviour. The Board ensures the compliance with the code and non-compliance may reasons to go for disciplinary action.	Yes
D.6.1	Disclosure and compliance	The Directors and Key Management Personnel are complying to this code.	Yes
D.6.2	Process to identify and report price sensitive information	The Company has a process in place to ensure that material and price sensitive information is promptly identified and reported in accordance with the relevant regulations.	Yes
D.6.3	Shares purchased by directors and key management personnel	The Company has a policy and a process for monitoring, and disclosure of shares purchased by any Director and Key Management Personnel. Details of Directors share holdings are given in page 238 of the Annual Report of the Board of Directors on the affairs of the Company.	Yes
D.6.4	Whistleblowing Policy	The Company has established a procedure to deal with complaints received from employees, customers, suppliers and any other party in relation to non-compliance with Companies Code of Business Conduct and Ethics.	Yes
D.6.5	Training on the Code of Business Conduct and Ethics	The Company conducts trainings on the code of conduct for new employees as part of induction training.	Yes
D.6.6	The process for company-wide dissemination of the policy	The Company has a process to disseminate the code, company-wide.	Yes
D.6.7	Affirmation of Code in the Annual Report by the Chairman	The Chairman affirms that he is not aware of any violation of any other provisions of the Code of Business Conduct and Ethics in the Annual Report.	Yes
<b>D.7</b>	<b>Corporate Governance Disclosure</b>		
D.7	Disclosure of adherence to Corporate Governance	The extent to which the Company adheres to established principles and practices of good Corporate Governance is disclosed in this report.	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
<b>SECTION II : SHAREHOLDERS</b>			
<b>E</b>	<b>Institutional Investors</b>		
<b>E.1</b>	<b>Shareholder voting</b>		
E.1	Shareholder voting	All investors are notified of the Annual General Meeting, and all their views, comments and suggestions are encouraged. The Company maintains continuous dialogue with institutional investors, based on a mutual understanding of objectives. Impartiality is maintained on shareholder votes at the AGM based on individual holding and weightage. Shareholders are encouraged to participate of the AGM and vote on matters set before them.	Yes
<b>E.2</b>	<b>Evaluation of Governance Disclosures</b>		
E.2	Evaluation of governance disclosures	Institutional investors are encouraged to give due consideration to all relevant factors drawn to their attention when evaluating Companies' governance arrangement particularly in relation to Board structure and composition. All shareholders are provided sufficient information to facilitate and encourage effective shareholder participation including governance matters. Please refer Investor information on Page 368.	Yes
<b>F</b>	<b>Other Investors</b>		
<b>F.1</b>	<b>Investing/ Divesting Decision</b>		
F.1	Investing/ Divesting decision	Individual shareholders, investing directly in shares of Company are encouraged to carry out adequate analysis or seek independent advice in investing or divesting decisions. The Company believes that the rational investors remain with the Company without divesting. There are no restrictions for investing or divesting in the Company shares.	Yes
<b>F.2</b>	<b>Shareholder Voting</b>		
F.2	Shareholder voting	All shareholders are encouraged to actively participate in the AGM and they have the independence of using their votes as they wish.	Yes
<b>SECTION III : OTHER MATTERS</b>			
<b>G</b>	<b>Internet of Things and Cybersecurity</b>		
G.1	Identify connectivity and related cybersecurity risks	This function was complied with by the Group Head of IT of the Parent Company for the year under review. The Board was also updated on the findings.	Yes

# Corporate Governance

Code Ref.	Requirement	Compliance and Implementation	Compliance
G.2	Appoint a Chief Information Security Officer (CISO) and allocate budget to implementing a Cybersecurity Policy	<p>The Hayleys Group has a Chief Information Security Officer (CISO) and a cybersecurity policy has been implemented.</p> <p>The Company cybersecurity policy includes a robust cybersecurity risk management process, incident response system, vendor management system, disaster recovery plan and a governance structure to monitor effective implementation, reporting process, scope and regularity of an Information Communication Technology (ICT) audit, and the need for cybersecurity insurance.</p> <p>Please refer page 210 on IT and Cybersecurity governance.</p>	Yes
G.3	Include Cybersecurity on Board agenda	<p>It is a regular agenda item for the Board meetings. The matters taken up for the discussion on the Board meeting agenda includes</p> <ul style="list-style-type: none"> <li>• Potential cybersecurity risks in the company's business model</li> <li>• CISO's security strategy and status of the current projects</li> <li>• Compliance with the cybersecurity risk management process and incident reports</li> <li>• Findings and recommendations from independent reviewers</li> </ul>	Yes
G.4	Obtain Independent periodic review and assurance to review effectiveness of cybersecurity risk management	<p>A firm of external consultants were engaged to review the effectiveness of the Group's cybersecurity risk management.</p> <p>The Company is complying with the Schedule "O" contains a "Board cybersecurity checklist" described in the "Code of Best Practice on Corporate Governance 2023" issued by the Institute of Chartered Accountants of Sri Lanka.</p>	Yes
G.5	Disclosures in Annual Report	<p>The Company disclose in the Annual Report, the process to identify and manage cybersecurity risks.</p> <p>Please refer page 210 on IT and cybersecurity governance.</p>	Yes
<b>H</b>	<b>Sustainability: ESG Risk and Opportunities</b>		
H.1, H.1.1	Board to consider Sustainability Related Risks and opportunities	<p>The Board is responsible for identifying and assessing the impact of Sustainability Related Risks and Opportunities (SRROs) and Climate Related Risks and Opportunities (CRROs) and oversee strategies designed to respond to such risks.</p> <p>The Board has established an ESG Steering Committee, and the Committee is headed the Managing Director. The Company established Sustainability and ESG division reporting to the Deputy Managing Director.</p> <p>Please refer page 59 to 87 for detailed emphasis of Company's sustainability strategy.</p>	Yes
H.2, H.2.1	Consider views of stakeholders in managing sustainability related risks and opportunities	<p>The Board and Key Management Personnel continuously engage with and consider views of the stakeholders to better understand and manage Company's Sustainability/ ESG Risks and Opportunities.</p>	Yes

Code Ref.	Requirement	Compliance and Implementation	Compliance
H.3, H.3.1, H.3.1.1, H.3.1.2	Establishment of a Governance Framework which includes Sustainability/ESG factors	<p>The Board address Sustainability factors through a process of environmental governance and social governance.</p> <ul style="list-style-type: none"> <li>The Company follows an integrated approach on Environmental Governance that takes into consideration the direct and indirect economic, social, health and environmental implications on business strategies, plans, decisions and operations.</li> <li>The Company also follows an integrated approach for social governance to engage with groups such as community, customers, employees, suppliers etc.</li> <li>The Company launched its ESG Roadmap “ACTIVATE” embedding ESG drivers across all aspects of the Company’s business strategy and operations.</li> <li>The Deputy Managing Director oversee the implementation of the ESG roadmap 2030 circulated in “Activate”.</li> <li>The ESG Steering Committee led by the Director in charge of corporate sustainability and ESG was established to drive the formulation and implementation of the ESG Roadmap.</li> </ul> <p>Please refer page number 200 on Company’s approach to sustainability governance.</p>	Yes
H.4, H.4.1, H.4.2, H.4.3	Structure for measuring on all pertinent aspects of sustainability using financial and non-financial measures	<p>The Company has in place a system to capture ESG data from all of its operational locations.</p> <p>The Company’s ESG related data is consolidated within the Haycarb Corporate Sustainability and ESG Divisions and performance is reported to ESG steering committee, Management Team and to the Board of Directors. The Data also reported to Hayleys Group ESG Steering Committee and the Hayleys Group Management Committee. Please refer page 201.</p>	Yes
H.5.H.5.1, H.5.2, H.5.3, H.5.4	Annual Report to contain sufficient information on sustainability related risks and opportunities	Please refer on Page 59 to 87.	Yes
<b>I</b>	<b>Special Considerations for Listed Entities</b>		
I.1, I.1.1, I.1.2, I.1.3, I.1.4	Establishment and Maintenance of Policies relating to governance and disclosures through Company’s website	The policies relating to governance have been published on its corporate website (www.haycarb.com)	Yes
I.2,I.2.1	Policy on matters relating to the Board of Directors	The Company has established and maintained a formal policies governing the matters relating to the Board of Directors for items (a), (b), (c), (d), (e), (f), (g), (h), (i), (j) under I.2.1 of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.	Yes
I.2.2	Confirmation of Compliance	The Company confirms the compliance to policy on matters relating to Board of Directors referring to items (a), (b), (c), (d), (e), (f), (g), (h), (i), (j) Under I.2.1 of the “Code of Best Practice on Corporate Governance 2023” issued by the Institute of Chartered Accountants of Sri Lanka.	Yes



# Corporate Governance

## COMPLIANCE WITH THE “CONTINUING LISTING REQUIREMENTS” - SECTION 07 FOR LISTED COMPANIES ISSUED BY THE COLOMBO STOCK EXCHANGE

This section has presented Haycarb PLC's compliance in line with the “Continuing Listing Requirements” under the Section 07 issued by the Colombo Stock Exchange (CSE).

Section Ref.No	Requirement	Comment / Reference within the Report	Compliance Status
7.1	Dividend Payment - Announcement to the CSE	The Company make an immediate announcement to CSE upon authorising a dividend distribution as described in Rule 7.1	Yes
7.4	Interim Financial Statements	The Company prepare and submit Interim Financial Statements to CSE, within the criteria described in Rule 7.4	Yes
7.5	Circulation of Annual Report	The Company ensure that the Annual Report is made available to all shareholders of the Company and given to CSE within relevant period described in section 7.5 from the close of the Financial Year.	Yes
7.6	Contents of Annual Report		
(i)	Names of persons who were Directors of the Company	Board of Directors - Page 28 to 32	Yes
(ii)	Principal activities of the entity and its subsidiaries during the year, and any changes therein	Group Profile - Page 374 to 377	Yes
(iii)	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Investor Information - Page 368 to 371	Yes
(iv)	The float adjusted market capitalisation, public holding percentage (%), number of public shareholders and under which option the listed entity complies with the minimum public holding requirement	Investor Information - Page 368 to 371	Yes
(v)	A statement of each Director's holding and CEO's holding in shares of the entity at the beginning and end of each financial year	Investor Information - Page 368 to 371	Yes
(vi)	Information pertaining to material foreseeable risk factors of the entity	Managing Risk and Opportunities - Page 59 to 80	Yes
(vii)	Details of material issues pertaining to employees and industrial relations of the Entity	Page 106	Yes
(viii)	Extents, locations, valuations and the number of buildings of the Entity's land/Building holdings and investment properties	Property Plant and Equipment - Page 311	Yes
(ix)	Number of shares representing the Entity's stated capital	Investor Information - Page 368 to 371	Yes
(x)	The distribution of shareholders under each class of securities and the percentage of their holdings	Investor Information - Page 368 to 371	Yes

Section Ref.No	Requirement	Comment / Reference within the Report	Compliance Status
(xi)	Financial ratios and market price information	Investor Information - Page 368 to 371	Yes
(xii)	Significant changes in the Group's Fixed Assets, and market value of land, if the value differs substantially from the book value	Property Plant and Equipment - Page 311	Yes
(xiii)	Details of funds raised through a public issue, rights issue and a private placement during the year	Not Applicable for financial year 2024/25.	N/A
(xiv)	Information in respect of Employee Share Ownership Schemes	Not Applicable for financial year 2024/25.	N/A
(xv)	Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the Listing Rules	Corporate Governance - Page 232 to 237	Yes
(xvi)	Related party transactions exceeding 10% of the equity or 5% of the total assets of the entity as per audited Financial Statements, whichever is lower	The Related Party Transactions are disclosed in note no. 33 of the Page 338.	Yes
(xvii) to (xxi)	Disclosures pertaining to Foreign Currency denominated Securities, Sustainable Bonds, Perpetual debt Securities, Infrastructure Bonds and/or Shariah Compliant Debt Securities listed on the CSE	Not Applicable for financial year 2024/25.	N/A
7.8	Disclosure of dealings by Directors and CEO	The Company make an announcement to the Exchange pertaining to the relevant interest/changers in shares held by its Directors and CEO as described in Rule 7.8.	Yes
7.13	Minimum public holding	As a listed Company in the main board, the Company maintained the minimum public holding under specified criteria. Refer Investor Information on Page 368 to 371.	Yes

# Corporate Governance

## COMPLIANCE WITH COLOMBO STOCK EXCHANGE LISTING RULES - SECTION 09 ON CORPORATE GOVERNANCE

This section covers Haycarb PLC's extent of adherence to the requirements of the Section 09 on the "Corporate Governance" Rules for Listed Companies issued by the Colombo Stock Exchange (CSE).

Section Ref. No	Requirement	Extent of Compliance and Comments	Complied
<b>9.1</b>	<b>Applicability of Corporate Governance Rules</b>		
9.1.1 9.1.2 9.1.3	Extent of Compliance with Corporate Governance Rules	The extent of compliance with the Corporate Governance Section 09 of the listing rules issued by CSE is tabulated below.	Yes
<b>9.2</b>	<b>Policies</b>		
9.2.1	Availability of Policies	<p>The following policies which are mandated by the revised CSE listing rules are currently in place.</p> <p>The Company has uploaded them to the Company's website (<a href="http://www.haycarb.com">www.haycarb.com</a>) in accordance with the Corporate Governance Rules of the Colombo Stock Exchange.</p> <ul style="list-style-type: none"> <li>• Policy on matters relating to the Board of Directors</li> <li>• Policy on Board Committees</li> <li>• Policy on Corporate Governance, Nominations and re-election</li> <li>• Policy on Risk Management and Internal Controls</li> <li>• Policy on Remuneration</li> <li>• Policy on Whistleblowing</li> <li>• Policy on Anti-Bribery and Corruption</li> <li>• Policy on Corporate Disclosures</li> <li>• Policy on Control and Management of Company Assets and Shareholder Investments</li> <li>• Human Rights Policy</li> <li>• Policy on Environment, Social and Governance (ESG) Sustainability – Social Policies</li> <li>• Policy on Environment, Social and Governance (ESG) Sustainability – Environmental Policies</li> <li>• Policy on Internal Code of Business Conduct and Ethics for all Directors and Employees including policies on Trading in the entity's Listed Securities</li> </ul>	Yes
9.2.2	Waivers and Exemptions	At present there are no waivers and exemptions applicable to the Company.	N/A
9.2.3	Disclosures in the Annual Report	Please refer section 9.2.1.	Yes
9.2.4	Availability of Policies to Shareholders	The Company will provide any of the above policies to its shareholders, upon a written request.	Yes
<b>9.3</b>	<b>Board Committees</b>		
9.3.1	Establishment of Board Committees	<p>The Nominations and Governance Committee, Remuneration Committee, Audit Committee and Related Party Transactions Review Committee are in place.</p> <p>Refer Page 244 to 253</p>	Yes

Section Ref. No	Requirement	Extent of Compliance and Comments	Complied
9.3.2	Board Composition, Responsibilities and Disclosures	The composition of all Committees are in line with the revised CSE listing rules. The Responsibilities of these committees are in line with the rule set out and required disclosures have been made.	Yes
9.3.3	Chairperson of Board Committees	The Chairperson of the Board is not the Chairperson for any of the Sub Committees.	Yes
<b>9.4</b>	<b>Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders</b>		
9.4.1	Record maintains	The Company Secretary maintains records of all resolutions and the following information of General Meetings.  (The number of Shares in respect of which proxy appointments, number of votes in favour against and number of shares in respect of vote was directed to be abstained).	Yes
9.4.2	Communication and relation with Shareholders and Investors	The Company has an established policy on communication and relations with shareholders and investors, which is published on its corporate website (www.haycarb.com)  Shareholder communication is with the Company Secretary, Hayleys Group Services (Private) Limited (Ms. C. Gunawardena – Tel: +94 11 2627653)	Yes
<b>9.5</b>	<b>Policy on matters relating to the Board of Directors</b>		
9.5.1	Availability of policy on governing matters relating to Board of Directors	The Company maintains a Policy on matters relating to the Board of Directors.  The Policy specifies the minimum number of meetings which a Director is required to attend, which is 50% of the meetings.	Yes
9.5.2	Disclosures in the Annual Report	The Company confirms the existence of policies governing the matters relating to Board of Directors.	Yes
<b>9.6</b>	<b>Chairperson and CEO</b>		
9.6.1	Chairperson and CEO	The Chairperson is not the CEO of the Company, also he is not an Independent Director.  In order to comply with section 9.6.3 of the Listing Rules, the Company has already appointed a Senior Independent Director (SID).	Yes
9.6.2	Rationale for appointing of a Senior Independent Director (SID)	The Company made a market announcement for appointing of a Senior Independent Director (SID). The announcement was made within the stipulated time period as specified in Listing Rules.	Yes
9.6.3 (b) & (c)	Meetings by Senior Independent Director (SID)	The SID held separate meetings with the Non-Executive Directors without the presence of Executive Directors and Chairman, to discuss matters and concerns pertaining to the Company.	Yes
9.6.4	Rationale for appointing SID	The rationale is given in the statement of the Senior Independent Director (SID) on Page 254	Yes

# Corporate Governance

Section Ref. No	Requirement	Extent of Compliance and Comments	Complied
<b>9.7</b>	<b>Fitness of Directors and CEOs</b>		
9.7.1 9.7.2	Appointment of "Fit and Proper" Persons	<p>The Board has a formal and transparent process in place for the succession and appointment of Directors.</p> <p>The Nominations and Governance Committee processes and short-lists candidates and makes recommendations to the Board for approval. The attributes and experience required from potential appointees are identified and agreed prior to the search process, considering the combined knowledge, experience and diversity of the Board, in relation to the Companies strategic plans and any gaps thereof. The candidate's other directorships and commitments are also considered to ensure sufficient time to discharge their role effectively.</p> <p>All appointments are duly notified to CSE.</p>	Yes
9.7.3	Fit and Proper Assessment Criteria a) Honesty, integrity and reputation b) Competence and Capability c) Financial soundness	The assessment criteria detailed in the revised CSE listing rules have been incorporated into the annual declaration of the Directors.	Yes
9.7.4	Annual Declarations from Directors and CEO	The Directors have provided declarations, confirming that each of them has continuously satisfied the "fit and proper" assessment criteria set out in the CSE revised listing rules. These declarations to be made annually.	Yes
9.7.5	Disclosures in the Annual Report	Disclosures are made in the Annual Report of the Board of Directors given on page 238.	Yes
<b>9.8</b>	<b>Board Composition</b>		
9.8.1	Board at minimum to consist of Five (5) Directors	The Company is complied with the requirement. The Board of Directors of the Company consists of Fourteen (14) Directors as of 31st March 2025.	Yes
9.8.2	Minimum number of independent Directors (Minimum 2 or 1/3 of total number, whichever is higher)	<p>The Company is complied with the minimum number of Independent Directors.</p> <p>The Board of Directors of the Company consists of Five (5) Independent Directors as of 31st March 2025.</p>	Yes
9.8.3 9.8.4	Criteria for determining independence	The Company is complied with the criteria for determining independence of a director.	Yes
9.8.5	Declarations	Annual Declaration was obtained from the Board of Directors incorporating the provisions made under the revised CSE listing rules as of 31st March 2025.	Yes
<b>9.9</b>	<b>Alternate Directors</b>		
9.9	Appointment of Alternate Directors	No Alternate Directors were appointed to represent Non-Executive Directors.	Yes

Section Ref. No	Requirement	Extent of Compliance and Comments	Complied
<b>9.10</b>	<b>Disclosures relating to Directors</b>		
9.10.1	Policy on the maximum number of Directorships	The Board Charter defines the maximum number of Directorships its Board members shall be permitted to hold. All the Directors are in compliance with this requirement.  (Company policy on maximum number of Directorships which a Director can hold in listed Companies is 20)	Yes
9.10.2	Appointment of new Director	The Company has made immediate market announcements on appointment of new Directors.	Yes
9.10.3	Changes to the Composition	The Company will make an immediate announcement regarding any changes to the composition of the Board Committees referred to Rule 9.3.	Yes
9.10.4	Disclosures in the Annual Report In relation to Directors	The Company discloses the following information relating to the Directors in its Annual Report. (a) Please refer to page 28 to 32 for profiles of Directors (b) Please refer to page 208 and 209 for expertise in relevant functional areas (c) Please refer to page 238 on the Annual Report of the Board of Directors for the statement on material business relationships (d) Please refer to page 193 for classification of Directorships (e) Please refer to page 205 for Directorships in other companies (f) Please refer to page 208 for details of Board meeting attendance (g) Please refer to the respective Committee Reports on pages 244 to 253 for details of the Directors serving on each Committee. (h) Please refer to the respective Committee Reports on pages 244 to 253 for details of the Committee meetings held & attended by each member. (i) Please refer to page 254 for statement by the Senior Independent Director	Yes
<b>9.11</b>	<b>Nominations and Governance Committee</b>		
9.11.1	Availability of Nominations and Governance Committee	The Company formally appointed its own Nominations and Governance Committee on 16th May 2024.	Yes
9.11.2	Appointment and re-election of Directors	The Committee follows a formal procedure in appointment and re-election of Directors.	Yes
9.11.3	Terms of Reference	The Committee has adopted a Term of Reference which defines the scope, authority and duties. Revised Terms of Reference in line with the CSE listing rules was approved in November 2023.	Yes
9.11.4 (1)	Composition - Minimum of three (3) Directors, out of which a minimum of two (2) members shall be Independent Directors	The Company is complying throughout the year with the revised CSE listing rules.  The committee comprises of two Independent Non-Executive Directors and one Non-Executive Director.	Yes
9.11.4 (2)	Composition - Independent Director shall be appointed as the Chairperson of the Committee	An Independent Director functions as the Chairman of the Committee.	Yes

# Corporate Governance

Section Ref. No	Requirement	Extent of Compliance and Comments	Complied
9.11.4 (3)	Composition - The Chairperson and the members of the Committee shall be identified in the Annual Report	The Chairman and the members of the Committee are identified in the Nominations & Governance Committee report given on page 251.	Yes
9.11.5	Functions	The functions of the Nominations and Governance Committee are given in the Nominations and Governance Committee report.	Yes
9.11.6	Disclosures in the Annual Report	The Disclosure requirements are covered in the Nominations and Governance Committee Report given on page 251.	Yes
<b>9.12</b>	<b>Remuneration Committee</b>		
9.12.1	Definition of Remuneration	The Company has established a formal and transparent policy on remuneration.  The remuneration is defined in terms of cash and non-cash benefits.	Yes
9.12.2	Remuneration Committee	The Company formally appointed its own Remuneration Committee on 16th May 2024.	Yes
9.12.3 9.12.4	Remuneration Policy - Executive Directors/ Non-Executive Directors	The remuneration Committee has established a formal and transparent procedure for fixing the Executive Directors' remuneration.  The remuneration of Non-Executive Directors is based on the principal of non-discriminatory pay practices ensuring their independence is not impaired.	Yes
9.12.5	Terms of Reference	The Committee has adopted a Terms of Reference which define the scope, authority and duties in compliance with the revised CSE listing rules.	Yes
9.12.6	Composition	The Committee comprises of two Independent Non-Executive Directors and one Non-Executive Director.	Yes
9.12.7	Functions	The Company has documented the functions of the Committee in Terms of Reference. All functions are effectively discharged by the Committee.	Yes
9.12.8	Disclosures in the Annual Report	Disclosure requirements are covered in the Remuneration Committee Report given on page 249.	Yes
<b>9.13</b>	<b>Audit Committee</b>		
9.13.1	Audit and Risk Committees	While the Board of Directors reserves the primary responsibility on business risk management, the Board establishes the responsibility to the Audit Committee to oversee the risk management process of the company.	Yes
9.13.2	Terms of Reference	The Committee has adopted a Terms of Reference which define the scope, authority and duties.	Yes
9.13.3	Composition	The Audit Committee comprises of three Independent Non-Executive Directors and one Non-Executive Director. The Audit Committee met four times during the year. The quorum for a meeting of the Audit Committee shall require that the majority of those in attendance to be Independent Directors.  The Managing Director and the Finance Director of the Company attend the Committee meeting by invitation.  The Chairman of the Audit Committee is a Senior Chartered Accountant.	Yes



Section Ref. No	Requirement	Extent of Compliance and Comments	Complied
9.13.4	Functions	The Functions of the Committee are effectively summarised in the Audit Committee Report on page 246.	Yes
9.13.5	Disclosures in the Annual Report	Please refer to the Audit Committee in page given 246.	Yes
<b>9.14</b>	<b>Related Party Transactions Review Committee</b>		
9.14.1	Availability of Related Party Transactions Review Committee	The Company formally appointed its own Related Party Transactions Review Committee on 16th May 2024.	Yes
9.14.2 (1) & (2)	Composition	The Committee comprises of two Independent Non-Executive Directors and one Non-Executive Director.	Yes
9.14.3	Functions	The Functions of the Committee are effectively summarised in the Related Party Committee Report on page 244.	Yes
9.14.4	General requirements	The Committee met four (4) times during the financial year 2024/25.  The Committee members have adequate knowledge and expertise to assess all aspects of Related Party Transactions and where necessary allowed to obtain appropriate professional and expert advice from appropriately qualified persons.	Yes
9.14.5	Review of Related Party Transactions by the Related Party Transactions Review Committee	The Committee takes into account the provision of the said CSE listing rules when reviewing related party transactions.	Yes
9.14.6	Shareholder Approval	A situation to obtain the shareholder approval as per revised CSE listing rules has not arisen during the year.	Yes
9.14.7	Immediate Disclosures	A situation has not arisen where immediate disclosure is required to be made as per revised CSE listing rules.	Yes
9.14.8	Disclosures in the Annual Report	The Related Party Transactions are disclosed in note no. 33 of the Page 338.  Disclosure requirements are covered in the Related Party Transactions Review Committee Report given on page 244.	Yes
9.14.9	Acquisition and Disposal of assets from/to related parties	The Company has not acquired/disposed substantial assets from/to related parties.	Yes
9.14.10	Exempted Related Party Transactions	The provisions of the sections are considered when evaluating the Related Party Transactions by the Committee.	Yes
<b>9.16</b>	<b>Additional Disclosures</b>		
9.16	(i) Declaration of all material interests (ii) Review of internal and compliance controls (iii) Compliance with laws, rules and regulations (iv) Material Non-Compliance	Disclosure requirements are covered in the Annual Report of the Board of Directors given on page 238.  Material non-compliance with any Law or Regulation has not arisen during the year 2024/25.	Yes