

# Boundless Impact

Digital Capital





# Digital Capital



"Haycarb is focusing on digital technologies to drive positive change and improve its operations, services and processes. **Just as whales rely on deep intelligence, communication, and navigation to thrive in vast oceans**, we leverage digital tools to boost performance, enhance safety, elevate customer experiences, and expand our reach. Digitalization is used to nurture the learning culture, equipping every team member to navigate change with confidence."

**MS. JEEVANI ABEYRATNE**

Director - Finance & IT

## MANAGEMENT APPROACH

Haycarb leverages digitalisation as a strategic enabler, integrating advanced technologies to drive operational efficiency and customer engagement. At the same time, we uphold strong governance practices to ensure the security, reliability, and alignment of our IT systems with business objectives, while prioritising cybersecurity and data privacy to safeguard our digital assets and stakeholder information.



An array of digital platforms and systems

## OUR STRATEGIC PRIORITIES IN 2024/25



Enhancing our performance with digital tools



Strengthening occupational health and safety



Enhancing the customer experience



Expanding our market reach through digital marketing



Fostering a learning culture

## PROGRESS MADE IN 2024/25

Views on interactive reports and newsletters

>  
**2500**

Increase in engaged traffic

**54%**

Engagement rate in LinkedIn

**14%**

Increase in new users visiting the website

**25%**

## WAY FORWARD

### Short Term

- Digitalisation of production data capture & automation of production flow management
- RISE with SAP - Upgrade in Sri Lanka and other manufacturing locations
- Steam boiler digitisation to monitor and optimise performance of boiler operations
- Digital tools will be further used to support marketing initiatives and customer engagement efforts.

### Medium to Long Term

- Automation of production & warehouse facilities
- Exploring opportunities to responsibly integrate AI tools to support and empower employees in their roles
- Seamless data capture & improve connectivity to stakeholders



Capital trade-offs			Link with material topics	Link with key risks and opportunities / SRROs / CRROs	Alignment with strategic priorities	Contribution to SDGs
	Short-term	Long term	<ul style="list-style-type: none"> <li>M2, M9, M14</li> </ul>	<ul style="list-style-type: none"> <li>R10, R17</li> </ul>	<ul style="list-style-type: none"> <li>Market growth</li> <li>Innovation led growth</li> <li>Strengthen global supply chains</li> <li>Purpose-driven and committed teams</li> <li>ESG mindset</li> </ul>	
FC	↓	↑				
DC	↑	↑				
S&RC	↑	↑				

## VALUE CREATED IN 2024/25

- Enhanced our Search Engine Optimisation, Pay-Per-Click advertising, and social media marketing to further increase brand visibility and market reach
- Enhanced the customer experience through the relaunch of the corporate website, integrated with CRM platform to ensure seamless and fast communication.
- Implemented numerous systems to enhance occupational health and safety, operational efficiency and support a learning culture.
- Ongoing emphasis on strengthening cybersecurity.
- Introduced an e-learning platform with structured training modules, enabling employees to upskill at their convenience from any location.

## DIGITALISATION

Our Digital Capital encompasses the digital platforms, systems and tools that underpin our value creation process by driving operational efficiencies and deepening and broadening customer interactions. As our strategic reliance on digitalisation increases, we also maintain a strong focus on strengthening cybersecurity to protect our systems and maintain data privacy and security of all our stakeholders.



**>50,600**

Users visited the web site



**Rs. 6.1 Mn**

Digital marketing spend



**Zero**

Security breaches and customer data loss incidents



**Rs. 31.1 Mn**

Invested in IT infrastructure & systems

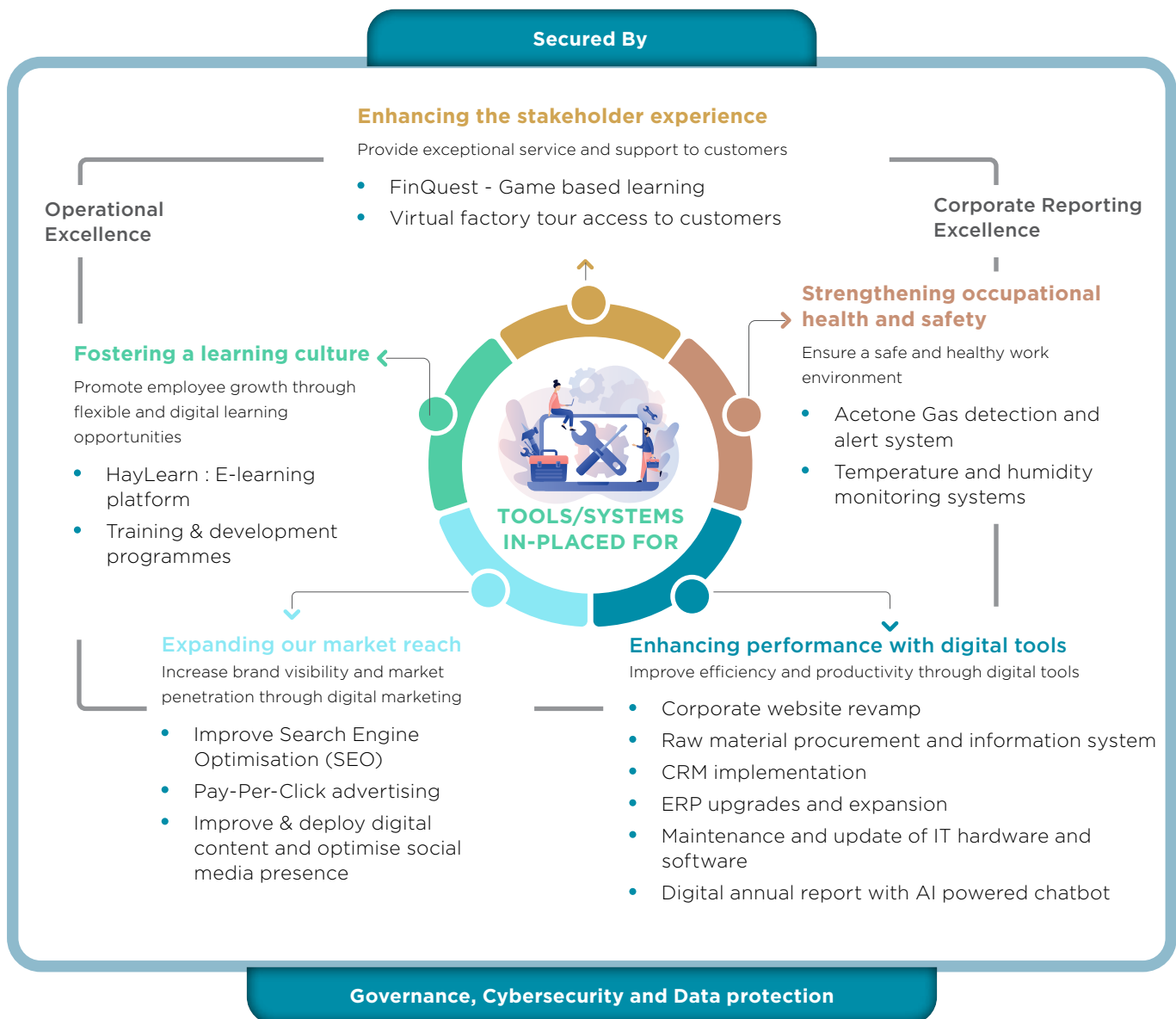
## AT HAYCARB, WE HAVE ESTABLISHED A ROBUST GOVERNANCE FRAMEWORK TO EFFECTIVELY MANAGE OUR TECHNOLOGY AND INFORMATION ASSETS, ENSURING THE SECURITY OF OUR SYSTEMS.

Haycarb considers digitalisation a critical enabler of operational excellence, supporting efficiency, productivity, and enhanced customer engagement across the value chain.

From internal operations to external communications, digital tools play a vital role in strengthening health and safety, expanding our global presence, and fostering a culture of

continuous learning. Recognising the growing reliance on technology, we also remain committed to robust cybersecurity measures to safeguard our digital infrastructure and stakeholder information.

The following illustration outlines the key tools and systems in place that enable us to deliver on these strategic priorities.



## RESPONSIBLE GOVERNANCE AND CYBERSECURITY RESILIENCE

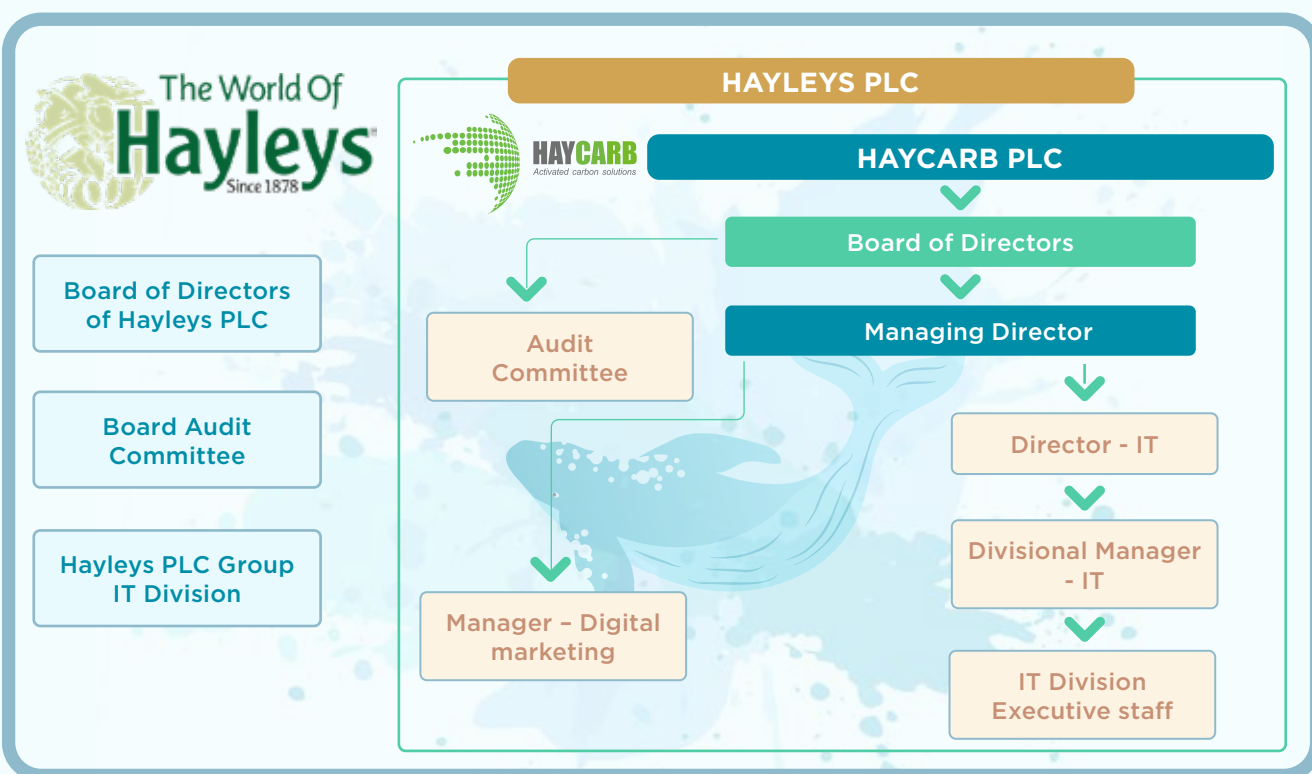
### GOVERNANCE

At Haycarb, we have established a robust governance framework to effectively manage our technology and information assets, ensuring the security of our systems. Our Board of Directors provides overall oversight of IT and cybersecurity risk management, while the Board Audit Committee monitors the

effectiveness of the cybersecurity risk management process and evaluates the adequacy of threat mitigation strategies. Additionally, we benefit from the oversight of Hayleys PLC, with the Hayleys Group IT Division and Chief Information Security Officer overseeing Haycarb's cybersecurity management strategy. The Heads

of IT divisions within the Hayleys Group convene monthly to assess emerging threats, evaluate new security guidelines, and align with industry best practices, ensuring that Haycarb's cybersecurity approach remains proactive and up-to-date.

The Group's new IT governance structure is given below.



### PROACTIVE CYBERSECURITY MANAGEMENT AND DATA SECURITY

GRI 418-1

We monitor cybersecurity risks and evaluate the probability of its occurrence and potential impact on our business on a quarterly basis. Based on the risk assessment, action plans are updated by the Haycarb IT team. Our Information Security Policy guides our approach to managing information

security related risks, informing the implementation of information security procedures and practices. We utilise a range of data security tools and servers to safeguard critical user data and prevent data losses.

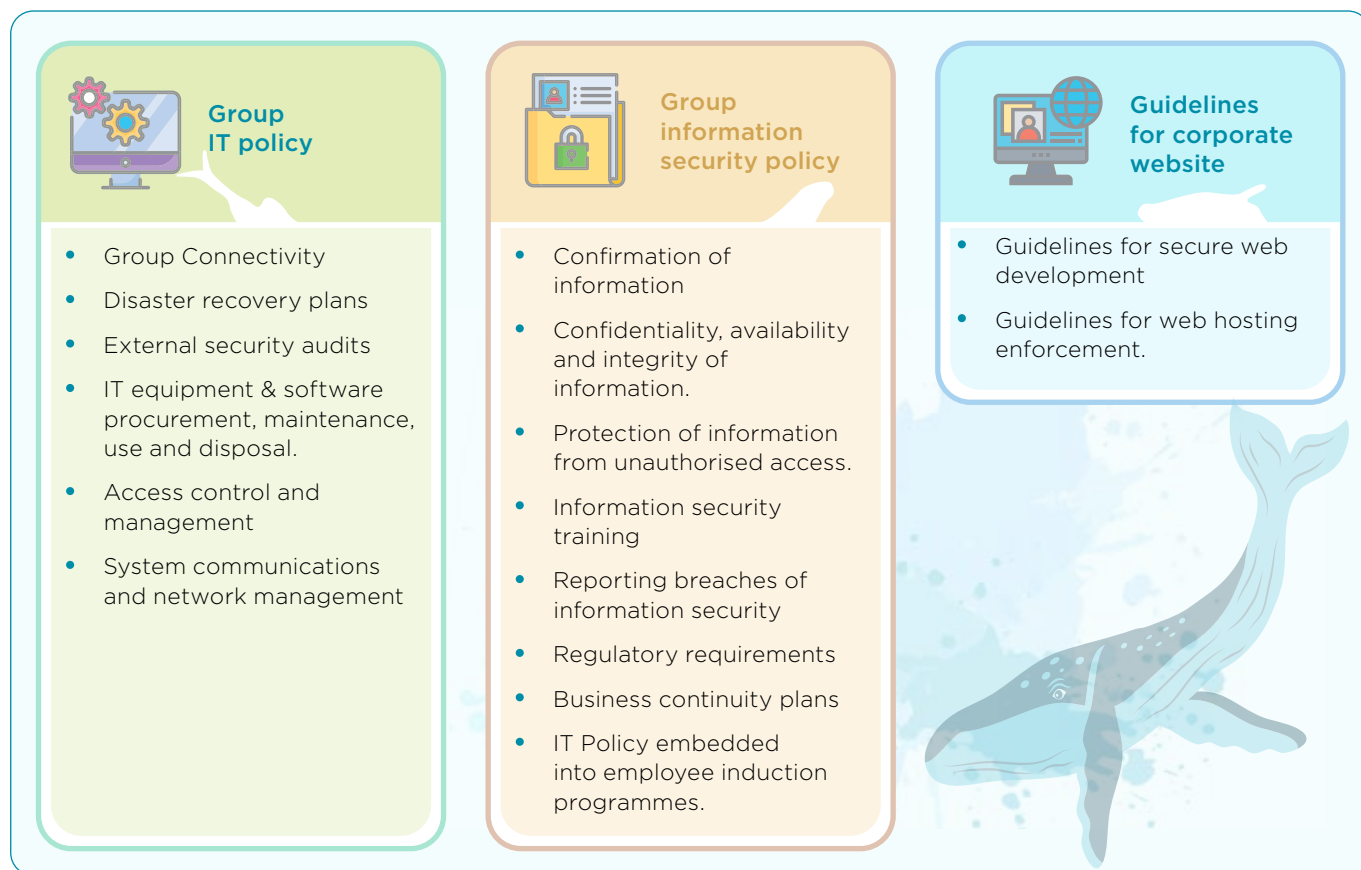
External auditors audit our data security processes periodically to assess the adequacy of control measures, enabling continuous improvement of data security measures within the Group. Team members also undergo periodic

training to protect our digital assets against user related risks. Disaster recovery drills on our core systems are conducted annually to ensure business continuity.

During the year under review, no instances of system security breaches, data losses, breaches of customer privacy, or losses of customer data were reported.



# Digital Capital



Launch of the HayLearn e-learning platform



Launch of CRM and the relaunch of the website

## DIGITALISATION FOR OPERATIONAL EXCELLENCE

### Improve digital infrastructure & customer interface

#### Corporate website revamp

The Group's corporate website was redesigned to enhance the user experience and support its digital marketing strategy. The revamped website offers,

- Consistency in global branding across international markets.
- Multi-lingual capabilities enhancing accessibility
- Seamless integration with the CRM system.

- Serves as a scalable, always-on platform for lead generation, product discovery, and stakeholder engagement
- An improved user journey and retention through intuitive navigation and improved load times.
- A centralised platform to communicate Haycarb's innovation, sustainability commitments and global presence.

#### AI-powered chatbot

Integrated into the revamped corporate website, the AI-powered chatbot enhances responsiveness, automates routine interactions, and supports global lead engagement. While measurable impact is not yet available, it assists international visitors in real time with instant, multilingual support, consent-based data collection, and seamless backend integration to streamline inquiry management.

### Enhancing procurement and supplier engagement

#### Charcoal procurement system revamp

Significant enhancements made to the charcoal and coconut shell procurement system during the year under review. These included,

- Enhancing the accuracy of weighbridge readings.
- Eliminating potential manual errors and discrepancies.

- Enabling precise measurements of charcoal quality parameters including moisture content, foreign matter and dust levels.
- Real-time reports to streamline financial transactions and improve transparency.

#### Charcoal supplier visit data portal

To support accurate record keeping of visits made to charcoal suppliers, the Charcoal Supplier Visit Data Portal was introduced during the year under review. This system captures supplier data and locations of all charcoal and coconut shell suppliers in real time, significantly reducing the time taken for supplier visit reporting and increasing the efficiency of the documentation process.

### Virtual engagement platform for global stakeholder connectivity

This platform facilitates global connectivity and stakeholder engagement by offering guided virtual tours of production facilities, enabling transparent operations

and customer trust. It supports virtual interactions with existing and potential customers, allowing real-time discussions and relationship building. Additionally, it provides

a channel for resolving technical issues efficiently and conducting remote plant audits for certification purposes, ensuring compliance and operational excellence.

## Streamlining operations with integrated technology

### Upgrades to SAP

The SAP system was upgraded to an EHP 8.0.

- Access new features and optimise system performance to enhance operational efficiency and reduce maintenance costs.
- Ensure systems comply with all regulatory requirements
- Enhance the security features of our systems
- Prepare for future innovations including the transition to RISE with SAP in 2024/25

### Hardware and software updates

Ongoing emphasis on implementing hardware and software updates has enabled,

- Enhanced data security.
- Improved system performance.
- Compatibility across systems and locations.
- Access to new tools and improvements.
- Compliance with regulatory requirements.

### CRM implementation

A strategic digital initiative, the CRM enables the centralisation of customer information into a unified platform enabling,

- Real-time visibility and better service delivery.
- Improved customer engagement through swifter, more consistent, and personalised communications.
- Sales process automation by streamlining the lead-to-quote process, tracking opportunities and reducing manual interventions.
- Analytics, account planning, sales forecasting and market intelligence.
- Collaboration across global operations strengthening key account management and supporting global growth.

## Fostering a learning culture

### HayLearn : E-learning platform

The introduction of an E-Learning Portal has supported the delivery of flexible, self-paced training to team members across all locations. Over 203 courses covering 19 areas have been made available on the platform reinforcing our

commitment to creating a learning culture while aligning employee training and development with organisational strategic goals.

### Training and development

Significant investments were made to enhance the digital skills and

competencies of our team through training and development.

- >930 training hours
- >360 employees covered

## Strengthening occupational health & safety

### Acetone gas detection and alert system

Acetone gas detection and alert systems were installed at the Madampe and Badalgama factories to enhance the monitoring of acetone vapour within the manufacturing environment. The system provides real-time dashboards and historical data

analysis alongside instant alerts to factory staff if levels exceed specified limits significantly enhancing the occupational health and safety of our manufacturing facilities.

### Temperature and humidity monitoring systems

A real-time temperature detection system was installed in the main

panel rooms at our manufacturing facilities in Madampe and Badalgama, Sri Lanka, to monitor and ensure temperatures remained below the preset threshold. The system provides real-time alerts if temperatures exceed specified limits, enabling corrective action and reducing the risk of fire and unexpected power failures.





## DIGITAL MARKETING

### Search Engine Optimisation (SEO)

During the year under review, we integrated SEO into our marketing strategy to enhance the Group's visibility in organic search results across global markets.\*

**+25 %**

New users

**+50 %**

International traffic

**+25 %**

Returning users

**+22**

Keyword Rankings (within top 50 positions)

**>37,500**

Backlinks\*\* (with >800 new quality links)

**+11 %**

Domain authority

\* The period considered here was June 2024 to March 2025 against the same period last year

\*\*Backlinks are incoming links from other websites that show our site is reliable.

### Pay-Per-Click Advertising (PPC)

PPC campaigns were executed across Google Search and Display, targeting high-intent keywords and priority markets. The ads generated direct inquiries, particularly from regions with previously low visibility, highlighting the campaign's success in unlocking new market opportunities.

**>3 Mn**

Impressions

**>82,700**

Clicks

**2.44 %**

Clicks-Through-Rate

**>140**

Direct inquiries

### Digital content and social media platforms

We continued to strengthen digital communication by deploying interactive content on social media platforms such as LinkedIn, Facebook, YouTube and X to strengthen global visibility and communicate with potential customers.



**>11,300**

Interactions



**>14,900**

Page views



**>14,900**

Page views



**>6,900**

Views

**>2,500**






Views on interactive reports and newsletters

DIGITALISATION FOR CORPORATE REPORTING EXCELLENCE

As part of our commitment to transparency and innovation, Haycarb has embraced digitalisation to enhance corporate reporting. Our Digital Annual Report powered with an AI Chatbot for interaction and hosted in a Microsite revolutionizes stakeholder interaction.

The AI chatbot provides instant, tailored responses to user queries, making it easier for stakeholders to navigate and understand key insights. Additionally, we've incorporated gamification elements into the microsite, offering an engaging and interactive way to explore our performance and

achievements. These advancements not only improve accessibility but also promote deeper engagement, aligning with our goal of delivering an exceptional and user-friendly reporting experience.

Annual report microsite	AI-powered chatbot	FinQuest - Game based learning
<div></div> <div>Dive into our dynamic and interactive microsite to explore our full annual report</div>	<div></div> <div>Get instant answers to your questions with our AI chatbot, making navigation a breeze</div>	<div></div> <div>Incorporates digital game-based learning elements to enhance stakeholder engagement and understanding of report content through interactive, educational experiences.</div>
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