

Boundless Impact

Our Approach to Reporting



Our Approach to Reporting

GRI 2-2 to 4,6

We are pleased to present Haycarb PLC's 5th Integrated Annual Report for the financial year ended 31st March 2025. This Report offers a balanced and concise account of how we navigated the challenging operating conditions that prevailed during the year to deliver value across financial, social, environmental and governance dimensions. It also outlines our vision and strategy for value creation in the year ahead.



BASIS OF PREPARATION



Reporting entity

- This Integrated Annual Report covers the operations of Haycarb PLC, its 17 subsidiaries, and 2 associate companies, collectively called 'the Group'.



Reporting cycle

- We adopt an annual reporting cycle.
- This Report builds on our previous report published for the financial year ended 31st March 2025.



Joint assurance

GRI 2-5

- A joint assurance approach ensures the integrity of our Integrated Annual Report.
- Internal assurance is obtained from the Board Audit Committee, Internal Audit and our senior management.
- External assurance is provided by Messrs. Ernst and Young on financial statements, sustainability and integrated reporting.

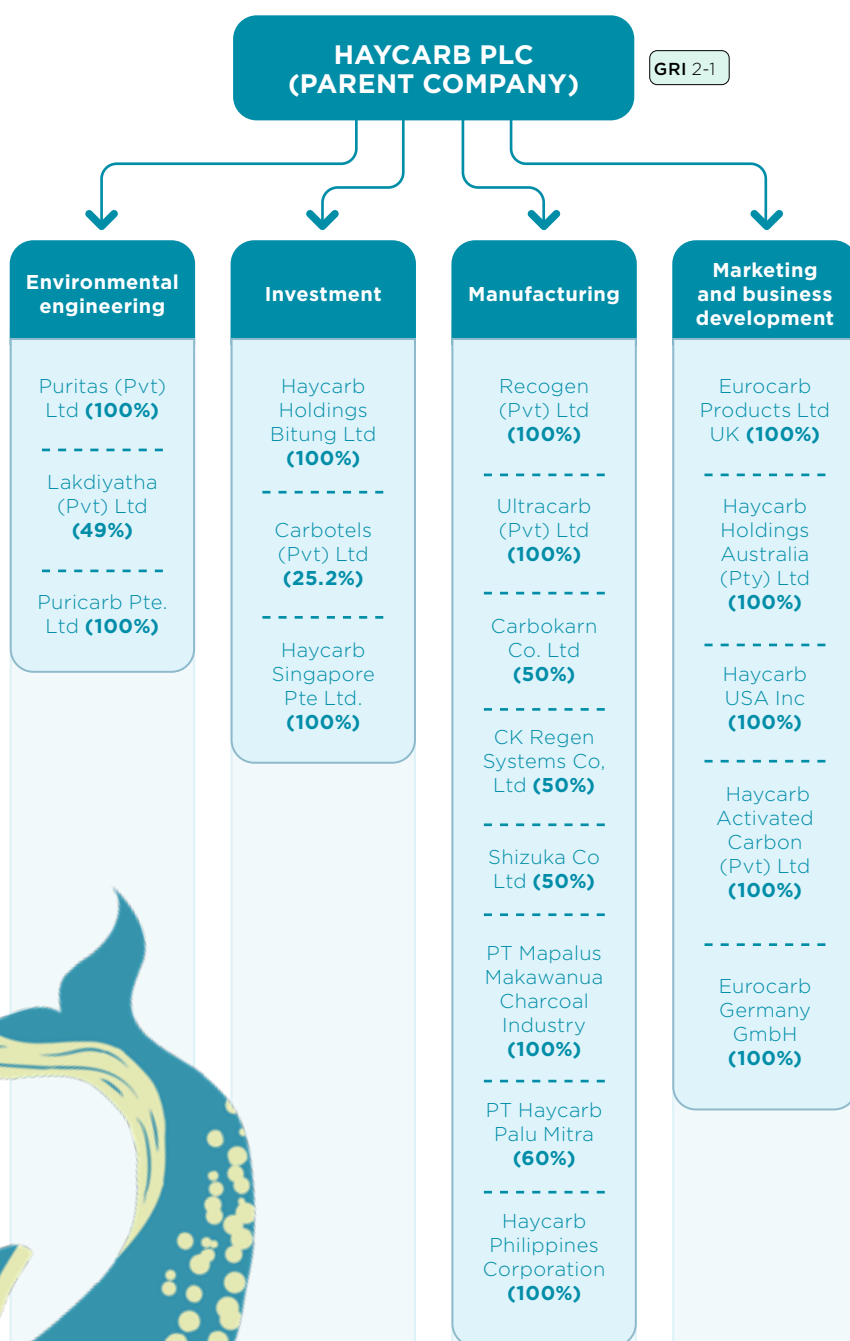


Changes to reporting

- No major changes to the Group's size, shareholding, structure and supply chain took place during the year under review.
- No major restatements were made to financial information disclosed in our previous Annual Report.

SCOPE AND BOUNDARY

The financial information presented in the Financial Statements and the narrative represents the Group and provides a consolidated view unless otherwise stated. The non-financial information provided in this report also presents a consolidated view and extends to include material information about risks and opportunities emerging from the operating environment and the outcomes attributable to our key stakeholders. The Group's head office is based in Sri Lanka with operations spanning 7 countries. The Group's assets in Sri Lanka accounted for 47.4% of total assets as at end-March 2025. Haycarb's group structure is set out below.



THE CAPITALS



OUR STAKEHOLDERS



STRATEGY



Our Approach to Reporting

Our financial and non-financial reporting complies with all mandatory regulatory requirements while also aligning with international best practice through the adoption of numerous voluntary international and local reporting standards and codes. The regulatory and voluntary frameworks that informed the preparation of this Report is set out below.

The <IR> principles that guided the preparation of this Report

- Strategic focus and future orientation
- Connectivity of information
- Stakeholder relationships
- Materiality
- Conciseness
- Reliability and completeness
- Consistency and comparability


Financial Reporting

- Sri Lanka Financial Reporting Standards (SLFRSs)
- Sri Lanka Accounting Standards (LKASs)
- The Companies Act No. 7 of 2007
- Listing requirements of the Colombo Stock Exchange



ESG & Sustainability Reporting

- SLFRS S1 General requirements for disclosure of sustainability related financial information
- <IR> Framework
- GRI Universal Standards
- Sustainability Accounting Standards Board (SASB) - Chemical Standard
- UN Sustainable development goals (SDGs)
- Gender parity reporting framework of CA Sri Lanka.
- Non-financial reporting guidelines of CA Sri Lanka



Corporate Governance

- Listing requirements - Section 7 of the Colombo Stock Exchange
- Code of Best Practice on Corporate Governance issued by CA Sri Lanka (2023)
- Corporate Governance - Section 9 of the Colombo Stock Exchange
- Transparency in Corporate Reporting Assessment



Climate Related Reporting

- SLFRS S2 Climate related disclosures - with the incorporation of the Recommendations of the Task Force on Climate Related Financial Disclosures (TCFD)
- ISO 14064-1:2018 Organisation Level GHG Emissions/Removal Reporting Standard
- GHG Protocol - World Resources Institute & World Business Council for Sustainable Development





STATEMENT OF COMPLIANCE

Our financial and non-financial reporting complies with all mandatory regulatory requirements while also aligning with international best practice through the adoption of numerous voluntary international and local reporting standards and codes. The regulatory and voluntary frameworks that informed the preparation of this Report is set out below.

FORWARD-LOOKING STATEMENTS

This Report includes statements regarding our expectations and plans for future performance given its importance to assessing our potential to create long-term value. These forward-looking statements can be found in Strategy and Resource Allocation, the Capitals Report and Future Outlook among others. These statements have been made based on our current understanding, interpretation and expectations of internal and external information but are inherently uncertain as they relate to future events, outcomes, and impacts beyond our control. Therefore, we advise users of our Integrated Annual Report to use the latest information available at the time of assessment when evaluating forward-looking statements, as future conditions may differ materially from those expressed in this Report. All forward-looking statements are provided without recourse or any liability whatsoever to the Board or other preparers of the Annual Report due to the reasons given above.

PRECAUTIONARY PRINCIPLE

In compliance with Principle 15 of the Rio Declaration on Environment and Development, we are committed to implementing cost effective measures to prevent environmental degradation where there are threats of serious or irreversible damage, despite lack of full scientific certainty.

FEEDBACK

We value feedback and welcome any suggestions you may have in terms of what you would like to see in our next report. Please direct your feedback to:

Director Finance,
Haycarb PLC
400, Deans Road,
Colombo 10,
Sri Lanka
E-mail: haycarbgroup@haycarb.com

STATEMENT OF RESPONSIBILITY

Haycarb's Board of Directors is responsible for ensuring the integrity of the Report. We, the Board of Directors hereby confirm that we have reviewed the Annual Report for 2024/25 prepared by the Senior Management in accordance with the Integrated Reporting <IR> Framework and that it addresses all relevant material matters and fairly represents the Group's integrated performance. We have authorised and approved the Report for publication.



Chairman



Managing Director



This report is available in printed form and online at <https://www.haycarb.com/>



Digital feedback form

GRI 2-3



Digital version of Annual Report

Our Approach to Reporting

REPORT EVOLUTION

Efforts to evolve our Integrated Annual Report to better reflect stakeholder expectations and international best practice led to the following improvements in 2024/25.

1

A separate section on the Group's sustainability and climate related risk management in line with the requirements of **SLFRS S1 and S2**.

2

Inclusion of new **Digital Capital report** on the digital initiatives carried out by Haycarb

3

Introduced **segmental performance** reviews

4

Key performance highlights are available in **multiple languages** for **wider accessibility**

5

Integrating **Braille** to the annual report in-order for stakeholders to engage independently

6

New features and improvements to the **digital annual report**





DIGITALLY INNOVATING OUR CORPORATE REPORTING

Cognisant of the growing shift toward digital communication, we continued to integrate technology into our corporate reporting with an emphasis on providing a more interactive and engaging experience to our stakeholders through a specialised web portal offering interactive features enabling comprehensive as well as customisable insights into information contained in our Annual Report.

Accordingly, in 2024/25, our digital Annual Report experience included:

A device responsive web portal with AI driven image generation, chatbot assistance and digitally enabled analysis

Inclusion of stakeholder - user profiles

Multilingual presentation on key highlights

Enhanced information presentation through tools like chart generators

Availability of new accessibility features

An online HTML version, a flip version, video version and a pdf version with QR links to additional information

Digital feedback forms as opposed to paper-based feedback forms that also contributes towards our efforts to minimise paper consumption