



Our Environmental and Socioeconomic Impact (GRI 3-3, 201-1, 201-3)

VALUE CREATION AND DISTRIBUTION

The Group has played a pivotal role in strengthening Sri Lanka's economy through its extensive range of operations, generating Rs. 44.4 billion in value during the year under review. This marks an 8.1% increase in value creation compared to the previous year. The enhanced contributions from the Group's equity-accounted investees and reduced foreign exchange losses, complemented by a decline in operational expenses were instrumental in this growth.

The Group's operations reflect its unwavering commitment to the upliftment of its employees. 39% of the value created was allocated to employee benefits, up from 37% the previous year, underscoring the Group's dedication to its workforce. This investment in employees not only enhances their livelihoods but also fosters a motivated and productive workforce, which is crucial for the Group's sustained success.

Furthermore, the Group's contributions extend to the broader economy, with 11% of the value created being allocated to the governments. Lenders of capital received 20% of the value generated, a significant reduction from the previous year, primarily due to lower borrowing costs, reflecting prudent financial management and the overall decline seen in interest rates.

Dividends to equity shareholders accounted for 4% of the total value created, while the Group retained 26% for future growth and expansion. This strategic retention of value ensures that the Group remains well-positioned to seize new opportunities and drive long-term growth, benefiting all stakeholders.

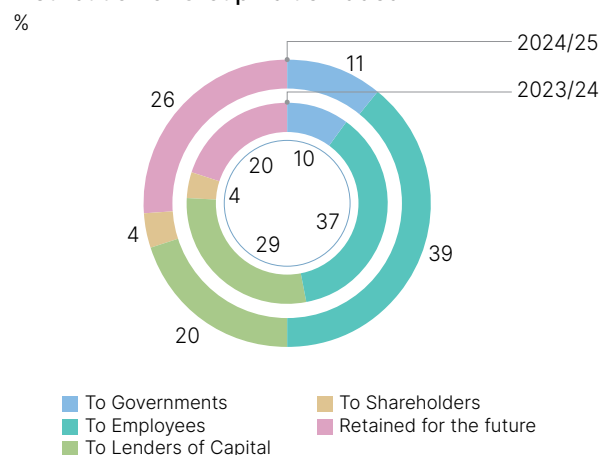
The Group's steadfast commitment to growth and development is evident in its balanced approach to value distribution, ensuring that employees, the government, lenders, shareholders, and future growth initiatives are all adequately supported. This holistic approach underscores the Group's dedication to fostering a sustainable and prosperous future for all its stakeholders.

	2024/25 Rs. Mn	2023/24 Rs. Mn
Revenue	95,095	97,486
Purchase of goods and services	(54,461)	(58,786)
	40,634	38,700
Other operating income	(362)	(2,307)
Interest income	1,920	2,909
Share of profits of equity-accounted investees before tax	2,187	1,752
Total value added by the Group	44,379	41,055

Distributed as follows

To governments	4,994	4,160
To employees	17,296	15,264
To lenders of capital	8,858	11,847
To shareholders	1,725	1,624
Retained for the future	11,506	8,160
	44,379	41,055

Distribution of Group Value Added





Our Environmental and Socioeconomic Impact

IMPACTS ON ECO SYSTEMS

Our biggest environmental impacts arise from energy consumption, emissions, water consumption, and solid waste generation, particularly in sectors like power generation and hospitality. Recognising our responsibility, we are committed to reducing our ecological footprint through sustainable practices, innovation, and continuous improvement.

Tourism



Our hotels across Sri Lanka, the Maldives, India, and Oman are nestled in pristine rural settings, alongside select urban properties, often bordering biodiverse regions. Committed to environmental stewardship, we ensure sustainable operations that harmonise with nature.

Additionally, our dedicated destination management team curates immersive experiences in delicate ecosystems and culturally significant sites. Every aspect of our business, from hotels to guided tours, upholds a strict zero impact policy, preserving the natural and cultural heritage of the destinations we call home.

Maritime & Freight Logistics



The Sector delivers valuable services that connect businesses with global markets. In Sri Lanka, our operations do not directly interact with sensitive ecosystems, yet our teams actively minimise environmental impacts through robust management systems. Furthermore, our overseas port management operations are committed to reducing the effects of effluents on marine ecosystems.

Strategic Investments



Our plantations and apparel manufacturing segments operate in rural communities, situated within or near biodiversity-rich ecosystems. We maintain a strict zero-adverse-impact policy to protect these vital areas.

Additionally, our waste-to-energy power plant significantly reduces environmental harm by diverting solid waste from landfills and natural ecosystems.

Services



None of our operations are located in biodiversity-sensitive areas.

FACILITATING FOREIGN EXCHANGE INFLOWS

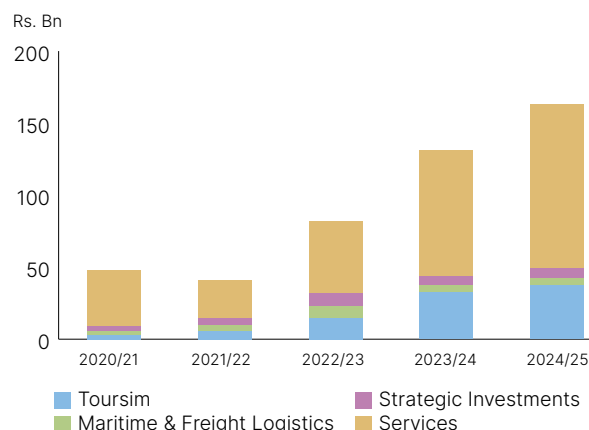
Aitken Spence, as a prominent player in business activities crucial for economic development and the facilitation of foreign currency to the island, has consistently been a significant contributor to these areas. Historically, Aitken Spence, through its direct and indirect activities, has played a pivotal role in facilitating substantial foreign currency inflows to the country. During the year, the Group's operations facilitated the equivalent of Rs. 163.1 billion in foreign currency inflows to the nation.

The Services sector remained the highest contributor to this facilitation through its activities in the money transfer segment, which processed over 1.1 million transactions during the year, recording a 24.2% year-on-year increase in transactions processed. The sector's inflows were further augmented by the Group's investment in BPO operations, which cater to clients from five countries in the Asian region.

The contribution of the Tourism sector to the facilitation of foreign currency inflows to the country increased by 14.9%, driven by heightened activity in the Sri Lankan hotels segment. The Maritime and Freight Logistics sector recorded a 5.7% increase in its contribution to foreign currency generation, while

the Strategic Investment sector witnessed a 5.3% decline in its facilitation of foreign currency generation. The decline in volume recorded by the apparel manufacturing segment was the primary reason for this drop, owing to a restructuring of operations undertaken by the segment.

Facilitation of Foreign Currency Generation to the Country





Our Environmental and Socioeconomic Impact

OUR COMMITMENT THROUGH TAXES

Aitken Spence Group continues to play a pivotal role in supporting economic development and social progress across the countries in which it operates. With operations spanning 12 jurisdictions, the Group makes a meaningful contribution to GDP growth, social stability, and the improvement of living standards through the creation of economic value, the generation of employment, and the payment of taxes.

The Group maintains a consistent record of compliance with tax obligations, contributing both direct and indirect taxes across its diverse operations. Direct taxes, including corporate income tax and employee related contributions such as PAYE/APIT, form a vital source of revenue for governments to fund essential public services, ranging from infrastructure development to education and healthcare.

Indirect taxes, including Value Added Tax (VAT), import duties, turnover-based levies, and other applicable taxes, are systematically remitted across all operational geographies as part of routine business activities. These payments ensure the smooth functioning of regulatory systems and help sustain broader socio-economic frameworks.

Operating across key sectors, Tourism, Maritime and Freight Logistics, Strategic Investments, and Services, Aitken Spence drives economic activity, fosters job creation, and supports capacity building in both emerging and developed markets. The Group's enduring commitment to fiscal responsibility and good governance underpins its contribution to national and regional development agendas.

Aitken Spence's responsible tax practices and value creation highlight its role as a corporate entity committed to inclusive and sustainable growth in every market it serves.

Type of Tax	2024/25 Rs. Mn	2023/24 Rs. Mn
Value Added Tax (VAT)	3,583	2,556
Social Security Contribution Levy (SSCL)	467	466
Stamp Duty & Tourism Dev. Levy (TDL)	177	140
Sales Tax in Other Jurisdictions	4,690	5,204
Green Tax	1,051	1,218
Income Tax & Dividend Tax (Local & Foreign)	3,627	3,879
Total Taxes Paid to Governments	13,595	13,463

Taxes Paid to Governments

%

