



ON COURSE:

NAVIGATING STRATEGY WITH CONFIDENCE

At Aitken Spence PLC, our strategy unfolds through prioritisation, and strengthens through coordination; we plan and execute with purpose, and growth follows.

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PURPOSE DRIVEN STRATEGY

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STAKEHOLDER ENGAGEMENT (GRI 2-29)

OUR APPROACH

At Aitken Spence PLC, stakeholder engagement is integral to how the Group creates long term value across its diversified portfolio. The Group places its five capital contributors at the centre of its stakeholder ecosystem, recognising that their perspectives and expectations directly inform strategic direction and capital allocation decisions across the short, medium and long term. The value creation model is therefore structured around material matters identified through continuous engagement and translated into clear strategic priorities and objectives across the business.

Stakeholder engagement is embedded within the Group's established sustainability framework, developed and refined over nearly two decades and continually evolving in response to local and international market dynamics. Through this approach, stakeholder perspectives are systematically identified, assessed and integrated into strategic planning and decision making, strengthening trust, risk management and sustainable value creation.



PRIORITISE STAKEHOLDERS:

Focus engagement efforts based on stakeholders' influence on value creation, impact on operations, proximity to the business, urgency of concerns and subject matter expertise.



MAINTAIN BENCHMARKS:



Constructive and proactive engagement

Adopt a constructive and proactive approach to stakeholder engagement, actively listening with a receptive and open mindset to identify stakeholder needs, emerging priorities and potential risks that support informed decision making.



Identify and address valid stakeholder concerns

Ensure accountability and transparency by assessing stakeholder concerns in a structured manner and responding to material and valid issues through appropriate management actions.



Transparency in engagement

Maintain open, consistent and transparent engagement with stakeholders through appropriate and accessible communication channels. Transparency is a core element of the Group's value creation model, enabling the timely identification and clear articulation of material concerns, risks and opportunities, and ensuring these are effectively considered in strategic, sustainability and capital allocation decisions.

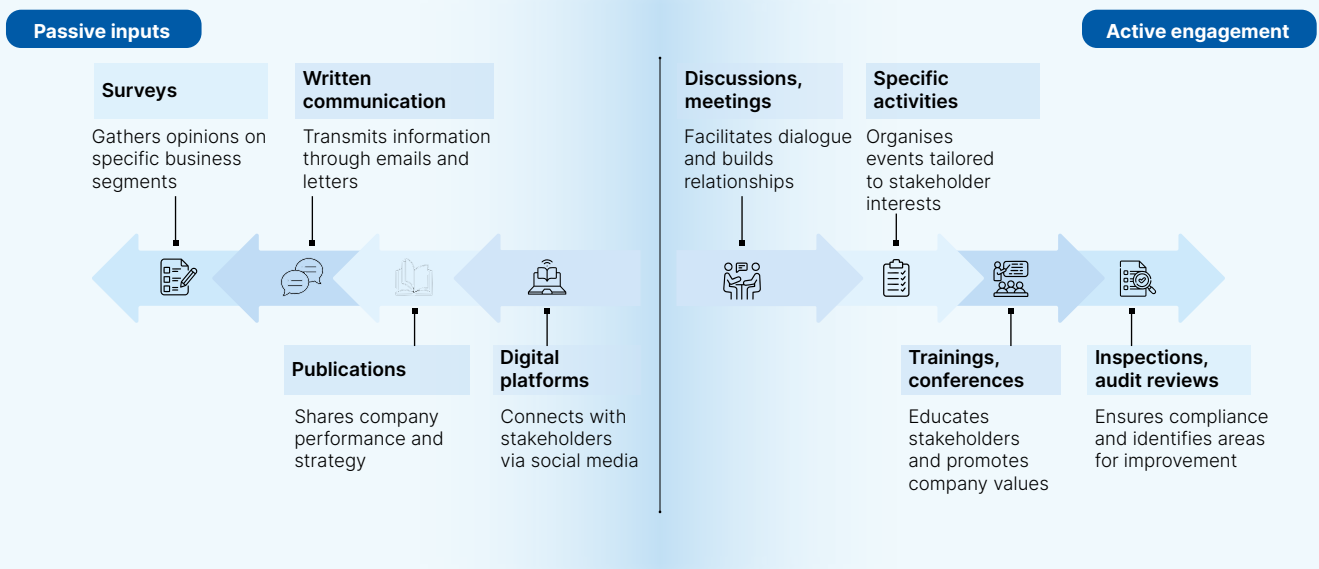
By applying this disciplined approach, the Group ensures that stakeholder inputs remain balanced, relevant and credible, particularly where issues have significant economic, environmental or social implications. Appropriate emphasis is placed on stakeholders most affected by the Group's operations, while informed and evidence based inputs are relied upon when addressing more complex or specialised matters. This supports reasoned decision making and constructive dialogue, avoiding reactive or fragmented responses.



STAKEHOLDER ENGAGEMENT

How we engage and integrate feedback

The Group adopts multiple engagement channels to ensure accessibility, inclusiveness, and responsiveness across diverse stakeholder groups.



Stakeholder insights are systematically analysed for trends, risks, and opportunities, and are integrated into:

- » Strategic planning and sustainability priorities
- » Risk management processes
- » Policy development and operational improvements

Stakeholder inputs form a defined component of the Group's materiality assessment process, with critical concerns, particularly those raised by regulators or high-impact stakeholders, being prioritised for immediate attention.

GOVERNANCE, TRANSPARENCY AND PUBLIC POLICY ENGAGEMENT

(GRI 207-3)

Stakeholder engagement is supported by established governance structures, with oversight from senior management and the Board where relevant. The Group maintains transparency through externally assured regular financial and sustainability disclosures, ensuring stakeholders are informed of the Group's performance, material impacts, strategic priorities and progress against its commitments.



STAKEHOLDER ENGAGEMENT

Stakeholder engagement strategy for shared value and sustainable outcomes (GRI 207-3)

FINANCIAL PERFORMANCE

(Investors, shareholders, financial institutions & banks)



STRATEGY:

TRANSPARENCY AND ACCOUNTABILITY

Primary engagement channels:

- AGMs.
- Extraordinary General Meetings.
- Quarterly financial statements and reports.
- Reviews on requirement.



MATERIAL CONCERN:
SUSTAINABILITY OF RETURNS

Focus on sustainable financial performance, stable returns, prudent interest rate management, and alignment with global ESG and governance expectations.



OUTCOME:
DISCIPLINED CAPITAL MANAGEMENT

Enhanced investor confidence and sustained access to competitive funding, strengthening the Group's attractiveness to lenders and supporting long term financial resilience and value creation.

KPIs:

- Return on Capital Employed (ROCE): **14.5%**
- Total Shareholder Return (TSR): **11.9%**
- Dividend payout ratio: **23.9%**

WORKPLACE

(Employees)



STRATEGY:

TALENT RETENTION AND WELL-BEING

Primary engagement channels:

- Daily interactions through Group HR.
- HR Partners and the Management.
- Targeted activities and surveys.
- Performance evaluations.



MATERIAL CONCERN:
SECURITY AND PROGRESSION

Seek fair and competitive remuneration structures, job security, work life balance and clear opportunities for career progression and skill development.



OUTCOME:
FUTURE-READY WORKFORCE

A stable, skilled and engaged workforce underpins operational continuity, productivity and leadership depth, mitigating people, related risks and enabling the Group to execute strategy and deliver long term socioeconomic value.

KPIs:

- Turnover rate: **38.8%**
- Average training hours per employee (executive and non-executive): **16** hours
- Female representation: **37%**

MARKETPLACE

(Customers)



STRATEGY:

CUSTOMER-CENTRIC RESPONSIBLE INNOVATION, AND QUALITY

Primary engagement channels:

- Brand related interactions of sales and customer relationship teams.
- Surveys, online/ offline feedback and R&D.
- Awards and recognition programmes.



MATERIAL CONCERN:
QUALITY AND PERSONALISATION

Customers demand best-in-class product quality, fast delivery and unique, sustainable experiences.



OUTCOME:
LONG-TERM CUSTOMER LOYALTY

Feedback driven engagement and responsible innovation enhance service quality and relevance, strengthening customer satisfaction, repeat business and brand value, and supporting sustainable revenue growth.

KPIs:

- NPS score: **47%**
- Total number of customer feedback: Over **5,000**
- Customer satisfaction rate: Please refer to the Social & Relationship Capital Review for details.



STAKEHOLDER ENGAGEMENT

SOCIETY

(Communities, environmentalists and other lobbyists)



STRATEGY:
SUSTAINABLE SHARED VALUE CREATION WITH A LONG-TERM FOCUS

Primary engagement channels:

Routine engagements maintained by operational teams and/ or community relations managers.

Other channels of communication kept open to enable access to communicate.



MATERIAL CONCERN:
RESPONSIBLE AND INCLUSIVE DEVELOPMENT

Stakeholders focus on compliance, community development support, sustainable business operations and local economic development.



OUTCOME:
STRENGTHENED LICENSE TO OPERATE

Stronger stakeholder trust and increases community participation that supports meaningful business growth.

KPIs:

Funds channelled for community development: **Rs. 85.7 Mn**

Funds channelled to communities through donors: **Rs. 76.6Mn**

Local employment: **48%** of recruitments in Sri Lanka were located outside the Colombo and Gampaha districts.

GOVERNANCE

(Governments, regulators and policymakers)



STRATEGY:
COMPLIANCE AND PROACTIVE RISK MANAGEMENT

Primary engagement channels:

Transparent engagement with governments and regulators.

Contributing to policy discussions aligned with local and global needs.

Active public-private collaboration.



MATERIAL CONCERN:
COMPLIANCE AND MEANINGFUL CONTRIBUTION TOWARDS NATIONAL DEVELOPMENT GOALS

Priorities include long-term value creation and compliance with regulation.



OUTCOME:
INSTITUTIONAL TRUST

Consistent compliance and constructive regulatory engagement strengthen institutional trust, support regulatory certainty and contribute to a stable operating environment that underpins long term value creation.

KPIs:

Regulatory breaches or fines: **Zero**

Licenses / permits renewed: **149**

Capacity building on compliance: **442** programmes

External inspections conducted during the year: **227**

SUPPLY CHAIN

(Suppliers and business partners)



STRATEGY:
RESPONSIBLE AND RESILIENCE VALUE CHAINS

Primary engagement channels:

Onboarding interventions of supply chain teams and/ or procurement teams on the company's commitments.

Proactive engagement for reviews to identify needs.



MATERIAL CONCERN:
FINANCIAL STABILITY

Partners seek transparent performance updates, strong referral networks and long-term stability.



OUTCOME:
SCALABLE ECOSYSTEMS

Resilient value chain with enhanced accountability and stable partnership growth, mutually beneficial, long-standing business relationships and minimised supply chain disruptions.

KPIs:

Spending on suppliers: **Rs. 63.6 Bn**

Number of suppliers screened on ESG: **511**

Long term strategic relationship: **19**



STAKEHOLDER ENGAGEMENT

(GRI 205-2)

WAY FORWARD: STRENGTHENING OUR STAKEHOLDER STRATEGY

The Group will continue to strengthen its stakeholder engagement approach by further integrating engagement outcomes into strategy, risk management and capital allocation. Focus areas include enhancing value chain engagement, improving consistency across business segments, strengthening mechanisms to respond to stakeholder inputs, and deepening research driven insights to support informed decision making and long term value creation.



HIGHLIGHT OF THE YEAR | SUSTAINABILITY STRATEGY REVIEW

All employees and the Senior Management team are educated on the companies policies and procedures on anti-bribery and anti-corruption, which also includes awareness of the Group's adherence to the Code of Ethics and Professional Conduct. Aligned with the Group's policies and commitments to prevent bribery and corruption, a workshop was conducted for the Senior Management team and core team members in May 2025. Conducted jointly by two topic experts, this workshop covered key provisions in the Anti-Corruption Act No. 09 of 2023, new offenses under the act, effect and impact of key provisions of the act and steps required from corporates to mitigate risks of corruption.

During the year, the Group convened a Sustainability Strategy Townhall bringing together the Sustainability Council, Sustainability Team and selected stakeholders. The engagement provided a structured forum to review emerging global and local trends, evolving stakeholder and regulatory expectations, and the continued relevance of the Group's sustainability strategy.

Insights from the Townhall informed the identification of priority focus areas and areas for enhancement, strengthening internal alignment and supporting a strategy that remains forward looking, responsive and grounded in operational realities.