

THE SPENCE IMPACT: OUR SUSTAINABILITY VISION IN A NUTSHELL

Our overall vision for sustainability can be outlined as the **Spence IMPACT**: a synopsis of our overall priorities, their alignment with the Sustainable Development Goals (SDGs) and their integration into the Group’s policy commitments, which guide our companies’ actions.

Our priorities in summary	Key objectives and targets	
I nclusive development across all operations	Priority: Enhance diversity, equity, inclusion across the organisation and protect internationally proclaimed human rights across all operations.	Key objectives: <ul style="list-style-type: none"> ▪ Be an employer of choice for past, present and future Spensonians ▪ Maintain adherence with the UN Guiding Principles on Business and Human Rights ▪ Increase the percentage of women in leadership positions to 30% by 2030. ▪ Achieve 50% female participation in the workforce by 2030
M itigation of adverse environmental, social, and economic impacts:	Priority: Align with global standards for environmental impact control and climate change mitigation.	Key objectives: <ul style="list-style-type: none"> ▪ Achieve a ‘Net Zero’ status of emissions across the Group by 2030 ▪ Maintain ‘Net Positive Impact’ on biodiversity and sensitive ecosystems ▪ Increase resource efficiency YoY ▪ Treat and safely repurpose or dispose 100% of effluents and wastewater ▪ Use the 7Rs to repurpose or recycle 100% of the solid waste generated
P artnerships for progress	Priority: Foster collaborations and partnerships with likeminded investors who can advance the Group’s ambitions for sustainable business growth.	
A ccountability for our decisions	Priority: Maintain highest standards of governance, transparency, and ethical conduct across all investments and business relations with zero tolerance for corruption, bribery and any forms of harassment or discrimination.	
C ommunity development through systemic interventions	Priority: Identify community needs and provide sustainable support through targeted interventions including (not limited to) local employment, purchasing, and infrastructure development.	
T ransformation of our business models to be future ready	Priority: Drive innovation through new business opportunities and adapt existing business models for long-term sustainability and resilience against risks related to business sustainability and climate change.	Key objectives: <ul style="list-style-type: none"> ▪ Sustainable profit growth, geographical expansion, and diversification into new business segments ▪ Develop pool funds for emergency response and business resilience ▪ Invest in research and development of transformation and risk mitigation strategies as well as sustainable business opportunities.

Alignment with global benchmarks	Alignment with our sustainability policy	Current position
 Targets 5.1, 5.5, and 5B  Target 8.5, and 8.8 <ul style="list-style-type: none"> ▪ UNGC Principles 1 – 6 ▪ Women's Empowerment Principles 	Policy commitments B, F, M, N, O, P, Q, S, and U.	<ul style="list-style-type: none"> ▪ 39% of the workforce and 18% of the managerial workforce is female. The Group's DE&I committee is spearheading policies and action plans towards this target. ▪ Refer to the Human Capital report, Sector Reviews and Segment Reviews for more details.
 Target 4.7  Target 8.4  Targets 12.2, 12.5, 12.6, 12.8, and 12.b  Targets 15.2 and 15.5 <ul style="list-style-type: none"> ▪ UNGC Principles 7, 8, and 9 	Policy commitments B, D, E, G, H, J, Q, T, and U.	<ul style="list-style-type: none"> ▪ 104 Management systems maintained for environmental impact control by more than 600 Spensonians across the Group. ▪ 27% of the Group's energy consumption is from renewable sources. ▪ Zero water bodies or sensitive ecosystems adversely impacted by our operations. ▪ Refer to the Natural Capital and Manufactured Capital reports for more details.
 Targets 8.4, 8.9, and 8.10  Targets 9.1 and 9.4 <ul style="list-style-type: none"> ▪ SDG 17 (not among the main 7 SDGs aligned with the Group) 	Policy commitments B, G, M, Q, S, and U	<ul style="list-style-type: none"> ▪ More than 50% of our business partnerships exceed a decade of engagement. ▪ Aitken Spence marks 22 years of partnership with the UN Global Compact in 2024. ▪ Refer to the Intellectual Capital and Social & Relationship Capital reports for more details.
<ul style="list-style-type: none"> ▪ UNGC Principle 10 ▪ SDG 16 (not among the main 7 SDGs aligned with the Group) 	Policy commitments A, B, F, G, H, L, M, P, Q, R, S, and U	<ul style="list-style-type: none"> ▪ Zero-tolerance approach towards bribery and corruption in all our transactions as well as sexual harassment, child labour and forced labour, with stringent measures to uphold human rights. ▪ Refer to the Corporate Governance report for more details.
 Target 4.3, 4.4, 4.6, and 4.7  Targets 5.1, 5.5, and 5B  Targets 6.3, and 6.4  Target 9.1  Targets 8.5, 8.6, 8.8, 8.9, and 8.10 <ul style="list-style-type: none"> ▪ UNGC Principles 1 – 6 ▪ Women's Empowerment Principles 	Policy commitments A, B, C, E, F, G, M, P, Q, and U	<ul style="list-style-type: none"> ▪ Rs. 202.5 Mn funds channelled directly towards our communities in development interventions. ▪ Rs. 604 Mn funds directed towards our plantation communities through donors. ▪ Refer to the Social & Relationship Capital report for more details.
 Target 8.4, 8.9, and 8.10  Target 9.1	Policy commitments E, G, H, J, K, L, M, N, O, P, Q, R, S, T, and U	<ul style="list-style-type: none"> ▪ 21 process improvements carried out in 2023/2024. ▪ Rs. 964.6 Mn total investment to develop IT infrastructure. ▪ Rs. 90 Mn invested in sustainability driven processes and action plans. ▪ Refresher trainings and field visits to study real case studies in recovery efforts carried out for the Group's DRR/ BCM team. ▪ Refer to the Intellectual Capital, Manufactured Capital and Financial Capital reports for more details.

THE SPENCE IMPACT

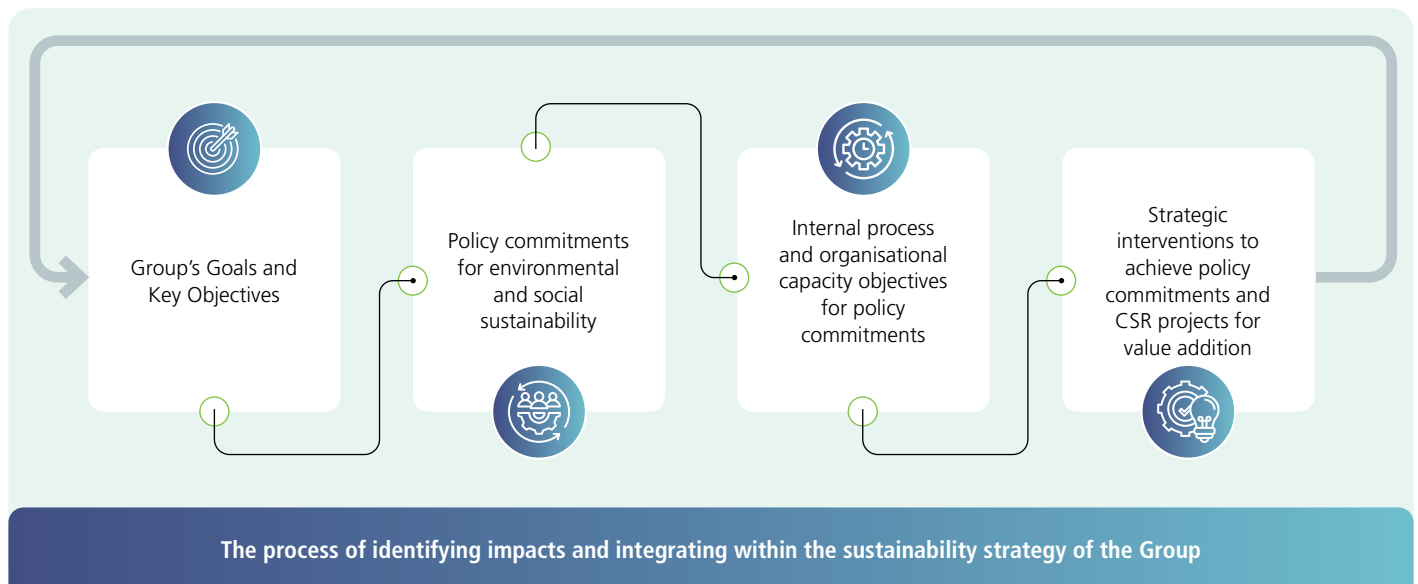
Our vision for sustainability is to ensure that our operations thrive while positively impacting the environment and society. Our goal is to build back better and, more importantly, to **build better before**, improving systems and practices in a way that enhances environmental and social outcomes. We envision our businesses operating in harmony with the environment thriving in a low carbon economy driven by a skilled green workforce ready for a changing world creating sustainable value for all our stakeholders. We foresee a market demanding sustainable products and services, resilient supply chains rooted in circularity and responsible practices, and communities actively engaged in strengthening our value chain. Our commitment is to that future.

Aitken Spence's governance structure and implementation framework to achieve this vision are detailed in the **'Corporate Governance'** section of this report. We adopt an integrated, impact-based approach that prioritises aligning internal processes and strategies for economic, environmental, and social impact control and sustainable value creation. As a diversified organisation, we use a tiered approach that guides each business segment in identifying their impacts, establishing fundamental controls across the Group, while taking necessary steps beyond the basics to address industry-specific challenges. This approach allows flexibility for each company to plan their own strategies in alignment with the Group's overall vision and objectives.

As outlined in the **'Determining Materiality'** and **'Stakeholder Engagement'** sections, we examine stakeholder feedback, desk reviews, expert insights, and identified local and global needs to determine our operational priorities. Once we identify our priorities, we take two approaches to create value:

- Systemic Interventions: Efforts integrated into our business models,
- CSR Interventions: Additional initiatives to support and advance development.

These collective interventions contribute towards reaching the key objectives of the Group to achieve our goals.



The process of identifying impacts and integrating within the sustainability strategy of the Group