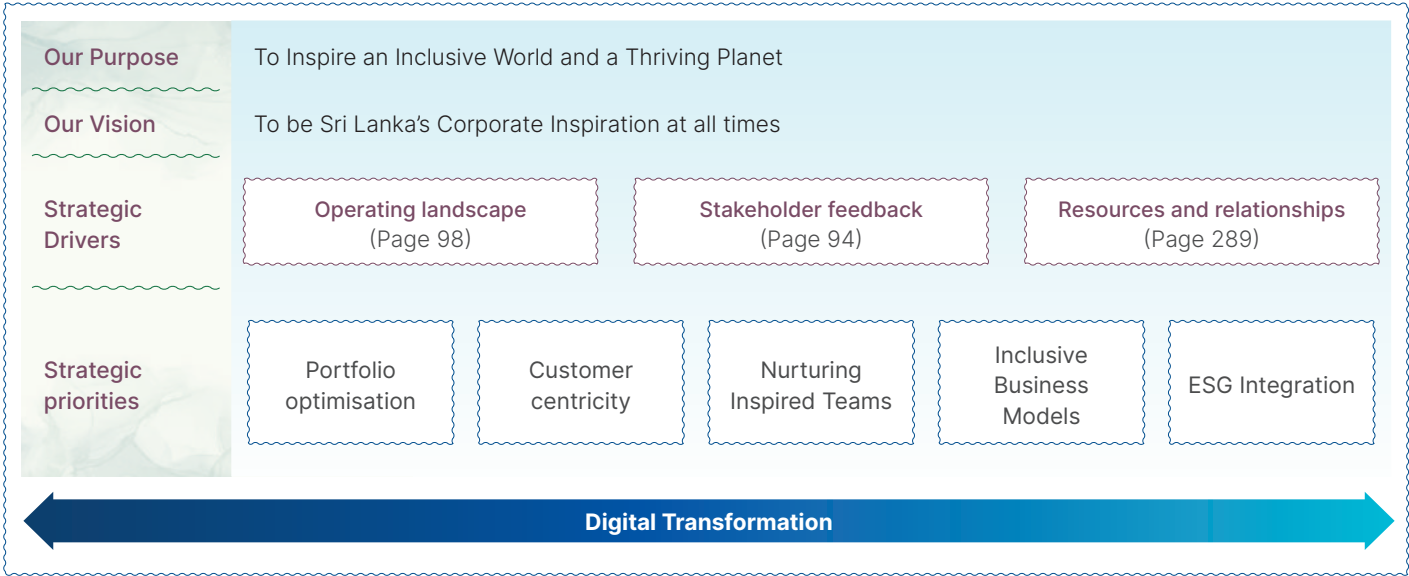


Purpose-driven Strategy

The Group’s overarching strategic aspirations are purpose-driven and centered around the 5 pillars as demonstrated below. While Sectors adopt unique strategies which reflect the risks, opportunities, and core competencies of each business the Board sets the overall strategic direction. The strategic pillars are formulated by the Strategic Business Development Unit (SBDU) at Hayleys PLC and cascaded to each Sector under the leadership of the Group Management Committee. Given the Group’s recent thrust towards leveraging automation and technology, Digital Transformation is now recognised as a cross-cutting enabler, that drives the effective execution of all five pillars.

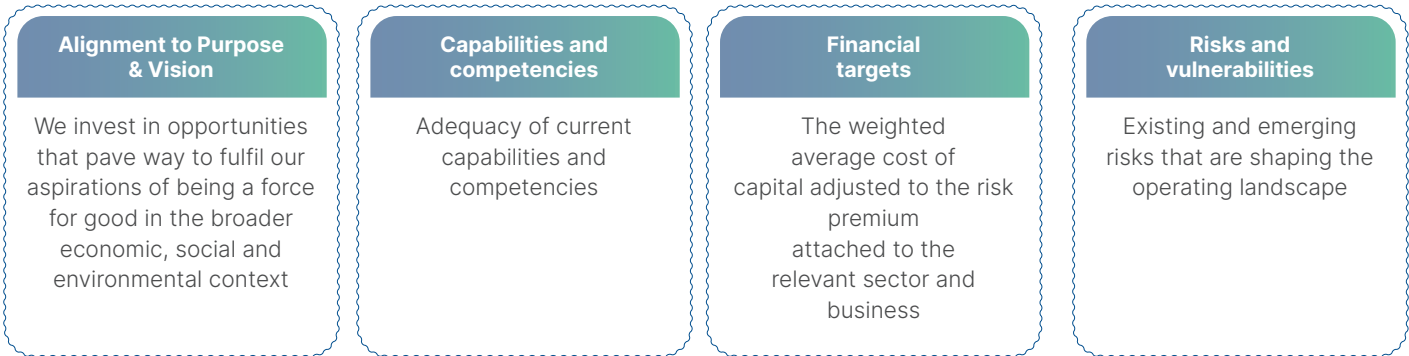


GOVERNANCE AND REMUNERATION PRACTICES SUPPORTING STRATEGY

Multiple layers of performance review from sector-level Executive Committees to the Group Management Committee, Board Committees and the Board ensure a high level of monitoring on delivery of strategy. The GMC meets weekly and additional meetings may be called at short notice whenever the need arises. Monthly and quarterly performance is monitored against defined targets, with active debate encouraging the exploration of new ideas and diverse perspectives. The remuneration of GMC members and Sector heads are linked to relevant strategies and KPIs, which are cascaded across relevant functions thereby driving goal congruence across the organisation.

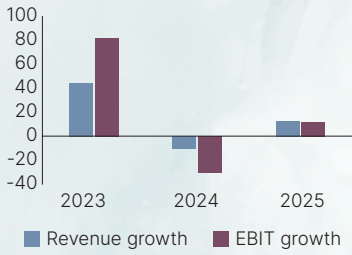
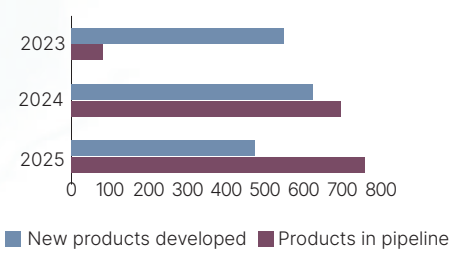







The Group’s decisions on allocating resources in driving its strategic aspirations - which includes funding, expertise, people and natural resources is determined through the guidelines set out below

Resource allocation framework



Purpose-driven Strategy

STRATEGY EXECUTION IN PROGRESS

Strategic pillar	1 BUILDING RESILIENCE THROUGH PORTFOLIO OPTIMISATION Building a resilient business portfolio which is centered on diversifying businesses, geographical footprint, customer segments and revenue streams	2 CUSTOMER CENTRICITY Innovative, cost-effective and sustainable solutions with excellent customer care to enhance the customer experience																								
Interventions in 2024/25	<ul style="list-style-type: none"> → Expansion of geographical footprint with increased focus on non-traditional markets → Continued expansion of manufacturing capabilities by key Sectors including Hand Protection, Purification, Transportation & Logistics among others → Diversification of customer base with increased focus on premium segments → Emphasis on cost management through automating processes 	<ul style="list-style-type: none"> → Continued progress on value-added product development across key verticals → Catering to customers' increasing focus on sustainability matters → Strengthen after-sales service in key verticals → Enhance customer engagement through social media platforms 																								
How we measure progress	<p>Revenue growth: Demonstrates the success of the Group's expansion strategy and effectiveness of how products and services are catering to demand.</p> <p>EBIT growth: Measures the Company's core profitability and the extent to which Revenue growth is translated to profitability</p> <p>PORTFOLIO OPTIMISATION</p>  <table border="1"> <caption>PORTFOLIO OPTIMISATION Data</caption> <thead> <tr> <th>Year</th> <th>Revenue growth</th> <th>EBIT growth</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>40</td> <td>80</td> </tr> <tr> <td>2024</td> <td>-10</td> <td>-20</td> </tr> <tr> <td>2025</td> <td>10</td> <td>10</td> </tr> </tbody> </table>	Year	Revenue growth	EBIT growth	2023	40	80	2024	-10	-20	2025	10	10	<p>New products launched and in pipeline: Demonstrates responsiveness to market trends and ability to create new revenue streams</p> <p>Customer satisfaction rates: Different platforms/ tools used across the Sectors to measure customer satisfaction</p> <p>NEW PRODUCT DEVELOPMENTS</p>  <table border="1"> <caption>NEW PRODUCT DEVELOPMENTS Data</caption> <thead> <tr> <th>Year</th> <th>New products developed</th> <th>Products in pipeline</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>550</td> <td>100</td> </tr> <tr> <td>2024</td> <td>650</td> <td>700</td> </tr> <tr> <td>2025</td> <td>500</td> <td>750</td> </tr> </tbody> </table>	Year	New products developed	Products in pipeline	2023	550	100	2024	650	700	2025	500	750
Year	Revenue growth	EBIT growth																								
2023	40	80																								
2024	-10	-20																								
2025	10	10																								
Year	New products developed	Products in pipeline																								
2023	550	100																								
2024	650	700																								
2025	500	750																								
Link to remuneration	Profit growth is used as a metric to assess Sector and Business level performance, which in turn is an input to determining performance-based remuneration	Customer satisfaction rates are a KPI for front-facing teams across verticals																								
Interlinkages - Key risks & opportunities	<p>Risks</p> <ul style="list-style-type: none"> • Geopolitical risk • Economic risk • Subdued demand • Increased raw material prices <p>Opportunities</p> <ul style="list-style-type: none"> • Regional expansion • Acquisitions and diversification 	<p>Risks</p> <ul style="list-style-type: none"> • Increased competition • Reputational risk • Credit risk <p>Opportunities</p> <ul style="list-style-type: none"> • Customers' sustainability requirements 																								
Interlinkages-Capitals	 Financial Capital  Manufactured Capital  Intellectual Capital	 Social & Relationship Capital  Intellectual Capital																								
Further information	 Sector reviews/ Way forward	 Sector reviews, Intellectual Capital, S&R Capital, Way forward																								



<div></div> <div><div>3</div><div>NURTURING INSPIRED TEAMS</div></div> <div>Building a dynamic, diverse and high-performing team which drives the Group's value creation aspirations</div>	<div><div>4</div><div>INCLUSIVE BUSINESS MODELS</div></div> <div>Creating a secure, sustainable and efficient ecosystems which uplift livelihoods and empower communities</div>	<div><div>5</div><div>ESG INTEGRATION</div></div> <div>Institutionalising ESG practices across the organisation and effectively managing the ESG risks facing the Group</div>																																				
<div>→ Implementation of systematic succession plans across the Group</div> <div>→ Group-wide diversity, equity and inclusion training</div> <div>→ Leadership development programmes</div> <div>→ Employee engagement</div>	<div>→ Ongoing investments in capacity building across supply chains across key verticals</div> <div>→ Strengthened Group Procurement policy</div> <div>→ Backward integration and supply chain diversification</div> <div>→ Strategic community development initiatives targeting, education, health and well-being among others</div>	<div>→ 2nd edition of Hayleys Lifecode launched</div> <div>→ Sector-level ESG Roadmaps launched by 2 Sectors</div> <div>→ Widened computation of Scope 3 GHG emissions</div> <div>→ Enhanced reporting under SLFRS S1 and S2 Sustainability Disclosure Standards</div> <div>→ Quarterly reporting of ESG metrics</div>																																				
<div>Employee retention rate: Showcases employee satisfaction levels and strength of the employee value proposition</div> <div>Average training hours: Measures the Group's commitment to strengthen its human capital and align with strategic aspirations.</div> <div><div>EMPLOYEE VALUE PROPOSITION</div><div></div><table><thead><tr><th>Year</th><th>Employee retention rate</th><th>Average training hours</th></tr></thead><tbody><tr><td>2023</td><td>78</td><td>8.5</td></tr><tr><td>2024</td><td>75</td><td>10.5</td></tr><tr><td>2025</td><td>78</td><td>11.5</td></tr></tbody></table></div>	Year	Employee retention rate	Average training hours	2023	78	8.5	2024	75	10.5	2025	78	11.5	<div>CSR beneficiaries: Demonstrates the impact of our CSR initiatives and scalability of the programmes</div> <div>Suppliers developed: Demonstrates how the Group is supporting the long-term resilience of suppliers</div> <div><div>SUPPLIERS DEVELOPED</div><div></div><table><thead><tr><th>Year</th><th>Suppliers Developed</th></tr></thead><tbody><tr><td>2023</td><td>2,000</td></tr><tr><td>2024</td><td>1,500</td></tr><tr><td>2025</td><td>5,800</td></tr></tbody></table></div>	Year	Suppliers Developed	2023	2,000	2024	1,500	2025	5,800	<div>GHG emissions: Measures the effectiveness of the Group's decarbonisation plans</div> <div>Water, energy and emission intensity: Measures how the Group optimises the use of natural resources.</div> <div><div>EMISSION AND EMISSION INTENSITY</div><div></div><table><thead><tr><th>Year</th><th>Scope 1 emissions</th><th>Scope 2 emissions</th><th>Emission intensity</th></tr></thead><tbody><tr><td>2023</td><td>100,000</td><td>50,000</td><td>135</td></tr><tr><td>2024</td><td>100,000</td><td>50,000</td><td>130</td></tr><tr><td>2025</td><td>100,000</td><td>50,000</td><td>120</td></tr></tbody></table></div>	Year	Scope 1 emissions	Scope 2 emissions	Emission intensity	2023	100,000	50,000	135	2024	100,000	50,000	130	2025	100,000	50,000	120
Year	Employee retention rate	Average training hours																																				
2023	78	8.5																																				
2024	75	10.5																																				
2025	78	11.5																																				
Year	Suppliers Developed																																					
2023	2,000																																					
2024	1,500																																					
2025	5,800																																					
Year	Scope 1 emissions	Scope 2 emissions	Emission intensity																																			
2023	100,000	50,000	135																																			
2024	100,000	50,000	130																																			
2025	100,000	50,000	120																																			
Employee -related indicators including satisfaction, training and retention are KPIs for HR Divisions across the Group	Supplier development and value creation related indicators fall within the scope of the Hayleys Lifecode social targets	Environmental indicators including emissions and intensities fall within the Hayleys Lifecode environmental targets																																				
<div><div>Risks</div><div><ul style="list-style-type: none">• High staff turnover and employee relations• Health and safety</div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none">• Culture transformation• Future-ready workforce</div></div>	<div><div>Risks</div><div><ul style="list-style-type: none">• Increasing raw material prices and disruptions to key supply chains• Physical risks of climate change</div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none">• Strengthening supply chain resilience</div></div>	<div><div>Risks</div><div><ul style="list-style-type: none">• Physical risks of climate change• Ecological impacts• Water availability</div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none">• Improve operating efficiencies• Competitive edge through strategic ESG integration</div></div>																																				
<div><div></div><div>Human Capital</div></div>	<div><div></div><div>Social & Relationship Capital</div></div>	<div><div></div><div>Natural Capital</div></div>																																				
<div><div></div><div>Sector reviews/Human Capital</div></div>	<div><div></div><div>Sector reviews, Social & Relationship Capital</div></div>	<div><div></div><div>Sector reviews, Natural Capital</div></div>																																				