



HAYCARB PLC

POLICY ON CONTROL AND MANAGEMENT OF COMPANY ASSETS AND SHAREHOLDER INVESTMENTS

1. Objective

This policy establishes the framework for the management of the organisation's assets throughout their lifetime. It aims to ensure the effective and efficient use of assets to achieve organisational objectives while minimising risks and costs. The policy also aims to clearly define the roles and responsibilities of the stakeholders involved in managing Company assets in order to ensure accountability.

2. Scope

This policy applies to all entities within the Haycarb Group and all users of the assets, including employees, contractors and third parties. The following asset categories fall within the purview of this Policy

- Long-term (assets utilized for more than a year) physical assets including (but not limited to) land, building, machinery, office equipment and vehicles which are used in the production, or supply of goods and services, for rental to others, or for administrative purposes
- Shareholder investments- financial assets of the entity including investments in shares, deposits, government securities and debt securities

3. Roles and Responsibility

The Board of Directors (BOD) is the custodian of all assets and liabilities of the Company and the Group. However, it is the responsibility of the relevant Departmental Heads to carry out the process of acquisition, use, maintenance, and disposal of their respective divisional assets.

The Departmental Heads are responsible for protecting assets in their respective Divisions from theft, burglary, vandalism, fire and natural perils including floods, earthquakes etc., throughout

its life span in strict compliance to guidelines and policies on safety protocols adopted by the Company.

4. Acquisition, transfer, disposal and write-off of capital assets

The selection of a vendor to source capital assets should be as per the guidelines of the Centralised Procurement Division.

Capital Expenditure Budgets shall be prepared for each financial year and submitted for approval of the Chairman and Board of Directors prior to the beginning of the respective financial year.

All capital expenditure (CAPEX) should be approved by the Managing Director. The Company shall obtain the approval of the Board of Directors for expansion of manufacturing capacity, procurement of new premises / factories and other enhancements which in aggregate represent substantial capital outlay. The expert advice and recommendation of the Strategic Business Development Unit of Hayleys PLC, the parent Company shall be obtained for evaluation of such large CAPEX projects prior to submission to the BOD for approval.

All purchases, disposals and write off of fixed assets should be informed to the Chairman and Board of Directors on a quarterly basis.

Transfer of assets within the company can be done at the agreement of the relevant Heads of Department (HODs) and a Director. Inter-company transfers of assets within the Haycarb Group requires the approval of the Managing Director who will approve the selling / purchase consideration.

Disposal of assets require prior approval of the Managing Director.

For an asset to be written-off, the respective HODs must inspect the asset and obtain prior approval from the Managing Director.

5. Insurance coverage

The guidelines of the Risk and Safety Department of Hayleys PLC, the parent company, will be followed to ensure that entity's assets are adequately covered through insurance.

6. Documentation and tracking

All physical assets are required to be tagged and tracked throughout the lifetime of the asset. A fixed asset verification should be conducted every one year to ensure the physical existence of the Company and the Group assets.

7. Shareholder investments

Shareholder investments are equity and debt investments of the Company and the Group. This includes investments in companies defined as related parties and external parties as well as other financial instruments such as government securities, corporate securities and deposits. Haycarb Finance consults the Group Treasury on acquisition, changes and extensions of all major investments.

All strategic share acquisitions should be approved by the Board of Directors and the expertise of the Strategic Business Development Unit of Hayleys PLC, the parent Company, obtained prior to submission of approvals to the Board of Directors.

8. Review and Revision to this policy

This policy shall be reviewed and updated at least once every two (2) years by the Group Chief Financial Officer. The required updates and modifications shall be recommended to the Chairman, Managing Director and to the Board for approval. All stakeholders shall be informed of any revisions made to this Policy. Haycarb PLC reserves the right to modify/amend the terms of this policy from time to time.

1st October 2024