



ESG Highlights

DIMO Annual Report 2025/2026





PRECISE IN PERSEVERANCE

Sustainability at DIMO is achieved through consistent, deliberate effort. Environmental, social and governance initiatives are embedded within the organisation's operations, and prescribe long-term resilience and responsible growth.

The archerfish that thrives in a mangrove is a herald of a healthy, interconnected environment; DIMO creates a resilient ecosystem within the Company to support sustainable performance.

Trust and Transparency

- 234 Consolidated Statement of Environmental, Social and Governance (ESG) Performance
- 235 Notes to the Consolidated Statement of ESG Performance

CONSOLIDATED STATEMENT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PERFORMANCE

GRI 302-1, 303-5, 306-3, 306-4, 306-5, 305-1, 305-2, 101-2, 101-4, 2-7, 401-1, 403-9, 403-10, 404-1, 201-1, 205-2, 2-26, 2-25

Table 76:

	Note	2025/26	2024/25
Environmental Performance			
Resources			
Non-renewable energy consumption for operations (GJ)	2.1	18,354	18,241
Generation of Renewable Energy (GJ)	2.2	87,138	17,431
Water consumption for operations (m ³)	2.3	79,771	74,648
Total treated wastewater (m ³)	2.3	11,646	9,098
Total treated wastewater reused (m ³)	2.3	2,674	3,279
Waste			
Non-hazardous waste (kg)	2.4	1,361,175	716,156
Hazardous waste (kg)	2.4	72,926	83,929
Non-hazardous waste (Units)	2.4	203,919	659,879
Hazardous waste (Units)	2.4	52	35
Emission			
Scope 1 & 2 GHG emitted for operations (tons CO ₂ e)	2.5	1,749	1,696
Total GHG emitted for operations (tons CO ₂ e)	2.5	655,256 ¹	222,581 ²
Biodiversity			
Land restoration (hectares)	2.6	38.03	27.03
Social Performance			
People & Employees			
Total employees as at 31st March	3.1	2,241	1,994
Employee retention rate (%)	3.1	80.30	96.99
Employee turnover (%)	3.1	18.56	19.14
Female employees as a percentage of total employees (%)	3.2	15	14
Number of promotions	3.2	218	199
Total number of female employees in decision making roles	3.2	64	64
Employee engagement score (out of 5)	3.3	4.23	4.27
Employee volunteer hours	3.3	4,181	5,139
Employee Trust Index (out of 100)	3.4	84	87
Total number of injuries & occupational diseases	3.5	2	12
Average training hours per employee	3.6	21.03	15.92
Investment in training (Rs.000)	3.6	23,602	13,180
Total employee benefits distributed (Rs. 000)	3.8	7,283,557	5,865,395
Customers and Society			
Customer Satisfaction Index (%)	3.7	92	91
Duty and tariff paid (Rs. 000)	3.8	39,107,338	10,359,762
Investment in Sustainability Initiatives (Rs. 000)	3.8	65,599	69,976
DATS Students and Apprenticeship Engagement	3.9	1,096	936
Governance Performance			
Values and ethics			
Employees trained on DIMO's code of conduct	4.1	612	764
Number of whistle-blowers cases reported and solved	4.2	1	2
Anti-harassment helpline cases reported and solved	4.3	28	17
Management Systems			
Number of board meetings held	4.4	15	16
Female representation of board	4.4	3	1
Number of audit committee meetings	4.5	4	4
Number of total audits conducted on management systems	4.5	7	3
Number of major non-compliances reported in Management Systems	4.5	0	0
Data privacy and security			
Employee trained on data privacy	4.6	612	764



Consolidated Statement

<https://www.dimolanka.com/2025-2026-dimo-annual-report/url.php?id=40>

¹ Scope 3 emissions (use of sold products) rose due to increased vehicle sales.

² Recalculated Scope 3 emissions (use of sold products) using accurate, supplier-specific emission factors.

NOTES TO THE CONSOLIDATED STATEMENT OF ESG PERFORMANCE

SECTION 01 – BASIS OF PREPARATION

GENERAL REPORTING STANDARDS AND PRINCIPLES

This ESG statement is prepared for Diesel & Motor Engineering PLC (DIMO) and for the subsidiaries over which DIMO exercises management control. Information pertaining to joint ventures is included where relevant. More information about Group entities can be viewed on page 13.

The KPIs presented in this ESG Statement have been identified and prepared in accordance with the guidelines and standards outlined below, while aligning with the commitments and targets set under the DIMO Sustainability Agenda 2030 as well as Sustainable Development Goals (SDGs).

- GRI Standards issued by the Global Sustainability Standards Board (GSSB)
- International Integrated Reporting Framework (International <IR> Framework) 2021. The company is a Sustainability Alliance Member of the International Sustainability Standards Board (ISSB).
- Sustainability Accounting Standards Board (SASB) Standards that play an important role in the IFRS Foundation's Climate-related Disclosures Exposure Draft and General Requirements for Sustainability-related Disclosures Exposure Draft, 2018-10 version.
- The Greenhouse Gas Protocol Corporate Standard published by World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD) is used to measure and report on the Group's carbon footprint.
- The Code of Best Practices in Corporate Governance issued jointly by The Institute of Chartered Accountants of Sri Lanka and The Securities and Exchange Commission of Sri Lanka in 2017.
- Adoption of SLFRS S1 for disclosure of all information pertaining to sustainability-related risks and opportunities while SLFRS S2 captures climate-specific requirements.
- ISO 14064-1:2018 specification with guidance at organisation level for quantification and reporting of greenhouse gas emissions and removals.
- ISO 14064-1:2018 Organisational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals
- ISO/IEC 27001: 2022 Information Security Management System

COMPARABILITY

Indicators presented in this statement are calculated based on guidelines presented in the GRI, SASB, SLFRS S1 and S2 sustainability standards. All updates and revisions to the above-mentioned guidelines were applied where necessary.

MATERIALITY

The ESG Indicators disclosed in the ESG Statement have been determined based on their materiality to DIMO sustainability agenda. The ESG Statement has also been prepared by considering the material topics identified through the Double Materiality Assessment, as outlined on page 41.

STAKEHOLDER INCLUSIVENESS

The reported ESG KPIs have been identified based on their relevance and materiality to key stakeholder groups, while supporting transparency and strengthening credibility among both internal and external stakeholders. Refer page 136 to 146 for more information about stakeholder engagement.

ACCURACY, COMPLETENESS, AND VERIFIABILITY OF DATA

Accuracy, completeness, and the verifiability of information is ensured by the accredited management systems that are audited annually by an independent external party. They are:

- ISO 14001:2015 Environmental Management System
- ISO 9001:2015 Quality Management System
- ISO 45001: 2018 Occupational Health and Safety Management System

NOTES TO THE CONSOLIDATED STATEMENT OF ESG PERFORMANCE

SECTION 02 – ENVIRONMENTAL PERFORMANCE

2.1 NON-RENEWABLE ENERGY & ELECTRICITY CONSUMPTION

Table 77: Non-renewable energy consumption in operations at DIMO

Description	Source	Unit	Consumption			
			2025/26	Change (%)	2024/25	2023/24
Generators	Diesel	GJ	636.00	1	629.01	250.51
Boilers	Diesel	GJ	-	-100	321.65	
Boilers	Kerosene	GJ	866.73	184	305.46	-
Vehicles	Petrol	GJ	700.36	-56	1,604.46	39,636
Diesel for Vehicles	Diesel	GJ	5,494.33	-12	6,217.14	1,786
Forklifts & Other	Diesel	GJ	59.22	56	37.97	
	Acetylene	GJ	3.02	-22	3.89	
Electricity	Grid Electricity	GJ	10,593.88	16	9,121.74	9,123
Total		GJ	18,353.54	1	18,241.74	50,795.15

An Analytical Review

Performance Direction

Energy consumption comprises electricity and fuel used across its operations, including energy sourced from the national grid as well as non-renewable fuels such as petrol and diesel. Energy consumption data is measured using utility meter readings and supplier invoices. Overall energy usage during the 2025/26 financial year remained broadly consistent with the previous year.

Strategic Alignment

DIMO energy management practices are supported by its Sustainability agenda 2030, Decarbonisation Plan and third-party energy audits, which guide efforts to improve energy efficiency and reduce reliance on non-renewable energy sources across operations.

Future Focused Actions

DIMO will continue to implement decarbonisation initiatives and energy efficiency improvements to reduce dependence on non-renewable energy sources, optimise consumption, and support a transition towards more sustainable energy use.



2.2 RENEWABLE ENERGY GENERATION

Table 78: Renewable energy generation at DIMO

Location		Capacity (kW)	Generation		
			2025/26	2024/25	2023/24
DIMO Embilipitiya Solar PV Plant	Ground Mounted	1,000	4,720	5,153	5,019
DIMO Beliatta Solar PV Plant	Ground Mounted	2,409.75	11,915	1,847	-
DIMO Head Office	Rooftop Mounted	574.15	2,878	2,432	-
DIMO 800, Mercedes-Benz Showroom	Rooftop Mounted	700	2,126	2,074	2,722
DIMO Weliveriya	Rooftop Mounted	807	2,287	1,811	2,864
DIMO Siyambalape	Rooftop Mounted	237	666	609	947
DIMO Anuradhapura	Rooftop Mounted	207.64	1,054	753	-
DIMO Kurunegala	Rooftop Mounted	384.96	1,768	1,714	-
DIMO Jaffna	Rooftop Mounted	197.20	1,016	960	-
DIMO Engineering Solutions Jethawana Rd.	Rooftop Mounted	21.09	109	78	53
DIMO Anuradhapura Solar PV Plant	Ground Mounted	7,069	22,151		
DIMO Galle 1 Solar PV Plant	Ground Mounted	3,605	7,557		
DIMO Galle 2 Solar PV Plant	Ground Mounted	6,456	7,372		
DIMO Galle 3 Solar PV Plant	Ground Mounted	6,982	7,767		
DIMO Galle 4 Solar PV Plant	Ground Mounted	6,723	12,242		
DIMO Kandy	Rooftop Mounted	40	28.68*		
DIMO Rathmalana	Rooftop Mounted	100	195.40*		
DIMO Plantseeds Dambadeniya	Rooftop Mounted	320	1,112		
DIMO Plantseeds Nikaweratiya	Rooftop Mounted	130	397		
Total		37,962.25	87,361	17,431	11,605

*Export figures were used for DIMO Kandy and Rathmalana solar generation

An Analytical Review



Performance Direction

During the 2025/26 period, a significant number of new rooftop and ground-mounted solar projects were commissioned, adding 37,823 kW of total capacity. This expansion successfully contributed 87,137 GJ of clean, renewable energy to the national grid.



Strategic Alignment

In alignment with our commitment to near-term emission reduction targets, DIMO is actively decarbonizing its operations and transitioning toward cleaner business models to secure long-term resilience. To achieve this, we are driving down our localized footprint through rooftop solar installations while simultaneously greening the national grid through utility-scale clean energy generation.



Future Focused Actions

DIMO is firmly committed to becoming a leading clean energy provider in Sri Lanka by leveraging advanced technologies and innovative solutions. By expanding our capabilities across power transmission, distribution, and Battery Energy Storage Systems (BESS), we aim to be the definitive partner of choice, delivering a diversified portfolio of clean energy infrastructure.

NOTES TO THE CONSOLIDATED STATEMENT OF ESG PERFORMANCE

SECTION 02 – ENVIRONMENTAL PERFORMANCE

2.3 WATER CONSUMPTION

Table 79: Water consumption for operations

Description	Units	Consumption			
		2025/26	Change (%)	2024/25	2023/24
Municipal Water	m ³	44,337	-7.0	47,684	49,501
Ground Water	m ³	32,312.5	38	23,411	17,675
Total treated wastewater reused	m ³	2,674	-18.5	3,279	2,524
Rainwater Harvesting	m ³	447.5	63.3	274	214
Total Water Consumption	m ³	79,771	14%	74,648	69,914
	ML	79.77	14%	74.64	69.91

An Analytical Review

Performance Direction

DIMO primarily relies on municipal water supply; however, groundwater consumption increased during the 2025/26 financial year compared to the previous year. In parallel, rainwater harvesting initiatives were strengthened, with the DIMO Weliveriya branch harvesting 366 m³ of rainwater for operational use.

Strategic Alignment

Water management practices are aligned with ISO 14001 environmental requirements and the DIMO Sustainability Agenda 2030 KPI on achieving 100% reuse of treated water. Effluent treatment plants are operated in compliance with applicable standards, and treated water is reused wherever feasible to improve water efficiency and reduce environmental impact.

Future Focused Actions

DIMO will further strengthen water efficiency initiatives by upgrading wastewater effluent treatment plants through renovations and technology enhancements to maximise the reuse of treated water, supporting progress towards the 2030 sustainability target.

2.4 WASTE AND EFFLUENTS

Table 80: Waste generated from operations

Description	Hazardous/Non-Hazardous	Disposal Method	Units	Consumption			
				2025/26	Change %	2024/25	2023/24
Cotton Waste	Hazardous	Incinerate	kg	10,239	12.11	9,133	11,471
Paint Tins	Hazardous	Incinerate	Units	1,668	64.50	1,014	624
Sludge	Hazardous	Incinerate	kg	20,540	(40.41)	34,467	31,360
Waste Oil	Hazardous	Reuse	kg	34,847	(1)	35,200	31,509
Contaminated Paper	Hazardous	Incinerate	kg	5,632	49.04	3,779	8,032
Batteries	Hazardous	Recycle	Units	10	150	4	0
Paint booth filters	Hazardous	Landfilling	Units	52	48.57	35	41
Saw Dust	Non-Hazardous	Reuse	kg	308,600	46.29	210,945	29,142
Cardboard Boxes	Non-Hazardous	Recycle	kg	58,295	3.38	56,387	31,234
Metal Scrap	Non-Hazardous	Recycle	kg	197,523	126.85	87,072	55,871
Food/Organic Waste	Non-Hazardous	Reuse	kg	36,875	(3.57)	38,239	35,840
Pallets	Non-Hazardous	Reuse	kg	101,994	6.40	95,858	63,243
Plastic	Non-Hazardous	Recycle	kg	6,565	(8.51)	7,176	6,094
Polythene	Non-Hazardous	Recycle	kg	184,878	182.17	65,520	36,552
Oil Filters	Non-Hazardous	Recycle	Units	13,870	0.13	13,852	10,581
Metal Dust	Non-Hazardous	Reuse	kg	4,771	102.16	2,360	1,812
Tyres	Non-Hazardous	Recycle	Units	1,512	150.75	603	394
A4 Paper	Non-Hazardous	Recycle	kg	12,581	47.06	8,555	21,089
Gunny Bags	Non-Hazardous	Reuse	Units	188,527	(70.79)	645,420	638,735
Glass Bottles	Non-Hazardous	Recycle	kg	57	29.55	44	28
Fruit Waste	Non-Hazardous	Recycle	kg	449,036	211.83	144,000	148,400
Total Non-Hazardous Waste			kg	1,361,175	90.07	716,156	428,088
			tonnes	1,361.17	90.07	716.15	428.09
Total Hazardous Waste			kg	72,926	(12.76)	83,929	81,000
			tonnes	72.93	(12.76)	83.93	81.00

An Analytical Review



Performance Direction

Non-hazardous waste increased during the reporting period mainly due to higher metal scrap generation from increased imports of tractors, harvesters, and rotaries. Increases in fruit waste and polythene bag waste were also recorded due to higher agricultural production activities and changes in fertilizer bag packaging materials by suppliers.



Strategic Alignment

Waste across DIMO premises is collected, segregated using colour coded bins, and measured through weight logs and disposal records. Waste is directed towards reuse, recycling, and energy recovery through suppliers approved by the Central Environmental Authority (CEA), supporting DIMO's Sustainability KPI of Zero Landfilling by 2030.



Future Focused Actions

DIMO continues to strengthen waste minimization initiatives across operations through enhanced waste segregation, recycling, resource recovery, and sustainable operational practices to further reduce landfill disposal. Waste management processes are also being continuously improved in line with recommendations under the zero waste to landfilling certification standard issued by Control Union and ISO 14001 Environmental Management Systems.

NOTES TO THE CONSOLIDATED STATEMENT OF ESG PERFORMANCE


SECTION 02 – ENVIRONMENTAL PERFORMANCE

2.5 EMISSION


Table 81: Group-level GHG Emissions 2025-26

Scope	Category	Emission Sources	2025/26 Emission (tCO ₂ e)	2024/25 Emission (tCO ₂ e)
Total Group Level GHG Emissions			657,004.07	222,580.72
Scope 1	Stationary	Generators	44.73	44.24
		Boilers	62.54	51.88
		Acetylene	1.17	1.51
		Fertilizer Use	0.22	9.48
	Mobile	Vehicles	439.76	555.1
		Off-road vehicles (Forklifts)	4.58	2.94
	Fugitive	Fire Extinguishers	-	0.4
Total Scope 1 Emissions			553.01	665.55
Scope 2	Purchased Electricity	Grid Electricity	1,195.34	1,029.24
Total Scope 2 Emissions			1,195.34	1,029.24
Scope 3	1. Purchased Goods & Services	Purchased Goods	0.6	3.59
		Purchased Services	16.23	14.94
		Raw Materials	41,717.26	24,247.16
		Imports	23,831.21	6,062.29
	2. Capital Goods	Capital Goods	701.31	390.84
	3. Fuel & Energy Related Activities	Upstream emissions of purchased fuels	212.88	227.14
		T&D Losses	122.57	105.54
	4. Upstream transportation and distribution	Freight Emissions	14,204.77	24,251.63
		Internal Transportation & Distribution	1,979.16	365.98
		Downstream Delivery	23.94	16.16
	5. Waste generated in operations	Waste Disposal	7.02	3.03
	6. Business Travel	Air Travels	222.8	208.19
		Employee Fuel Cards & Reimbursements	2,718.86	2,884.69
	7. Employee Commute	Employee Commute	1,011.75	2,437.57
	8. Upstream leased assets	Leased Assets	243.58	37.88
	9. Downstream Transportation and Distribution	NA		
	10. Processing of Sold Products	NA		
	11. Use of Sold Products	Passenger Vehicles	21,250.50	4,832.40
		Commercial Vehicles	481,878.60	79,070.40
		Retail	17,046.24	23,464.51
		Agri Fertilizer	43,590.93	50,442.66
Refrigerant Gases for Customers		1,703.04	608.69	
Construction Machineries		2,753.51	1,197.70	
12. End-of-Life Treatment of Sold Products	Commercial Vehicles	9.36	1.21	
	Construction Machineries	0.83	0.43	
	Retail	8.74	11.31	
13. Downstream Leased Assets	NA			
14. Franchises	NA			
15. Investments	NA			
Total Scope 3 Emissions			655,255.72	220,885.94


An Analytical Review

 **Performance Direction**

GHG emissions are measured in line with the GHG Protocol Corporate Standard (Revised Edition) and reported across Scope 1, 2, and 3. Data quality is ensured through compliance with ISO 14064-1:2018 and independent verification by the Sri Lanka Climate Fund (SLCF). FY 2024/25 emissions were restated to 222,581 tCO₂e, while FY 2025/26 emissions amounted to 652,992 tCO₂e due to improved data accuracy and revised emission factors.

 **Strategic Alignment**

The emissions reporting framework aligns with DIMO’s Sustainability Agenda 2030 and Science Based Targets initiative (SBTi) commitments. It supports defined reduction targets of 42% (Scope 1 & 2) and 51.6% per unit LKR value added (Scope 3), integrating carbon management into the Group’s long-term value creation strategy.

 **Future Focused Actions**

DIMO has developed a decarbonization roadmap to achieve its SBTi-aligned targets, focusing on operational efficiency, supplier engagement, and improved emissions data systems. Continuous enhancement of reporting quality will support transparent monitoring and progress toward long-term emission reduction goals.


➔ Please Refer page 235

2.6 BIODIVERSITY


Table 82: Number of hectares restored

Project	Number of Hectares Restored				
	2025/26	Change %	2024/25	2023/24	2022/23
'Life to Reef' – Coral Restoration at Rumassala	3.5		3.5	3.5	3.5
'Life' Project at Kanneliya	12		1	1	1
Mangrove Restoration at Galle	7.4		7.4	6.2	3
Marine Turtle Conservation at Panama	0.13		0.13	0.13	0.13
Life to Our National Park at Lunugamvehera	15		15	-	-
Total	38.03	40.7	27.03	10.83	7.63

An Analytical Review

 **Performance Direction**

DIMO measures biodiversity restoration performance through the 1:1 restoration KPI under the Sustainability Agenda 2030, based on hectares of land restored annually. As of FY 2025/26, a total of 38.03 hectares have been restored, representing approximately 62% of the total owned land area.

 **Strategic Alignment**

Biodiversity initiatives are aligned with DIMO’s Sustainability Agenda 2030 and focus on ecosystem restoration through multiple projects, including the “Life” project at Kanneliya, Mangrove Restoration in Galle, Marine Turtle Conservation in Panama, and “Life to Our National Park” project in Lunugamwehera National Park. The “Life to Reef” coral restoration project in Rumassala has been completed, with restoration covering 3.5 hectares, continuing to generate ongoing ecosystem benefits.

 **Future Focused Actions**

DIMO will continue to strengthen and expand biodiversity restoration initiatives, ensuring sustained ecological impact through long-term project stewardship, ecosystem recovery, and enhanced conservation partnerships across terrestrial and marine environments. These efforts will further contribute to the achievement of relevant Sustainable Development Goals (SDGs).

NOTES TO THE CONSOLIDATED STATEMENT OF ESG PERFORMANCE

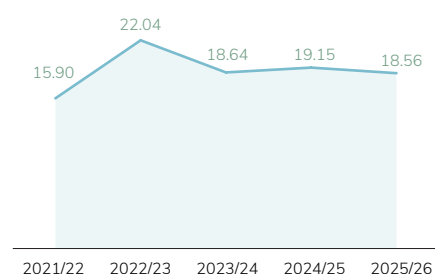
SECTION 03 – SOCIAL PERFORMANCE

3.1 NUMBER OF EMPLOYEES AND EMPLOYEE TURNOVER

Table 83: Employee composition as at 31st March;

Status	Gender	2025/26	Change %	2024/25	2023/24	2022/23
Contract	Female	41	41.38	29	11	11
	Male	160	46.79	109	69	109
Permanent	Female	289	14.68	252	261	209
	Male	1,751	9.16	1,604	1,592	1,411
Grand Total		2,241	12.39	1,994	1,933	1,737

Figure 84:
Employee Turnover



An Analytical Review

The number of employees is recorded as all full-time employees except those undergoing internships and apprenticeships as at the year-end. During the reporting period, total workforce increased by 12% compared to the previous year, while female employment grew by 17%, reflecting improved growth and gender diversity. Additionally, 793 interns and trainees were enrolled during the financial year, as noted in Section 3.9.

The employee retention rate is calculated by dividing the number of employees remaining at the end of the financial year by the number of employees at the beginning of the year. The rate of employee turnover is measured as the number of employees who left the Group during the financial year including those whose contracts were terminated, divided by the average number of employees for the financial year. In 2025/26, the employee turnover rate was 18.56%, showing a slight reduction compared to 19.15% in the previous year.

3.2 EMPLOYEE DIVERSITY

Table 84: Board of directors & employee diversity as at 31st March 2026

Age Group	Directors		Senior Mgt.		Middle Mgt.		Junior Mgt.		Executive		Clerical		Manual		Sales		Total Employees		
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
<20	-	-	-	-	-	-	-	-	1	-	7	-	4	-	-	-	-	12	-
21-30	-	-	-	-	-	1	21	9	224	111	215	46	234	3	8	1	702	171	
31-40	-	-	4	2	26	3	110	23	276	50	78	6	103	2	6	-	603	86	
41-50	1	-	23	5	27	7	79	8	166	12	63	12	50	-	2	-	411	44	
51<	11	3	18	2	12	1	29	2	58	6	47	17	14	-	-	-	189	31	
Total	12	3	45	9	65	12	239	42	725	179	410	81	405	5	16	1	1,917	332	
%	80	20	83	17	84	16	85	15	80	20	83	17	99	1	94	6	85	15	

The employee diversity table includes members of the Board of Directors who are not employees of DIMO.

Table 85: Employee generations distributions as at 31st March 2026

Generation	Count of Generation	Percentage (%)
Baby Boomers (>1946)	27	1
Gen X (>1965)	394	18
Millennials (>1981)	1,102	49
Gen Z (>1997)	718	32
Grand Total	2,241	

➔ Please refer Human Capital for more information.

An Analytical Review

Performance Direction

DIMO's workforce diversity is assessed across gender, age, and generational composition to ensure a comprehensive understanding of workforce structure. The total workforce of 2,241 employees is predominantly composed of Millennials (49%) and Gen Z (32%), indicating a young and dynamic workforce profile, followed by Gen X (18%) and Baby Boomers (1%). Gender distribution reflects a higher proportion of male employees (1,911) compared to female employees (330), highlighting ongoing opportunities to further strengthen gender balance across the organization.

Strategic Alignment

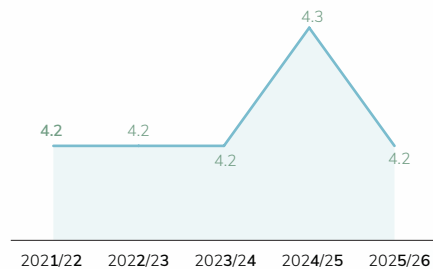
Workforce diversity management is integrated into DIMO's people strategy to support inclusive talent acquisition, development, and progression across all employee groups. Diversity monitoring covers both gender representation and generational balance to ensure equitable workforce practices and alignment with organizational values. These practices support structured workforce planning and inclusive decision-making across all business units.

Future Focused Actions

DIMO will continue to strengthen diversity and inclusion initiatives under the Sustainability Agenda 2030, with a key focus on achieving 40% women in leadership positions (above Assistant Manager level). In addition, initiatives will be expanded to further leverage generational diversity by enhancing cross-generational collaboration, strengthening leadership pipelines, and promoting inclusive career development pathways to support a balanced and future-ready workforce.

3.3 EMPLOYEE ENGAGEMENT SCORE

Figure 85: Employee Engagement Score



NOTES TO THE CONSOLIDATED STATEMENT OF ESG PERFORMANCE

SECTION 03 – SOCIAL PERFORMANCE

An Analytical Review

Performance Direction

Employee engagement is measured through an internal survey open to all employees, based on the internationally recognized Gallup Q12 Employee Engagement Questionnaire. The survey results provide a consistent indicator of workplace experience and engagement levels, with DIMO maintaining a stable average score of 4.2–4.3 over the past five years.

Strategic Alignment

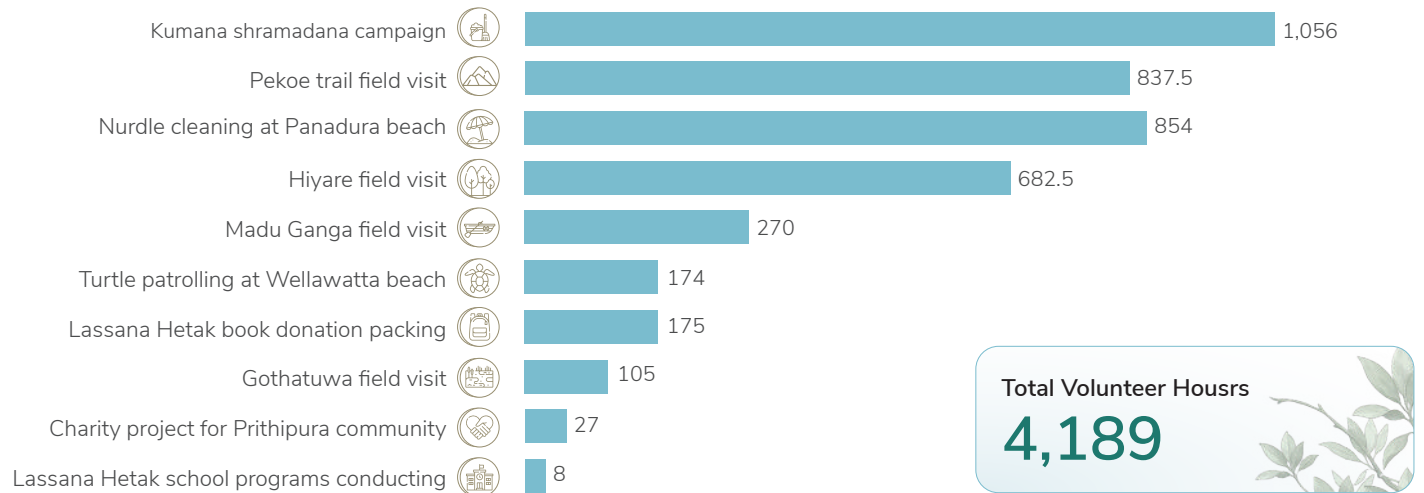
The engagement survey is administered by the HR division using a structured 12-question framework to assess key engagement drivers. Robust governance mechanisms are in place to ensure the integrity, confidentiality, and independence of responses, supporting reliable and consistent employee feedback across the organization.

Future Focused Actions

DIMO will continue to strengthen employee engagement through ongoing monitoring, targeted interventions based on survey insights, and continuous improvement of the workplace experience to sustain high and stable engagement levels.

Volunteer hours of employees are measured based on the participation of DIMO Nature Club members who engaged in wildlife education, conservation initiatives, and community development and well-being activities during the financial year. Records of participation are used as the basis for measurement.

Figure 86: Volunteer hours by project



3.4 EMPLOYEE TRUST INDEX

Table 86: Employee Trust Index – comparison with the averages of Sri Lanka’s Best Workplaces (Large)

Statement	DIMO (%)	2025 Sri Lanka’s Best Workplaces (Large) (%)
I’m proud to tell others that I work here	90	96
People here are treated fairly regardless of their race	89	95
When you join the company, you are made to feel welcome	90	96
I feel good about the ways we contribute to the community	89	95
This is a physically safe place to work	89	96

An Analytical Review

The Employee Trust Index is an independent survey carried out by Sri Lanka's Great Place to Work Institute. The survey is open to all employees and this year DIMO recorded a response rate of 73% of all employees. The trust model consists of five aspects, namely credibility, respect, fairness, pride, and camaraderie. Despite minor fluctuations, the results reflect a stable and positive level of employee trust within the organization.

3.5 EMPLOYEE HEALTH AND SAFETY

Table 87: Employee injuries and lost working days

Injuries/Diseases/Fatalities/Lost working days /Absenteeism	2025/26		2024/25		2023/24		2022/23	
	Rate	Total No	Rate	Total No	Rate	Total No	Rate	Total No
Injuries	0.00005%	2	0.28%	11	0.43%	12	0.52%	9
Occupational Diseases	-	0	0.0002%	1	-	0	-	0
Lost Working Days	0.00081%	33	0.02%	72.5	0.02%	168	0.02%	82
Work Related Fatalities	-	-	-	-	-	-	-	-

An Analytical Review

Performance Direction

During the year, workplace injuries remained significantly low, supported by enhanced safety awareness programmes, strengthened safety procedures, improved PPE compliance, regular inspections and emergency drills, proactive hazard management, effective incident investigations, and improved maintenance of equipment and workplace facilities.

Strategic Alignment

DIMO follows ISO 9001-aligned employee health and safety guidelines to ensure the protection of employee well-being. Incident data is systematically recorded through official medical logs maintained at each location, ensuring accuracy, consistency, and reliable reporting across operations.

Future Focused Actions

DIMO will continue to strengthen its workplace health and safety culture through enhanced safety awareness programmes, continuous improvement of safety systems, and proactive risk management to further reduce workplace incidents and sustain employee well-being.

3.6 EMPLOYEE TRAINING AND DEVELOPMENT

Table 88: Average training hours per employees for 2025/26

Category	Gender	No. of Employee trained		No. of Training hrs		Training hours per employee per year	
		2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Board of Directors	Male	1	4	8	24	8	6
	Female	1	1	8	9	8	9
Senior Management	Male	19	34	892.5	660	46.97	19.41
	Female	8	5	279	129	34.88	25.80
Middle Management	Male	40	25	1,371	176	34.28	7.04
	Female	11	6	261.5	27	23.77	4.50
Junior Management	Male	149	144	3,762	2,651	25.25	18.41
	Female	42	32	1,105	510	26.31	15.94

CONSOLIDATED STATEMENT OF ESG PERFORMANCE

SECTION 03 – SOCIAL PERFORMANCE

Category	Gender	No. of Employee trained		No. of Training hrs		Training hours per employee per year	
		2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Executive	Male	333	171	6,565	2,861	19.71	16.73
	Female	124	59	2,693.5	896	21.72	15.18
Clerical/ Supervisory	Male	97	51	1,320.5	488	13.61	9.57
	Female	22	2	446	38	20.27	19
Sales	Male	4	4	81	19	20.25	4.75
	Female	0	-	0	-	0	-
Manual	Male	66	18	494.5	365	7.49	20.28
	Female	0	-	0	-	0	-
Total	Male	709	451	14,494.5	7,244	20.44	16.06
	Female	208	105	4,793	1,609	23.04	15.32
	Total	917	556	19,287.5	8,853	21.03	15.92

An Analytical Review



Performance Direction

During the year, the organisation focused on increasing employee participation in training programmes and expanding overall learning hours through enhanced learning and development initiatives aimed at strengthening skills, competencies, and knowledge. Several targeted programmes, including the Shift Manager Series and Launch Pad, were introduced during the 2025/26 financial year to support capability development and career progression.



Strategic Alignment

These initiatives are aligned with the organisation's broader human capital development strategy, which prioritises building a skilled, empowered, and high-performing workforce. The increase in structured learning opportunities reflects a deliberate focus on strengthening operational capability, leadership readiness, and employee effectiveness across all levels.



Future Focused Actions

Building on current progress, the organisation will further refine its training framework by identifying emerging capability needs and integrating advanced learning methodologies. Future programmes will incorporate evolving technologies including AI, industry best practices, and strategic skill requirements to ensure continuous upskilling and long-term workforce readiness.

3.7 CUSTOMER SATISFACTION INDEX

Figure 87:
Customer Satisfaction Index



An Analytical Review



Performance Direction

Customer Satisfaction Index (CSI) is measured through structured questionnaires conducted across selected key business units and consolidated at segment level. The survey evaluates key parameters including delivery timelines, product and service quality, and employee interactions, providing comprehensive feedback across customer categories. It is currently administered by the Group's Customer Experience team through telephone-based interactions.



Strategic Alignment

The CSI framework supports the organisation's customer-centric strategy by systematically capturing and analysing customer feedback to enhance service quality, operational performance, and overall customer experience across all business segments.



Future Focused Actions

The survey process will be digitised to improve efficiency, accessibility, and responsiveness, enabling real-time feedback collection and more agile decision-making to further strengthen customer satisfaction outcomes.

3.8 STATEMENT OF MONETISED VALUE ADDED AND DISTRIBUTED

Table 89: Statement of monetised value created and distributed

For the Period of (Rs. '000)	Group			
	%	2025/26	%	2024/25
Net Turnover		103,633,939		50,174,979
Other income		243,311		455,364
Less: Cost of Material and Services bought in		(51,326,673)		(31,870,576)
Monetised Value Created		52,550,577		18,759,766
Distribution of Value Added				
Employees	74.83%	7,769,408	32.04%	5,865,395
Government	376.67%	39,107,338	56.63%	10,367,475
Lenders	32.24%	3,347,588	14.49%	2,652,099
Investment of Social & Environmental Progress	0.63%	65,544	0.38%	70,028
Shareholders	0.44%	46,157	0.25%	46,157
Retained in the Business	21.33%	2,214,542	(3.79%)	(694,522)
Depreciation Set Aside	6.90%	716,746	2.67%	489,451
Profit Retained	14.43%	1,497,796	(6.47%)	-1,183,973
		52,550,577		18,306,632

An Analytical Review

The statement of monetised value created and distributed measures the financial value created by the Group and how the financial value thus created is distributed among different stakeholders, thereby facilitating economic and social progress. Financial transactions recorded in the accounting system are the basis for this calculation.

CONSOLIDATED STATEMENT OF ESG PERFORMANCE

SECTION 03 – SOCIAL PERFORMANCE

Table 90: Duty and Tariffs Breakdown

(Rs. 000)	2025/26	2024/25	2023/24
Duty on Imports	35,376,482	8,377,250	4,300,000
Corporate Income Tax	209,556	78,961	148,073
Other Taxes Including Value Added Tax	3,521,300	1,911,263	1,876,442
Group Total	39,107,338	10,367,475	6,324,515

An Analytical Review

Duty on imports is the custom tariff the Group pays when clearing goods imported into Sri Lanka. Corporate income tax is the direct tax paid to the government on the taxable income for the financial year. The basis on which these taxes are calculated is disclosed from page 296 in financial statements. The amounts are extracted from the financial accounting system and recorded based on invoices.

Table 91: Investments for Sustainability Initiatives

(000)	2025/26
Investment for environmental initiatives	7,660
Investment for social initiatives	57,939
Group Total	65,599

An Analytical Review

Investments for sustainability initiatives include investments made by DIMO in both environmental initiatives and social initiatives. Additionally, investments in the free automobile course which is conducted by DIMO Academy of Technical Skills (DATS) has been included in the cost of social initiatives.

3.9 DATS STUDENTS AND APPRENTICESHIP ENGAGEMENT

Table 92: Number of trainees enrolled during the year.

Category	2025/26		2024/25		2023/24	
	Female	Male	Female	Male	Female	Male
DATS (Graduates)	1	45	0	33	2	49
DATS passed out students from part time courses	6	251	3	186	0	164
Universities/Technical Institute	232	561	188	526	154	445
Total	239	857	191	745	156	658

An Analytical Review



Performance Direction

The DIMO Academy for Technical Skills (DATS) strengthened youth skill development and employability during the 2025/26 financial year by expanding technical education and practical industry exposure. Graduates include students completing both paid and free full-time diploma programmes, while participation in part-time courses increased significantly. DIMO also enhanced internship and industrial training opportunities for university and technical institute students, with increased female participation improving inclusivity. Overall, learning and development opportunities through DATS and DIMO increased by approximately 17% during the year.



Strategic Alignment

These initiatives support DIMO's commitment to developing a skilled and future-ready workforce by bridging industry and academia, enhancing employability, and promoting inclusive access to technical education and training opportunities specially aligning with SDG 4; Quality Education.



Future Focused Actions

DIMO will continue to expand technical training, internships, and industry exposure programmes, with a focus on strengthening partnerships with educational institutions, and aligning learning pathways with evolving industry skill requirements. A key future initiative is the empowerment of female school students through STEM workshop programmes conducted by DATS, aimed at encouraging greater participation of women in technical education and strengthening the pipeline for post-school technical and vocational pathways.

