

TOGETHER, TOWARDS TOMORROW



Himadri Speciality Chemical Ltd
Sustainability Report 2023-24

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How to use this report

The following symbols indicate that additional information can be found either in this report or on our website:

www.himadri.com

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View a video 

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Together, Towards Tomorrow

At Himadri, we are a future-facing organisation.

This future-facing direction is reflected in the selection of the sectors of our presence, products, processes and practices.

The interplay of these priorities is reflected in the overriding priority to be responsible, profitable and sustainable. However, this future-orientation is secured by a word that is increasingly critical at our Company.

That word is **'together.'**

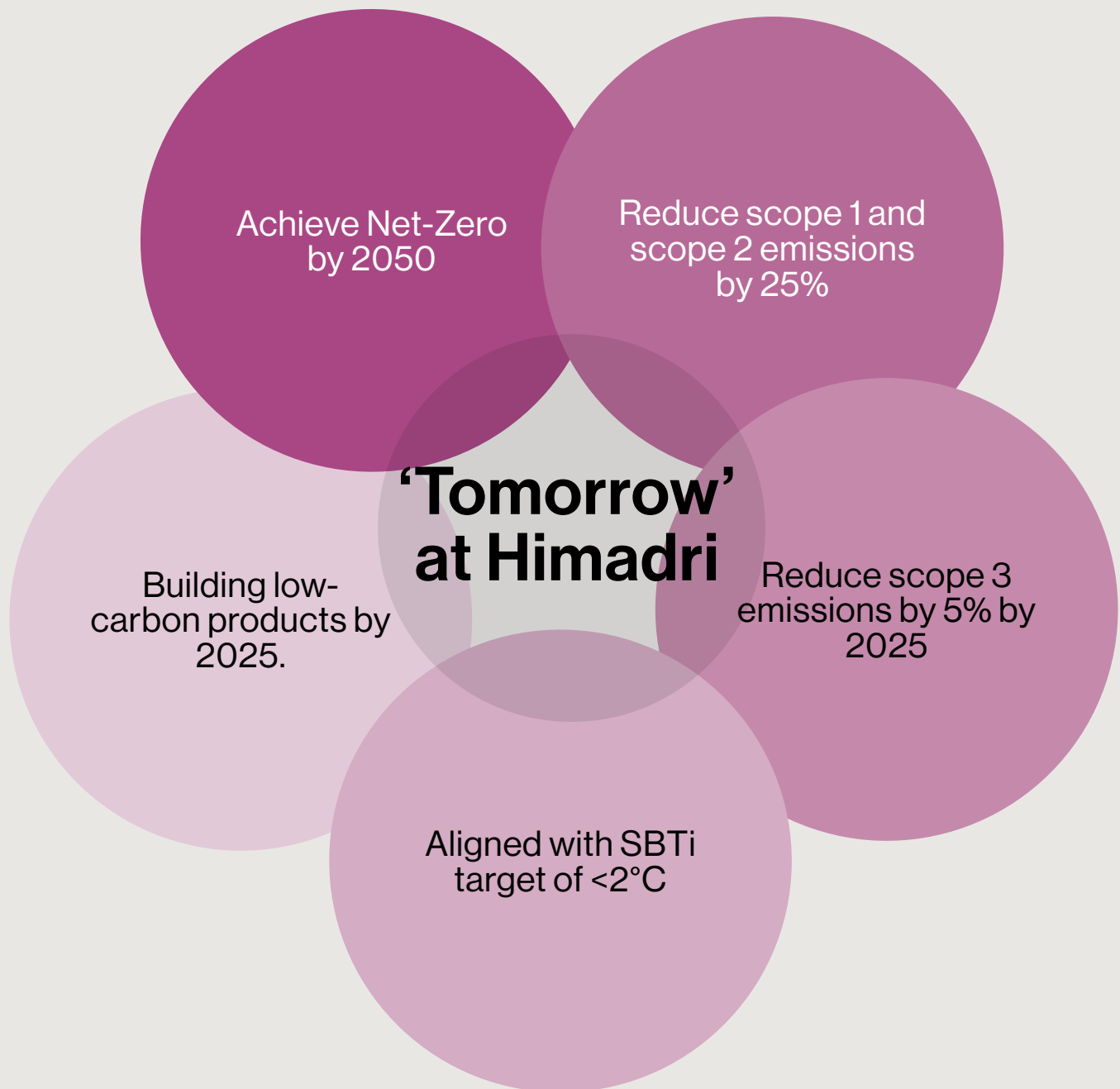
This word works at two levels at our Company.

One, how we work across different competencies and products within our Company so that we provide integrated value to all our stakeholders.

Two, how we engage with partners and knowledge providers the world over, drawing on the experience.

By collaborating with value providers (together) around a future-facing direction (tomorrow), we believe that we are attractively placed to deepen our sustainability across the coming years.





This is the FY 23-24 Sustainability Report of Himadri Speciality Chemical Limited. (Himadri)

Overview

At Himadri, we are committed to enhance life for the moment and the future. This holistic commitment makes us relevant to the world that we see, feel and touch and a world that is yet to be. This puts a premium on the way we think, plan and act.

The result is that all our decisions are rooted in a spirit of environmental stewardship and societal well-being.

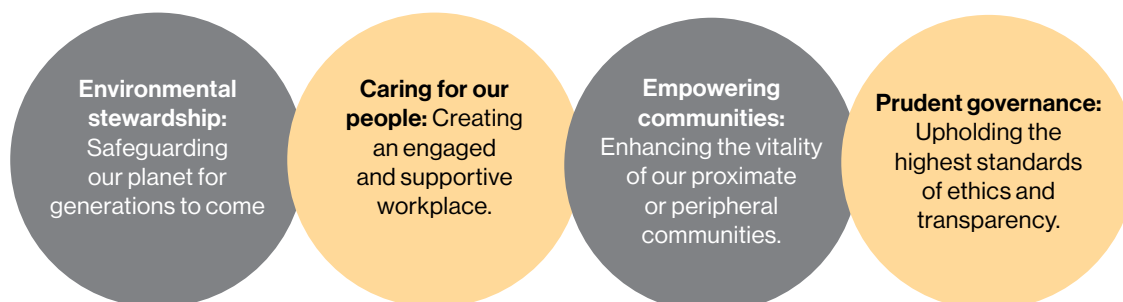
The big objective is to succeed in business and make our stakeholders prosper as well.

The result is that for the moment; we must succeed in a consistently sustainable manner along with momentary success that enhances stakeholder's confidence in the enduring ownership of our actions.

The result is that we wish to see the business result influence and enhance the value for all stakeholders and not focus on only one particular domain.

This coming together of scope, scale and spread, represents the basis of our enduring sustainability and validation of our 'Together Towards Tomorrow' theme.

This document of FY 23-24 provides a comprehensive insight into our performance, projects and positioning to enhance value in a sustainable way. Essentially, four pillars represent the core of our approach.



The information flow and content of this document complies with the Global Reporting Initiative standards. This ensures that our reporting completely addresses the 'in accordance – comprehensive' criteria. It also complies with the Business Responsibility and Sustainability Report requirements set forth by the Securities and Exchange Board of India (SEBI). Through detailed key performance Indicators (as outlined by updated GRI standards), we showcase how our environmental, social and governance practices enhance value in a sustainable way.

We would also like to highlight that our initiatives are aligned with the United Nations Global Compact's 10 principles

and India's Long-Term Low Emission Development Strategy. Our initiatives have been aligned with the United Nations Sustainable Development Goals, targeting 17 critical global objectives set in 2015.

This comprehensive report has been reviewed by the Company's key executives, especially the Company's governance, risk management, checks and controls. The content has been independently verified and externally assured by an independent third-party assurance provider TÜV SÜD South Asia Pvt. Ltd.

Before we end, a word about the tone and temper of the report. The underlying

tone is one of humility. Even as we have invested extensively and made creditable improvements, we recognise that much still needs to be done to create a better world. And this can only be achieved if we generate a collaborative spirit across our stakeholders, who share our conviction that we are here with the singular objective of creating a better tomorrow.

If you have queries pertaining to this report, please message us at hses@himadri.com, and we would be happy to respond. For more details of our activities, please visit our site <https://www.himadri.com>



Strategic overview

From the desk of the Chairman-Managing Director-Chief Executive Officer



Anurag Chaudhary
CMD & CEO

Overview

Guided by our purpose, '**Together Towards Tomorrow**,' we have embedded sustainability into every aspect of our corporate strategy, from **research and development to product portfolio management** and the organizational culture starting. Through our commitment to sustainability, we continuously

drive innovation in our product offerings, focusing on creating solutions that not only meet market demands but also minimise environmental impact. This approach allows us to deliver **high-performance, eco-friendly products** that contribute to sustainable value creation for our stakeholders.

With the dedication and ingenuity of our employees, we are showing that **competitiveness and sustainability can go hand-in-hand** to form the foundation of a thriving, resilient business model. Together, we are building a future where business success and environmental stewardship are aligned, leading the way towards a positive and sustainable impact for all.

It is my immense pleasure to present the Sustainability Report of Himadri Speciality Chemical Limited for FY 23-24. Himadri is a trusted brand with a long and distinguished legacy of innovative products and ethical business practices. Environmental stewardship and social well-being are integrated into our purposes from the inception. As a Company, we believe that our success is deeply connected to the well-being of our planet and society.

Himadri is uniquely positioned to drive the global shift towards sustainable and environment-friendly practices. As one of the biggest manufacturers of speciality chemicals essential for a green economy, we can actively support the production and supply of efficient renewable energy storage solutions, electric vehicles, and other future-ready projects. This diverse portfolio of speciality chemicals gives us a significant advantage in fostering a more sustainable future.

Our Company's strategic advantage uniquely places us as a vital partner in global efforts to tackle climate change and achieve sustainability goals. With the rising demand for essential speciality chemicals, our diverse portfolio ensures a strong foundation for ongoing success. By leveraging these chemicals effectively, we play a crucial role in driving the global shift towards sustainability, fostering innovation, and promoting economic growth.

At Himadri, our commitment to sustainability governance is not just a strategic priority; it is a fundamental pillar of our business ethos. As we navigate through the complexities of today's global landscape, we recognise that our long-term success is deeply intertwined with our ability to drive meaningful environmental, social, and governance (ESG) outcomes.

Sustainability governance at Himadri is about embedding responsibility and accountability at every level of our organisation. It involves integrating sustainability into our decision-making processes, fostering a culture of transparency, and aligning our business strategies with the values and expectations of our stakeholders. We are guided by the principles of ethical business practices, risk management and regulatory compliance, ensuring that our actions today will benefit the generations to come.

Our approach is holistic, balancing economic growth with social equity and environmental stewardship. We

are committed to reducing our carbon footprint, promoting circular economy practices, and advancing our social responsibilities for our employees and workers and within the communities we serve. By aligning with global frameworks such as the United Nations Global Compact (UNGC) and the Sustainable Development Goals (UNSDGs), we are dedicated to contributing to a more sustainable future. Apart from the global commitments, Himadri is dedicated to integrate and contribute to further Government of India's Long Term-Low-Carbon Development Strategies and Mission LiFE.

As we continue this journey, we understand that sustainable governance is not a destination but a continuous process of learning, adapting and improving. We are grateful for the trust and support of our stakeholders, and we remain committed to upholding the highest standards of sustainability in everything we do.

As a Company, we understand that our success is intrinsically linked to the well-being of the communities in which we operate and the people who make our business thrive.

Our social responsibility efforts focus on creating lasting, positive impacts across multiple dimensions — improving livelihoods, fostering diversity, equity, and inclusivity. We prioritise the health, safety, and development of our employees, ensuring that they work in an environment that promotes their well-being and professional growth. Through ongoing training and development programmes, we empower our workforce to reach their full potential and contribute meaningfully to our collective success.

In our journey towards sustainability, diversity, equity, and inclusivity, principle remains a key focus. We strive to ensure that our business practices foster equity and provide opportunities for all, regardless of gender, ethnicity, or socioeconomic background. By promoting diversity and inclusion, we believe we can drive innovation, enhance decision-making, and build a more resilient organisation.

Beyond our internal operations, we are deeply committed to uplifting the communities around us. Our Corporate Social Responsibility (CSR) initiatives are designed to address critical societal needs, from education and healthcare to environmental conservation and sustainable livelihoods. By collaborating

with local partners and stakeholders, we ensure that our efforts are aligned with the needs of the communities we serve, creating shared value for both Himadri and society.

We also acknowledge the importance of aligning our operations with sustainability principles, particularly in the responsible manufacturing and usage of chemicals. As industry leaders, we are committed to leveraging our position to foster positive change and contribute actively to global efforts aimed at achieving a net-zero future. We are resolute in our determination to play a crucial role in shaping a sustainable, carbon-neutral economy for future generations by leading innovative initiatives, collaborating with stakeholders, and embracing cutting-edge technologies.

Our commitment towards a net-zero future goes beyond the rhetoric; it is deeply ingrained in our corporate DNA. As we forge ahead in charting our course towards achieving net-zero emissions by 2050, we rely upon our expert senior leadership and dedicated workforce. Building upon this strong foundation, we have set ambitious goals and made steadfast commitments to expedite our transition to a more sustainable future. In alignment with our net-zero commitments, Himadri is embarking on an ambitious investment plan that encompasses spending a substantial ₹100 Crore over the next decade apart from commitment — related new generation business announcement of Himadri that underscores our unwavering dedication to driving sustainable practices and reducing our carbon footprint.

We understand that sustainability is an ongoing journey, one without an end. With this in mind, we are committed to continuously raising the bar, setting more ambitious goals with every passing year, and driving innovative solutions to tackle future sustainability challenges with optimism and determination.

As we look ahead, we extend our deepest gratitude to you, our stakeholders, for your trust and support. Himadri aspires to achieve something together, to strike out in new directions and do something that is meaningful. Together with our valued stakeholders, we are going beyond what is considered possible today and creating completely new solutions for the most important issues of our shared future, keeping our purpose at the heart of every decision: Together Towards Tomorrow.

Message from Chief Sustainability Officer



Avijit Sasmal
Chief Sustainability Officer

Our commitment to achieve Net Zero carbon emissions by 2050 is at the heart of our sustainability vision. Validated by the Science-Based Targets Initiative (SBTi), our interim targets include a 25% reduction in Scope 1 and Scope 2 emissions intensity and a 5% reduction in Scope 3 emissions by 2025.

I am delighted to share the transformative strides that Himadri has made as we unveil our second Sustainability Report, aligned with the Global Reporting Initiative (GRI) standards. Our ESG strategy, "Together Towards Tomorrow," lays a robust foundation to address critical challenges such as environmental stewardship, social well-being, labour and human rights, and sustainable business growth. This forward-looking approach not only strengthens stakeholders' confidence but also solidifies Himadri's presence as a leader in the global marketplace.

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Our climate resilience strategy, guided by the Taskforce on Climate-related Financial Disclosures (TCFD), incorporates advanced scenario analysis to mitigate risks and identify opportunities. We are also actively developing low-carbon products, such as speciality carbon blacks and silicon-graphite anodes, to empower our stakeholders in their transition to a sustainable future.

Himadri's Zero-Accident Vision highlights our unwavering focus on occupational health and safety. We aim to achieve a Loss Time Injury Frequency Rate (LTIFR) below 1 by 2025 through

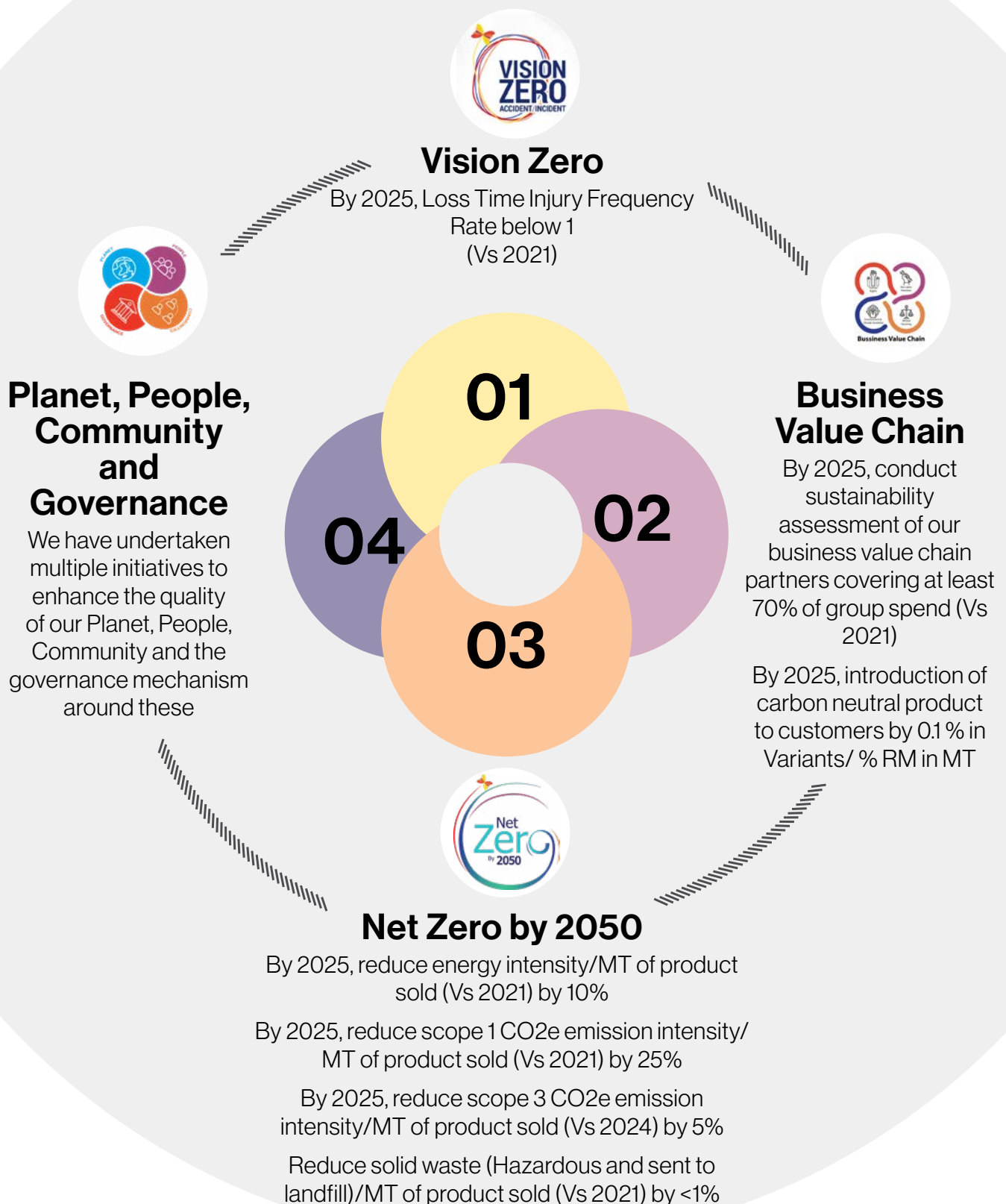
rigorous safety protocols, continuous employee training, and advanced monitoring systems. This commitment not only ensures a secure workplace but also builds resilience and operational excellence into our framework.

Human rights are a cornerstone of our operations. Aligned with the United Nations Global Compact principles, we foster fairness, equity, and inclusivity across our value chain. By addressing critical labour and human rights issues and promoting an inclusive workplace, we strive to uphold ethical practices that reflect our core values.

Sustainable procurement is a key pillar of our ESG approach. By evaluating suppliers and vendors against criteria such as emissions, water usage, and labor rights, we are fostering a responsible and transparent supply chain. Third-party audits and supplier collaborations ensure alignment with our decarbonization and circular economy goals, further enhancing accountability and environmental stewardship.

As we embed ESG principles into every facet of our operations, we continue to deliver innovative, high-performing products while enhancing stakeholder satisfaction and trust. Himadri's achievements, including significant reductions in GHG emissions and energy intensity, reflect our dedication to sustainability, transparency and a better future.

Together, we are creating a legacy of resilience and sustainability, setting industry benchmarks, and paving the way for a low-carbon future that benefits all stakeholders.



About us

Himadri Speciality Chemical Limited is a global speciality chemical conglomerate with a strong focus on research and development (R&D), innovation and sustainability.

MISSION



- To be a company that constantly innovates new products and technologies
- To have an unrelenting customer focus while being customer's clear choice
- To be a company that attracts, develops individuals to build a proud Himadri team
- To stay committed to a sustainable future and to improving the social, economic and environmental well being of communities in the region of our operations

VISION



Himadri harbours a vision to become a global leader in speciality products by adopting appropriate eco-friendly technologies and enhancing core capabilities through continuous product improvement, technical innovation, and customer satisfaction.



VALUES



Integrity: We are thoroughly professional in all our activities with absolute honesty, and we never compromise on our principles in any way.

Excellence: We always strive to achieve the best level of performance in whatever we do and continuously improve ourselves in order to reach that level.

Safety: The safety of our stakeholders - employees, suppliers, buyers and society, is of utmost importance to us, and we never settle for any practice which puts it in danger.

Sustainability: We will continue to carry out all our business activities to positively contribute to the creation of a better tomorrow for our future generations.

Brand: Himadri is respected for an enduring culture of innovation, social responsibility and technical excellence. Over the decades, the Company has transformed its portfolio to focus on innovative, high-performance products complemented by environmental stewardship. In doing so, the Company enhanced customer value and organisation-wide sustainability.

Products: The Company's diverse product portfolio — speciality carbon black, coal tar pitch, refined naphthalene, new energy materials, SNF, speciality

oils and green power — serve a range of downstream industries (lithium-ion batteries, paints, plastics, tires, aluminum, graphite electrodes, agrochemicals, defense and construction chemicals). A knowledge-driven team and state-of-the-art facilities have empowered the Company to develop cutting-edge solutions addressing evolving customer needs and moderating environment impact.

Commitment: The Company's commitment to offer sustainable products and reduce environmental

footprint has been strengthened by its 'Together, Towards Tomorrow' roadmap. This framework outlines 11 key objectives, reducing an impact on climate and natural resources, while improving the quality of life for people and communities. This comprehensive approach to sustainability addresses GHG emissions reduction, circularity cum diversity, equity cum inclusion. These efforts have helped the Company to drive positive change, ensuring that growth remains aligned with sustainability.



Himadri: A rich legacy of value-creation

INPUTS

Financial Capital

₹2,981

Net worth (Crores)

₹(142)*

Net debt (Crores)

*Net positive cash balance



Manufactured Capital

8

Manufacturing units

28

Capacity of captive power plant (MW)



Intellectual Capital

₹37

Spent on R&D (Crores)

94

Employees in R&D team



Human Capital

920

Employees on roll

25,965

Number of training hours



Social and Relationship Capital

₹11

Spent on CSR (Crores)

20+

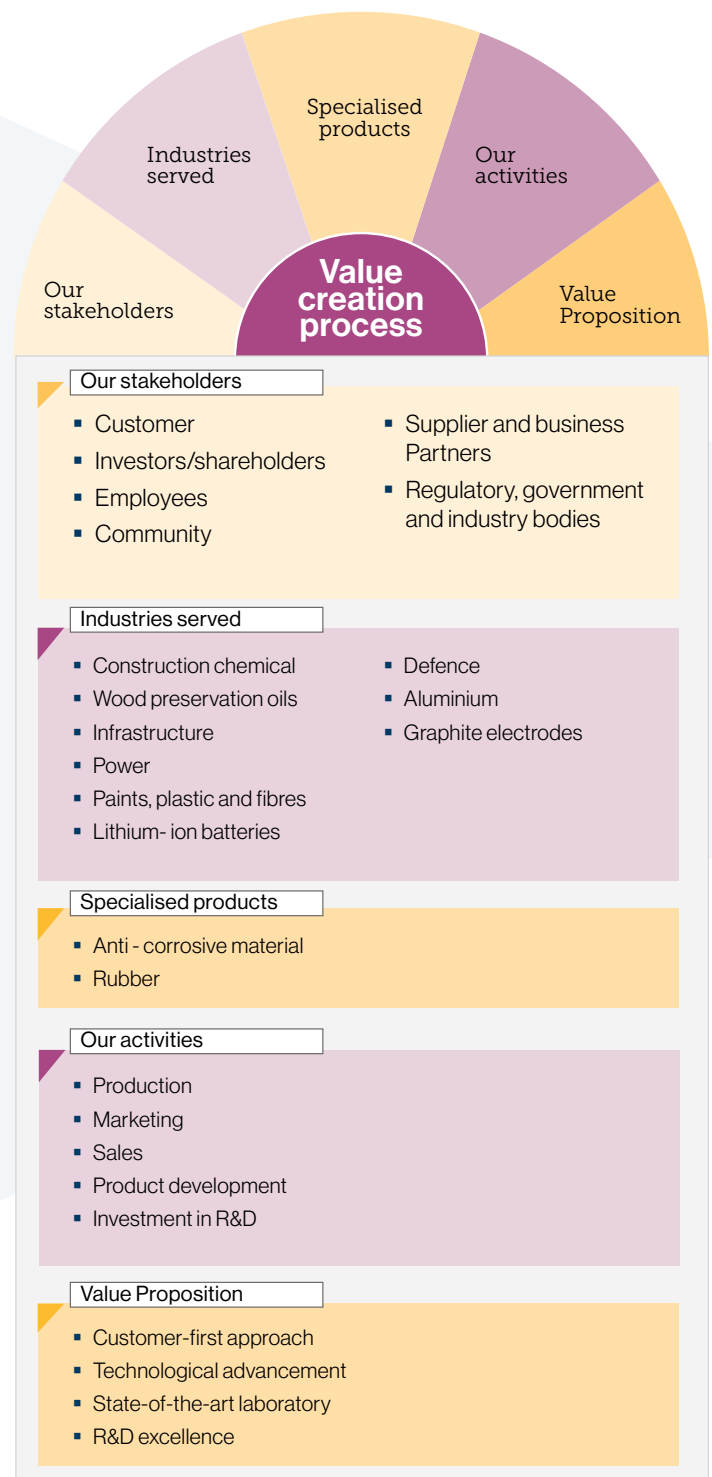
Employees volunteered



Natural Capital

Reduced by **12.29%** energy intensity per MT of product sold

Reduced by **24.20%** CO₂e emission intensity per MT of product sold



Overview

Himadri has formulated a framework to enhance value for all stakeholders — customers, employees, shareholders and communities.

This framework explains how Himadri leverages resources, capabilities and

relationships to deliver products or services that address market needs, while driving economic, social and environmental benefits.

By integrating sustainable practices, innovation and operational excellence, Himadri ensures that value is created not

just in financial terms but also in ways that contribute critically and positively to society and the environment. This holistic approach empowers the business across the long-term, enhancing trust, loyalty and resilience.

OUTPUTS

SDGs IMPACTED

Financial Capital

₹632

EBIDTA (Crores)

₹411

PAT (Crores)



Manufactured Capital

4,75,582

Sales volume (MT)

4.85

Inventory turnover ratio (times)



Intellectual Capital

7

New grades developed



Human Capital

1.18

Lost time injury frequency rate (LTIFR)

28.2

training man-hours / employee / year



Social and Relationship Capital

Lost time

20 Villages

400+

Students benefitted



Natural Capital

10,000+

Saplings planted

98%

Recycled materials



Himadri : Delivering excellence through a broadbased global footprint

Overview

Himadri Speciality Chemical Limited has progressively widened its footprint, exporting to 54 countries.

This extensive reach has catalysed the Company's growth, with exports accounting for 18.82% of the total revenue in FY 23-24, at an impressive ₹787.41 Crore.

Himadri's ability to cater to international markets highlights its innovative quality products across industries like lithium-ion batteries, tyres, plastics and others.

This creditable capability has helped reinforce the Company's competitiveness, speciality chemicals leadership and sustainable growth.



Global presence

+10.2%

Increase in global footprint

₹787.41

Crores, export revenue

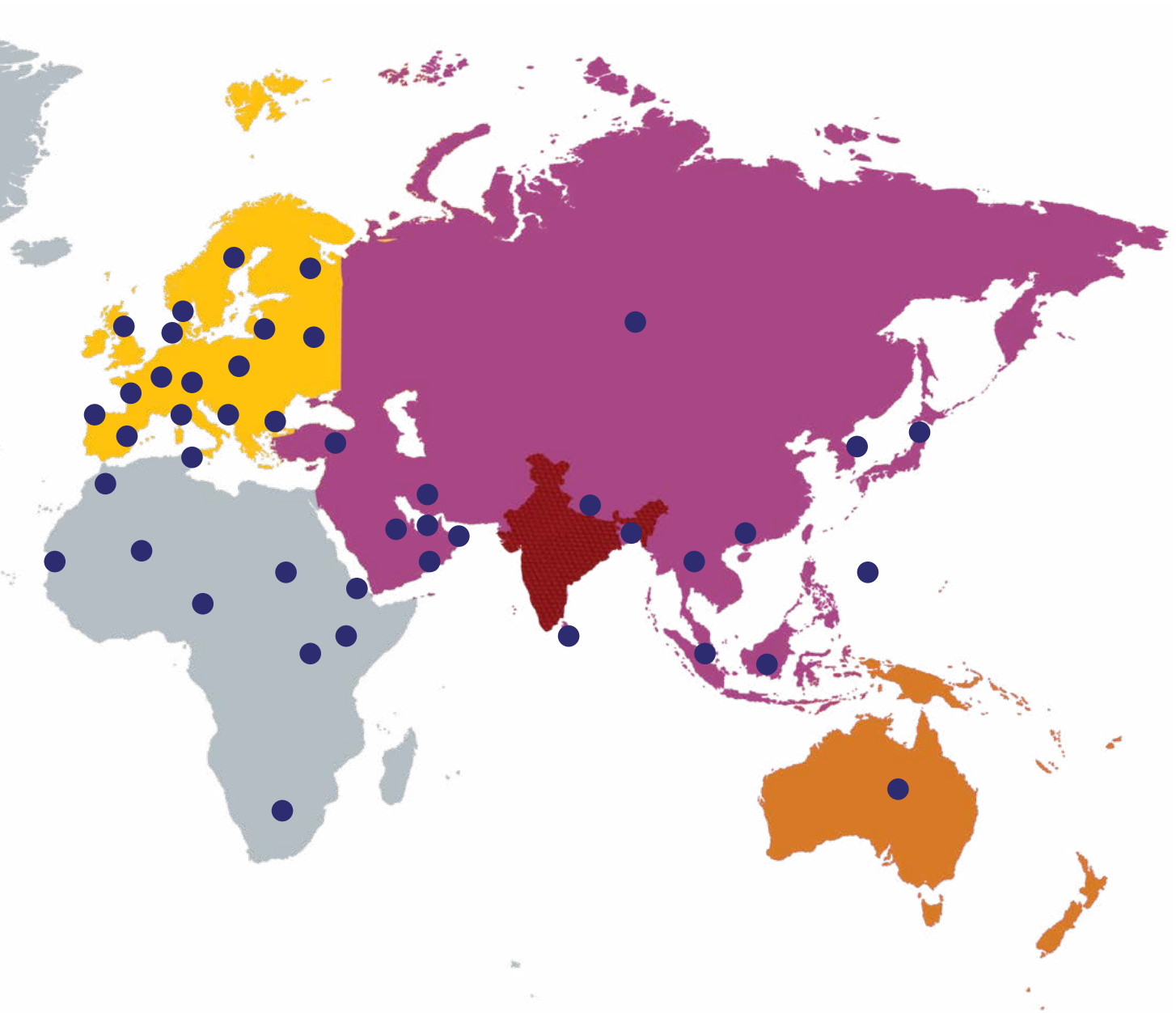
54

Countries of our presence

18.82%

Share of exports in our total revenue

- | | | | | | |
|--------------|------------------|---------------|----------------|----------------|-------------|
| ▪ Algeria | ▪ Colombia | ▪ Greece | ▪ Nigeria | ▪ Senegal | ▪ Turkey |
| ▪ Australia | ▪ Czech Republic | ▪ Guatemala | ▪ Oman | ▪ Slovenia | ▪ UAE |
| ▪ Austria | ▪ Djibouti | ▪ Indonesia | ▪ Peru | ▪ South Africa | ▪ Uganda |
| ▪ Bahrain | ▪ Ecuador | ▪ Italy | ▪ Philippines | ▪ South Korea | ▪ UK |
| ▪ Bangladesh | ▪ Egypt | ▪ Japan | ▪ Poland | ▪ Spain | ▪ USA |
| ▪ Belarus | ▪ Ethiopia | ▪ Malaysia | ▪ Portugal | ▪ Sri Lanka | ▪ Venezuela |
| ▪ Belgium | ▪ Finland | ▪ Mexico | ▪ Qatar | ▪ Sweden | ▪ Vietnam |
| ▪ Brazil | ▪ France | ▪ Morocco | ▪ Russia | ▪ Thailand | |
| ▪ Canada | ▪ Germany | ▪ Nepal | ▪ Saudi Arabia | ▪ Tunisia | |
| ▪ Chile | | ▪ Netherlands | | | |



Domestic presence

7

Best-in-class
manufacturing
facilities

3,397.19

₹ in Crore,
Domestic revenue

81.18%

Share of domestic
sales in revenue

Himadri's transforming product portfolio: A new era in research & development

Overview

At Himadri, innovation is a way of life.

An innovation-focused strategy has empowered its research scientists

and engineers to deploy cutting-edge technology to create bespoke products and solutions.

The Company's advanced laboratories have been accredited by NABL. Its

R&D team comprises experienced national and international experts collaborating to bring fresh perspectives to problem-solving leading to leadership.



Research-driven innovation

Himadri offers modern, eco-friendly solutions to consumers that not only meet evolving needs but also reduce carbon footprint. The Company's sustained leadership has been derived from R&D breakthroughs and transformative technologies.

The Company's product innovation pipeline is the result of proactive research and development. Over time, this has yielded decisive efficiency gains, including lower product prices, improved quality and superior yields.

This innovative approach has been manifested in the lithium-ion battery

materials domain. The Company is working on energy consumption and carbon footprint moderation through inventive techniques.

The Company's R&D commitment encompasses four crucial areas-product, quality, process and technology.

Product: The Company's robust product development pipeline is a testament to its consistent focus on the development of innovative trend-leading products. This has also helped the Company to continuously enhance value across the value chain.

Quality: Himadri's enduring endeavour to achieve the highest product quality

represents the cornerstone of its corporate philosophy. This customer-centric approach helps the Company consistently improve products quality.

Process: The Company's process improvement focus has translated into enhanced efficiency, measured by superior product yield, improved throughput and better energy efficiency.

Technology: The Company's proprietary technology has empowered global competitiveness. The development of diverse offerings - various grades of coal tar pitch, advanced carbon material and speciality carbon black - are a testament to its proprietary capabilities, marked by

higher purity, lower manufacturing costs, recyclability and waste reuse.

At Himadri, we address customer expectations by prioritizing quality across operations. The Company's independent quality assurance team is responsible for documentation and data control. This QA team stays up-to-date with evolving processes and technologies through ongoing training and audits at the state-of-the-art NABL-accredited research laboratory.

The Company complies extensively with regulations, processes and standards that protect quality while

manufacturing eco-friendly products. This quality commitment has translated into win-win partnerships and government recognition.

Our world-class research team

The Company's research team has been responsible for the introduction of new product grades, increased output and enhanced process outcomes. The research endeavors have been acknowledged in esteemed global research journals.

Our innovation-driven culture

The Company continues to use established and emerging technologies to deepen sustainability. It values new ideas, advanced technologies, culture of innovation and collaboration. This approach empowers it to simplify the complex, enhance operational efficiency and drive sustainable growth.

Our improved value chain

The Company's value chain has progressively widened across the decade through indigenous research, marked by a focus on special product profiles.

₹3,071.43

Lakhs

Revenue
expenditure

₹168.99

Lakhs

Capital
expenditure

₹3,240.42

Lakhs

Total R&D
expenditure

Total R&D
Expenditure
+18%

R&D benefits

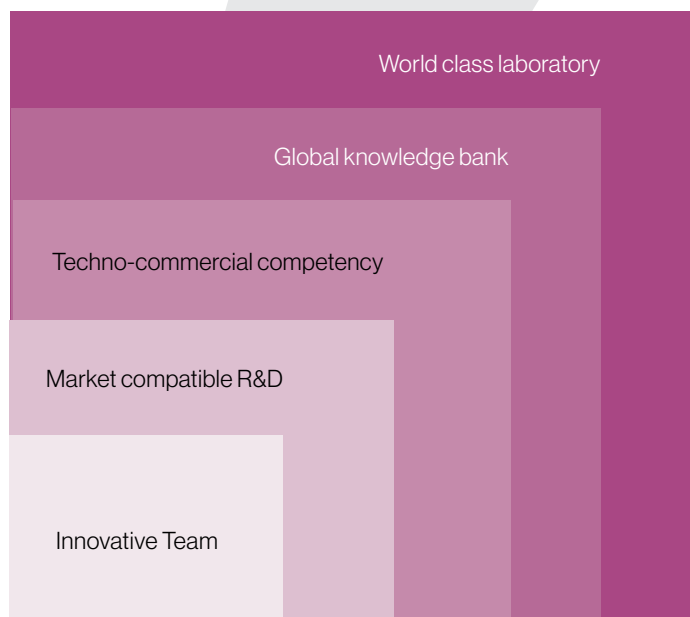
- The Company's consistent R&D focus resulted in the development of unique products, including special-grade carbon black, derived from raw materials sourced from coal tar. It developed specialised carbon black grades customised around diverse printing grades, engineering plastic master batches and others.
- The Company's relentless innovation led to the development of mesophase pitch for anode materials, as well as high-SP pitch for refractory applications.
- The Company surpassed production targets in the manufacture of superior carbon black across grades, showcasing a flexibility in utilizing available raw materials.
- The Company's R&D team developed revolutionary technologies in utilizing blends of varying qualities of coal tar and coal tar-based oils in various proportions, either independently or in conjunction with petroleum-based feedstock, thus expanding the scope of our research.
- The Company made manufacturing process improvements, including the installation of Advanced Failure

Mode Analysis and Advanced Product Quality Planning. These enhancements comprised raw material, final quality and optimised naphthalene output from coal tar, with the objective of lowering naphthalene slippage in heavy oils.

- The Company's R&D yielded a range of benefits, including increased fuel economy, improved control on inputs and overall improvement in product quality, addressing demanding international specifications.

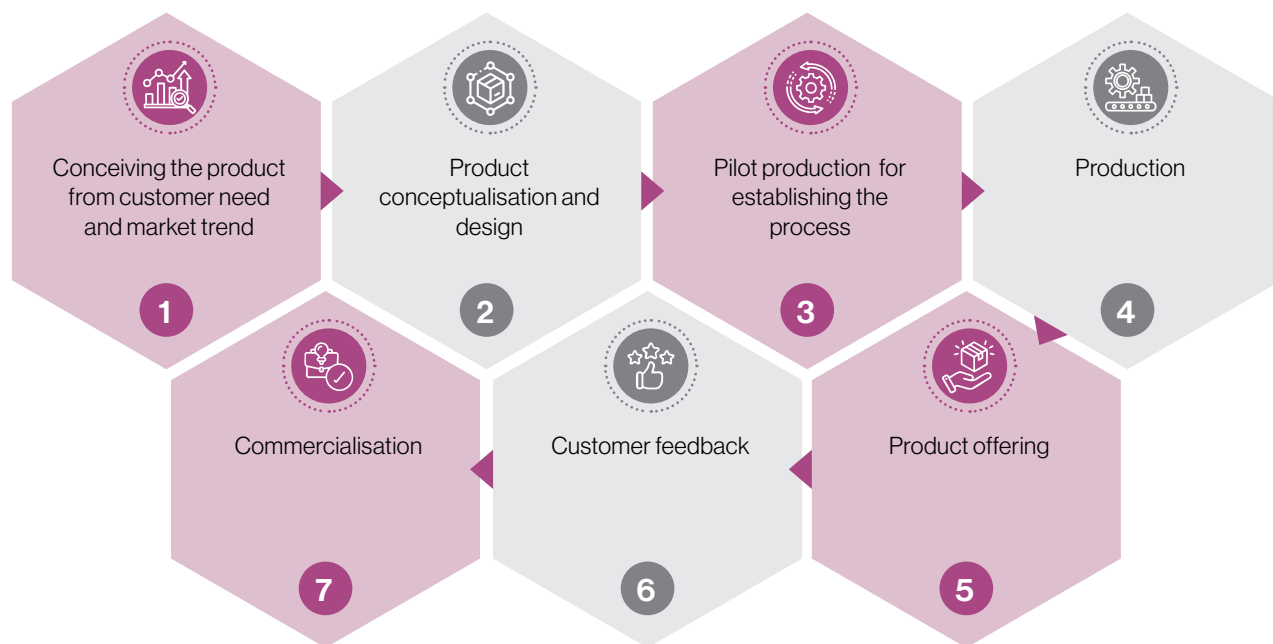
- The Company developed Zero-QI pitch, a remarkable achievement matched by only two companies in the world.
- The Company's R&D yielded a range of benefits, including increased fuel economy, improved control on inputs and overall improvement in product quality, addressing demanding international specifications.
- The Company developed Zero-QI pitch, a remarkable achievement matched by only two manufacturers worldwide.





Pillars of R&D

Process of R&D for product development



Innovation-driven product development

At Himadri, our commitment to innovation catalyses the creation of cutting-edge products, processes and advanced technologies.

New energy material: Innovation

Himadri Speciality Chemical Ltd. is dedicated to driving advancements in new energy materials to meet the evolving needs of a sustainable future. At Himadri, we prioritise developing materials that support reduced environmental impact while delivering superior performance. Our focus on innovation empowers us to create cutting-edge solutions that align with global energy demands while fostering sustainability and efficiency.

Through extensive research and development, we have established ourselves as a leader in high-performance energy materials. Our innovations cater to the growing needs of industries such as electric vehicles, energy storage, and fast charging systems. By leveraging advanced technologies, we aim to enhance energy density, efficiency, and cost-effectiveness across all our solutions.



Precursor Meso Coke

- In-house pitch coke product for anode materials
- High quality coke that ensures performance efficiency
- Quality control extending from coal tar to meso coke production



Silicon-based anode materials

To store 9x more lithium ions than graphite enabling higher cell energy density and faster charging. To develop practical (and cost effective) high performance silicon graphite-carbon composite anode materials.



Cathode materials

- Next generation iron-based cathode: Possessing higher capacities
- Alternate cathode chemistry: Researching alternate cathode chemistries to reduce dependence on lithium and other rare materials while improving performance



Anode materials

- Synthetic graphite anode: Capacity and efficiency increase
- Natural graphite anode
- Hybrid graphite anode comprising synthetic and natural graphite (imbibe characteristics of synthetic and natural graphite to provide a unique anode solution for cell manufacturers)



Graphene

To store 9x more lithium ions than graphite enabling higher cell energy density and faster charging. To develop practical (and cost effective) high performance silicon graphite-carbon composite anode materials.

- Usage in EV and fast chargers
- Usage in multiple applications

Carbon black: Innovation

Our commitment to innovation has led us to produce premium grades of speciality carbon black, widely utilised across sectors. As of March 2023, the Company had introduced 15 grades in speciality blacks for tyres, fibres, powder, coating and other polymer applications under the following brands:



ONYX: Speciality carbon blacks are of premium grades. They offer a deep black colour with high purity. They are ideal for use in synthetic fibres, high-performance plastics and FDA-compliant applications. These carbon blacks help customers address demanding performance requirements without compromising polymer properties.



JETEX: Speciality blacks provide reliable colour and UV protection for pressure pipes, plastics film and moulding applications. They address regulatory requirements for pipe and food contact applications, delivering a consistent performance.



KLAREX: 'Clean' speciality blacks offer low ash and grit levels, which make them easy to disperse and reduce defects. The result: a high processability. These carbon blacks enable superior mechanical properties in rubber goods - dimensional stability, compression set and smoothness.



ELECTRA: Speciality blacks possess low sulphur, ionics and physical grit levels. They are appropriate for extending product durability in products that require electrostatic discharge protection. These carbon blacks provide conductive properties in power cables and ESD protection in plastics and other applications, preventing damage caused by sudden electrostatic discharge.



COLORX: This powder black functions well as a colorant in premium grade inks, paints, adhesives, sealants and coatings, offering high-jetness, smooth processing and better dispersibility.



BARONX: This innovation in speciality blacks is a premium-grade pigment valued in solvent and aqueous-based coatings and industrial decorative paints.

Coal tar distillation: Innovation

At Himadri, we have consistently demonstrated a technical competence in staying ahead of the curve. Himadri's coal tar division stands at the forefront of innovation and a commitment to extend the boundaries of excellence. We harnessed R&D tools like pilot reactors and distillation units to revolutionise new product development. Our new product development portfolio in the CTP division also includes solvent oil, 2-6-lutidine, phenol, O-cresol, MP cresol, indene, quinoline, flourene, carbozole, anthraquinone and PCM.



Solvent oil: Produced from intermediate oil of the coal tar distillation process. It enjoys applications in the paints sector and as an in-house solvent in speciality oils production.



2-6-Lutidine: This colorless liquid has mildly basic properties and a pungent, noxious odour. It is used as non-nucleophile base in organic synthesis and the formation of silyl ethers.



Phenol: There is a large Indian demand for this material in manufacturing phenolformaldehyde resin used in the plywood sector.



O-Cresol: This is used as an intermediate in the production of dyes, pesticides, epoxy resins and pharmaceuticals as well as in disinfectants and cleaning agents.



MP Cresol: This is used in phenolic resin photoresists, phosphate esters, wire enamel solvents, surfactants, disinfectants, fibre preservatives, wood preservatives and other chemical intermediates.



Indene: This is an aromatic, polycyclic hydrocarbon in coal-tar fractions boiling around 175–185°C. It is colorless, although samples are often pale yellow. Its principal industrial use is in the production of indene/ coumarone thermoplastic resins used in electrical wire coatings



Quinoline: This is used in the preparation of hydroxyquinoline sulfate (key ingredient in topical antiseptics) and niacin (Vit-B3). It is used as a solvent for resins and terpenes and in the production of dyes and other speciality chemicals



Fluorene: This is a white crystalline substance with a violet fluorescence. It has a characteristic, aromatic odor that is similar to naphthalene. It is used to manufacture pesticides, agro-chemicals, dyes and plastics.



Carbazole: This product and related compounds enjoy applications as a key component in fluorescence, phosphorescence and thermally activated delayed fluorescence materials, enhancing the performance of electronic devices like OLEDs. These compounds are utilised in high molecular applications, showcasing their significance in small and large-scale material innovations across industries.



Anthraquinone: This is an aromatic organic compound. It is a yellow, highly crystalline solid, poorly soluble in water but soluble in hot organic solvents. Anthracene is converted into anthraquinone (L) by oxidation with chromic anhydride in acetic acid. It is manufactured this way for use as an intermediate in dyestuff manufacture.



Pitch creosote mixture: This is a shiny, dark brown to black residue, which contains polycyclic aromatic hydrocarbons and methyl and polymethyl derivatives, as well as heteronuclear compounds. It is used in refractory material, industrial paints and underground pipelines. Our PCM grades comprise:

Grade	Description
SP02	Low viscous tar - used for making refractory composite
SP03	Special tar formulation - used for refractory clay making in high dimension furnace
SP08	Medium viscous tar - used by refractory, foundry and chemical manufactures
SP08A	Medium viscous tar - used as an anti-corrosive paint application for coating and industrial insulation
SP09	Special tar formulation - used for carbon and graphite manufacturing
SP10	Medium viscous tar - used as an anti-corrosive paint application for coating manufacturing
SP11	Medium viscous tar (an auxiliary of SP10) – used as an excellent surface coating to prevent corrosion from saline environment
SP12	High viscous tar – used as binder in special refractory manufacturing

SNF AND PCE: Innovations

Himadri Speciality Chemical Ltd proudly stands as one of India's leading manufacturers of SNF and PCE products, with an impressive annual production capacity of 50,000 MTPA.



SNF: SNF, available in both powder and liquid forms, is a versatile anionic surfactant recognised for its yellowish to brown hue. Renowned for its high purity, SNF plays a pivotal role in the Construction Industry, enabling the creation of free-flowing, pumpable concrete mixtures. Its advanced properties enhance cement mobility and workability while reducing foam, delivering high-range water reduction and superior strength.

Beyond construction, SNF finds extensive application across diverse industries, including agriculture, leather, rubber and latex, textile, dyes and pigments, gypsum board, and oil. Himadri's commitment to quality ensures that our SNF products consistently meet the evolving needs of these industries, driving efficiency and performance across all applications.



PCE: Polycarboxylate Ether (PCE) is a game-changer in modern construction, designed to enhance concrete performance and durability. As a superior water-reducing and slump-retaining agent, PCE transforms concrete formulations, improving workability and strength while optimizing resource efficiency.

PCE significantly improves concrete rheology by enabling efficient particle dispersion, reducing water usage in mix proportions. This innovation results in enhanced compressive strength and exceptional durability of hardened concrete, setting new benchmarks in construction materials.

With PCE integrated seamlessly into concrete formulations, builders can achieve unparalleled advancements in strength and durability, ushering in a new standard of efficiency and excellence in construction practices.

Driving Innovation with Nanotechnology: Himadri's Futuristic Vision

- Himadri is charting a transformative path in industrial innovation through its commitment to nanotechnology. With a strong focus on advanced nano anode and cathode materials, the Company aims to revolutionise energy storage solutions. These advancements promise safer, longer-lasting lithium-ion batteries with enhanced efficiency, catering to the demands of electric vehicles and renewable energy systems.
- One of Himadri's pivotal innovations lies in nano carbon black technology. This breakthrough material, developed at a nanoscale, offers unparalleled benefits for diverse applications. Nano carbon black enhances conductivity, thermal stability, and durability in battery electrodes, making it a cornerstone for high-performance energy storage. Additionally, its integration into tyre manufacturing significantly reduces rolling resistance and abrasion, improving fuel efficiency and sustainability. By requiring smaller quantities for superior results, nano carbon black exemplifies resource efficiency and environmental responsibility.
- Himadri's portfolio also includes nanostructured materials such as LiFePO₄ hybrids and silicon-graphite composites, which boost electrode kinetics and enable faster charging while ensuring recyclability. These efforts align with the Company's emphasis on circularity and eco-friendly solutions.
- Through cutting-edge nanotechnology, Himadri not only addresses global energy challenges but also sets benchmarks for sustainability and innovation, creating a future defined by high performance and ecological balance.

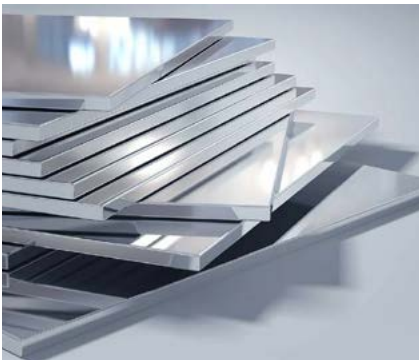
Industries served



Lithium – Ion Batteries



Defence



Aluminum



Anti Corrosive Material



Rubber



Paints, Plastic & Fibre



Infrastructure



Construction Chemical



Wood Preservation Oils



Graphite Electrodes



Power



Specialised Products



Monojit Mukherjee
Business President

I am honored to share our unwavering commitment to sustainability, which remains at the core of our business strategy at Himadri. We recognise that achieving sustainable growth demands bold innovation, operational excellence, and a shared vision for creating long-term value for our stakeholders and the planet.

Our division has fully embraced sustainability as a guiding principle, advancing our operations through

resource efficiency, circular economy practices, and emissions reduction initiatives. We are proud of our achievements, including our Net Zero 2050 vision, Zero Waste to Landfill target, and feedstock flexibility programmes, all of which align with global sustainability standards and contribute to a greener future.

A standout feature of our operations is our ability to generate clean power from the flue gas produced during our manufacturing processes. By harnessing the calorific value of this flue gas, we not only meet a significant portion of our energy needs but also reduce our reliance on conventional fossil fuels, cutting overall emissions and reinforcing our commitment to energy efficiency and decarbonization.

Low-carbon product development continues to be a strategic priority. Through R&D and innovative technologies, we have introduced speciality carbon black grades like ONYX, JETEX, and COLORX, designed to deliver superior performance while reducing the carbon footprint

of applications in industries such as automotive, electronics, and coatings. These innovations enable lighter, more energy-efficient products, addressing the growing demand for sustainable materials.

Our commitment extends beyond internal operations. We actively collaborate with customers and stakeholders, co-developing solutions that align with their sustainability goals. By integrating renewable raw materials like pyrolysis oil and investing in carbon capture technologies, we are advancing the industry's transition to a low-carbon economy and setting new benchmarks for sustainable manufacturing.

Looking ahead, our focus remains on scaling green innovations, enhancing energy efficiency, and embedding sustainability into every facet of our business. This Sustainability Report reflects our dedication to driving transformative change and creating a resilient, low-carbon future. We thank our stakeholders for their continued trust and collaboration as we pursue this vital mission together.



Soumyodeep Bhattacharya
Executive Vice President

I am proud to highlight the pioneering advancements that position Himadri as a leader in coal tar distillation and a champion of circular economy principles. At the heart of our operations lies the innovative transformation of coal tar, a byproduct of another industry, into high-value, low-carbon materials, exemplifying sustainable industrial practices.

Himadri's expertise in coal tar distillation has enabled the production of binder pitch and impregnated pitch, both of which boast an exceptionally low carbon footprint and perfectly embody the principles of circularity. These products are integral to critical applications, such as electrode manufacturing in the aluminum and graphite industries, and deliver enhanced performance while minimizing environmental impact. By upcycling coal tar into these advanced materials, we maximise resource efficiency and contribute to the creation of sustainable value chains.

Our innovations extend beyond products to encompass the processes that create them. Through eco friendly process waste steam-based heating systems, waste heat recovery, and zero-waste production methodologies, we ensure optimal resource utilisation while significantly reducing emissions to achieve our Net Zero 2050 vision. These efforts not only enhance operational efficiency but also set new

benchmarks for sustainability in coal tar distillation.

Driving these innovations is Himadri's robust R&D culture, which empowers us to push the boundaries of what is possible. Our dedicated R&D team continually explores novel applications for coal tar derivatives, unlocking new opportunities in sectors like energy storage, construction, and coatings. This research-driven approach ensures our products deliver both superior performance and measurable sustainability benefits.

Looking forward, Himadri is committed to advancing low-carbon solutions and upcycling innovations, further solidifying our leadership in the coal tar industry. This report reflects our unwavering dedication to sustainability, innovation, and creating long-term value for our stakeholders and the planet.

Key financial figures, FY 23-24

Overview

At Himadri, we are deepening our capability in low-carbon transition through chemistry capability, process innovation and sustainability focus.

Our principal segments — carbon black and coal tar pitch — enjoy global market and technology leadership positions marked by sustained year-on-year expansion and customer centricity.

The Company intends to be carbon-neutral by 2050.

Key performance highlights, FY 23-24

Net revenue ₹4,185 Crore	90.69% Asia	2.25% North America	5.65% Europe	1.41% Rest of the World
Net debt ₹(142 Crore) (2024) ₹200 Crore (2023)	EBITDA* ₹632 Crore (2024) ₹408 Crore (2023)	RoCE* 28% (2024) 17% (2023)	EPS* ₹9.17 (2024) ₹4.94 (2023)	PAT against 2023 +97%

*EBITDA- Earning before interest, tax, depreciation and amortization

RoCE- Return on capital employed

EPS- Earning per share

₹ in Lakhs

Sl. No.	Particulars	Standalone		Consolidated	
		FY 23-24	FY 22-23	FY 23-24	FY 22-23
I	Revenue from operations	4,18,489.03	4,17,184.13	4,18,489.03	4,17,184.13
II	Other income	4,255.06	2,797.46	4,251.77	2,797.46
III	Total income (I + II)	4,22,744.09	4,19,981.59	4,22,740.80	4,19,981.59
IV	Expenses				
	Cost of materials consumed	3,07,184.52	3,29,728.25	3,06,697.60	3,28,453.74
	Changes in inventories of finished goods and work-in-progress	(3,670.28)	(3,013.87)	(3,670.28)	(3,013.87)
	Employee benefits expense	10,996.88	9,094.78	11,048.10	9,151.30
	Finance costs	6,371.76	6,587.51	6,386.74	6,606.90
	Depreciation and amortisation expense	4,774.78	4,865.73	4,985.87	5,084.76
	Other expenses	39,772.69	42,537.96	39,907.16	42,673.79
	Total expenses (IV)	3,65,430.35	3,89,800.36	3,65,355.19	3,88,956.62
V	Profit before exceptional items and tax (III-IV)	57,313.74	30,181.23	57,385.61	31,024.97
VI	Exceptional Items	-	(3,000.00)	-	(3,000.00)
VII	Profit before tax (V-VI)	57,313.74	27,181.23	57,385.61	28,024.97
VIII	Tax expenses				
	Current tax	10,003.48	4,745.61	10,096.88	4,784.30
	Deferred tax	6,210.72	1,654.77	6,210.72	1,654.77
	Income tax related to earlier years	-	-	9.83	-
IX	Profit for the year (VII-VIII)	41,099.54	20,780.85	41,068.18	21,585.90

Details of key financial ratios

	FY 23-24	FY 22-23	Variance (%)	Explanation for the change in the ratio by more than 25%
Debtors turnover (Sales/Average debtors)	7.09	8.10	(12.47%)	Not applicable
Inventory turnover (COGS/Average Inventory)	4.85	4.96	(2.22%)	Not applicable
Interest coverage ratio (EBITDA/Interest)	10.99	8.39	30.99%	Increase in profitability resulting into improvement in interest service coverage ratio
Current ratio (Current assets/ Current liabilities)	1.93	1.51	27.81%	Increase in current assets resulting in improvement in current ratio
Debt equity ratio (Net debt/Equity)	(0.05)	0.09	(155.56%)	Reduction in net debt and increase in shareholders equity on account of higher profitability.
Operating profit margin (%) (EBITDA/Revenue)	15.11%	9.78%	54.50%	Increase in operating profitability resulting into overall improvement in operating profit ratio
Net profit margin (%) (PAT/Revenue)	9.82%	4.98%	97.16%	Increase in operating profitability resulting into overall improvement in net profit ratio
Return on Equity (PAT/Average equity)	15.82%	10.34%	53%	Increase in profitability resulting into overall improvement in return on equity ratio

Winner in Rural Development at 10th Greentech CSR India Awards, 2023Winner in Environmental excellence at 10th Greentech Environment Awards, 2023

Awards and accolades



Honoured with the Best Workplace Practices Award at the 12th Golden Globe Tigers Awards for Excellence and Leadership in CSR.



Recognised with the Carbon Footprint Accounting Award at the 12th Golden Globe Tigers Awards for Excellence and Leadership in CSR.



Awarded for Best Corporate Social Responsibility Practices at the 12th Golden Globe Tigers Awards for Excellence and Leadership in CSR.



Declared a Winner in Rural Development at the 10th Greentech CSR India Awards 2023 for outstanding contributions.



Secured the Environmental Excellence Award at the 23rd Annual Greentech Environment Awards 2023 for remarkable achievements.



Recognised as one of the Eastern India's Best Employer Brands 2023 at the 18th Employer Branding Awards (2023-2024).

Deepening our sustainability

Himadri has built a culture around sustainability, innovation and environmental stewardship.

Since inception, the Company demonstrated a responsible approach, integrating sustainable practices into operations guided by the vision to enhance for all stakeholders—customers, employees

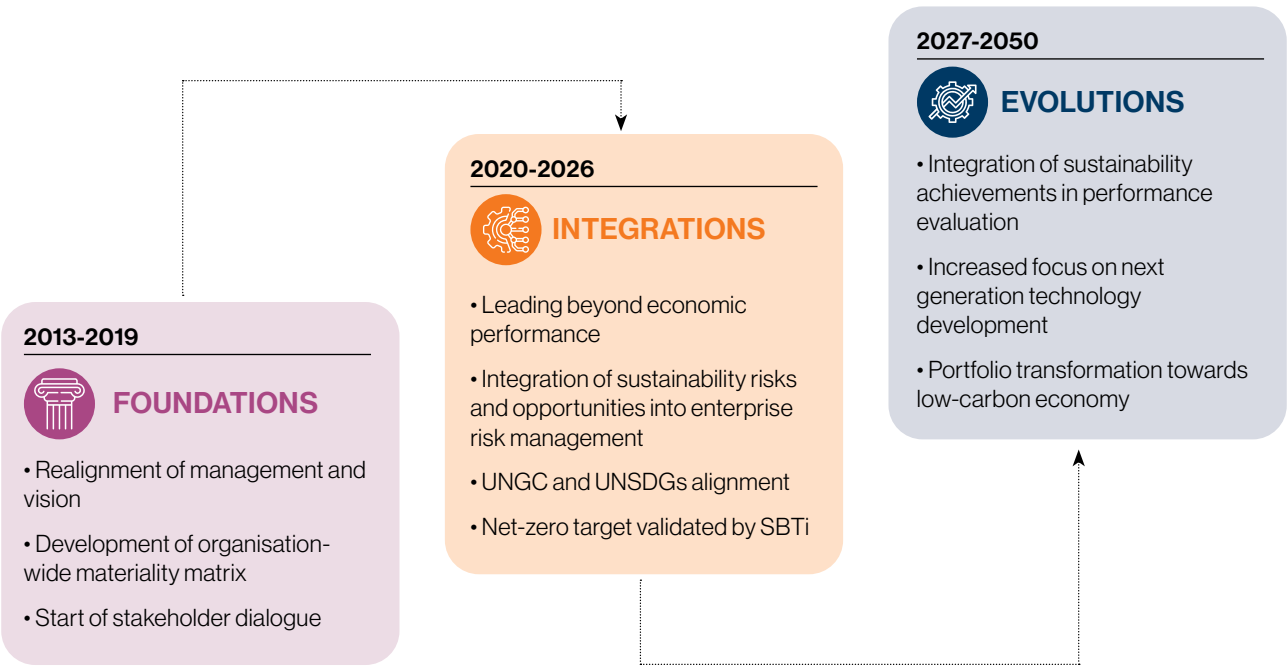
and communities—while minimizing environment footprint.

The Company did not just pursue scale and surplus; it also prioritised safety.

Himadri pioneered various initiatives to deepen sustainability. From advanced carbon material innovation to a circular business model, Himadri evolved processes to enhance resource

efficiency and reduce environment impact. This was marked by enhanced energy efficiency, waste management and responsible sourcing.

Himadri's sustainability remains integral to its identity, influencing emerging initiatives and investments that drive its mission to create a greener and cleaner world.



Himadri is committed to deliver sustainable, value-added solutions that address evolving customer needs. This commitment is embodied in the Company's purpose of 'Together, Towards Tomorrow.' The Company extends beyond chemistry to build competencies, perspectives and partners. By leveraging its resident expertise and collaborations, it is

empowered to lead, create economic value, protect the environment and enrich society.

In line with its 'Together, Towards Tomorrow' commitment, Himadri has embedded Environmental, Social and Governance (ESG) principles into its business model. This model outlines ambitious goals that focus on reducing greenhouse gas emissions, conserving

natural resources and nurturing social well-being.

Himadri's commitment to sustainable growth is also evident in its alignment with global frameworks like United Nations Global Compact (UNGC) and the Science-Based Targets Initiative (SBTi), through which it expects to emerge as a Net Zero carbon Company by 2050.

Himadri has integrated United Nations Sustainable Development Goals into its existence. As a responsible entity, the Company is focused on key SDGs that drive positive long-term impacts on society, environment and economy. The SDGs that Himadri aligns with include the following:



10 principles

of the United Nations Global Compact

- | | | |
|--|--|---|
| 1 Support and respect the protection of internationally proclaimed human rights | 5 Support the effective abolition of child labour. | 9 Encourage the development and diffusion of environmentally-friendly technologies. |
| 2 Not be complicit in human rights abuses. | 6 Support the elimination of discrimination in respect of employment and occupation. | 10 Work against corruption in all its forms including extortion and bribery. |
| 3 Uphold the freedom of association and the effective recognition of the right to collective bargaining. | 7 Support a precautionary approach to environmental challenges. | |
| 4 Support the elimination of all forms of forced and compulsory labour. | 8 Undertake initiatives to promote greater environmental responsibility. | |

Himadri also aligns with the Indian government's Mission LiFE, a nationwide initiative that promotes sustainable lifestyles and reduces activity impact on the environment. Mission LiFE encourages citizens, businesses and communities to support environmental protection and resource conservation through actions. Himadri's commitment to this mission is reflected in the following priorities:

Energy efficiency: Technological upgrades and process improvements have helped Himadri reduce energy intensity and adopt low-carbon energy sources.

Resource conservation: The Company's water management and waste recycling contribute to Mission LiFE and are likely to translate to water positivity.

Community engagement: The Company is committed to the well-being of communities in which it operates through operational sustainability, responsible consumption and environmental awareness (aligned with Mission LiFE).

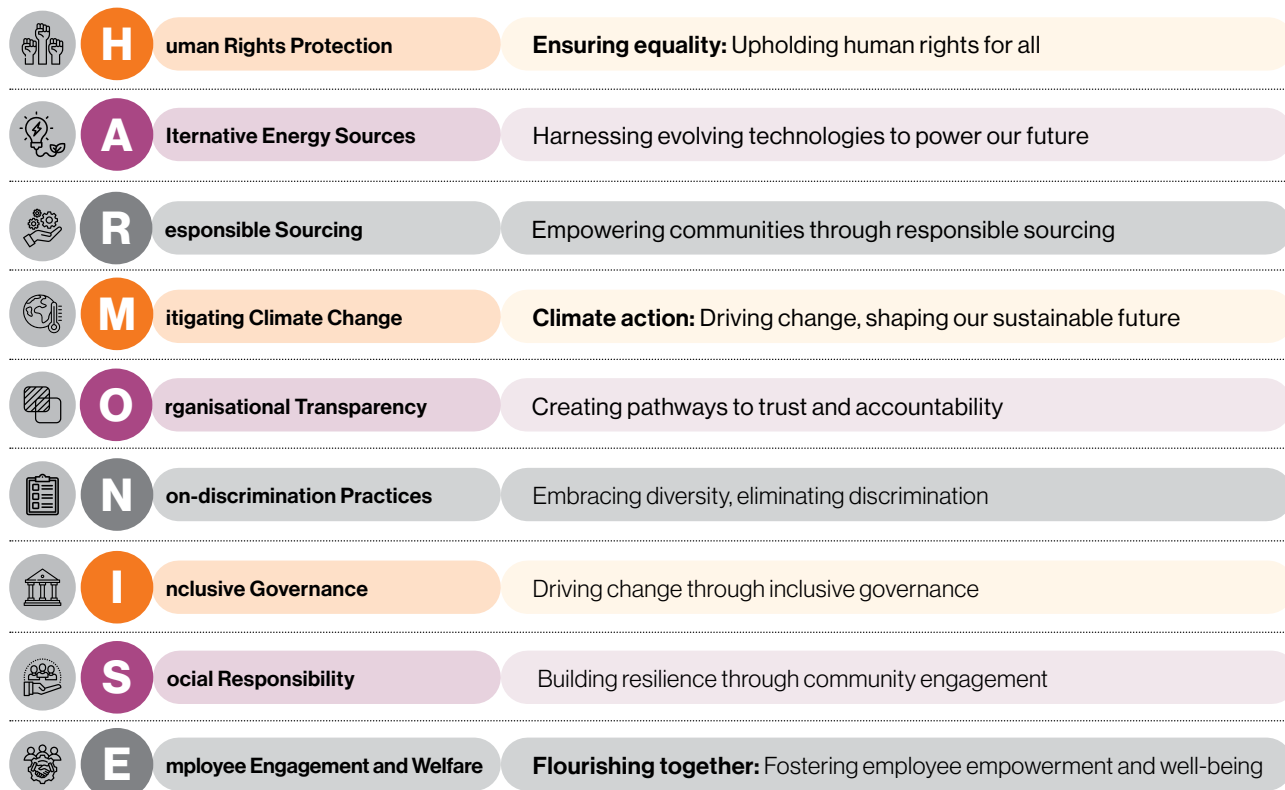
The Company adopted **key messages on sustainability** to drive its global and national agendas

- 1 Future-ready handprint:** Himadri developed low-carbon products and solutions with a positive sustainability profile; the Company aims to launch these low-carbon products by 2025.
- 2 Future-ready footprint:** Himadri supports Paris Agreement on Climate Change objectives, marked by a commitment to achieve Net Zero by 2050. Between 2021 and 2025, the Company expects to reduce Scope 1 and Scope 2 emissions by 25%. For Scope 3 emissions, the Company is committed to a reduction target of 5% by 2025. These targets are aligned with the SBTi goal of staying well below 2°C.
- 3 Future-ready culture:** The Company has integrated sustainability into human resource processes recruitment, vocational training, professional development, engagement programmes and remuneration.
- 4 Future-ready Himadri:** The Company integrated sustainability into strategy and organisational culture — from research and development to portfolio management. The core process involves the sustainability analysis of our business.



Our HARMONISE framework

Setting futuristic and realistic targets



The Company remains committed to growth and sustainability. Its ambitious HARMONISE framework aims to deepen its ESG agenda through nine actions designed to promote sustainable practices. This HARMONISE framework supports cutting-edge research, helping develop innovative and energy-efficient solutions that enhance a culture of trust, growth, inclusivity and shared economic opportunities.

This approach ensures business relevance and resilience while reinforcing the core values of responsibility and well-being. The Company pledged to work closely with stakeholders, align goals, deliver customer and community value and promote a green business. Through the HARMONISE framework, the Company remains committed to sustainable growth and innovation that creates positively enduring impacts for all.

The Company engages with stakeholders through various channels; this has been detailed in the Business Responsibility and Sustainability Report (BRSR) of our Annual Report and the previous year's Sustainability Report. The stakeholder feedback helps identify issues and opportunities that impact our business and stakeholders. The ESG Committee on the Board and other

relevant governance bodies periodically review these insights, addressing new and ongoing themes that are important to stakeholders.

The Company integrates stakeholder inputs around established frameworks like GRI, TCFD, UNGC, SBTi Tools and relevant laws cum regulations. This holistic approach helps determine the specific metrics and disclosures for measurement and public reporting in the TCFD Report.

As regards materiality, the Company's Sustainability Report FY 22-23 (Reporting tenure financial year 2022-23) defines it as a point at which ESG issues significantly affect operations, reputation and stakeholders, necessitating public reporting. The Company also complies with Indian stock exchange listing requirements and disclosure standards. The Sustainability Report FY 22-23 details the Company's approach in engaging with stakeholders, and materiality identification procedure (including the materiality matrix). The materiality matrix offers a detailed analysis of sustainability strategy and performance, providing a comprehensive overview of operations. This matrix highlights aspects critical for managing the organisation and stakeholder relevance. Through a careful evaluation, these

concerns have been ranked on a scale from 'very high' to 'moderate', factoring the perspectives of internal and external stakeholders.

From the maiden materiality matrix for FY 22-23, the Company revisited the material topics during the current reporting year and adopted the Corporate Sustainability Reporting Directive's double materiality assessment. This refers to companies reporting on sustainability that must consider the relevance of a sustainability matter from two perspectives. On one hand, organisations must have an impact on people and the environment (inside-out). On the other hand, sustainability-related developments and events create (new) risks and opportunities for organisations (outside-in).

From a broader perspective, double materiality ensures that sustainability reporting focuses on topics most relevant to the organisation and stakeholders. These material topics underpin (sustainable) strategy. A report and strategy based on material topics enhance transparency, contribute to better decision-making and ensure that time and resources are focused on topics that matter most to the organisation, stakeholders and society/planet.

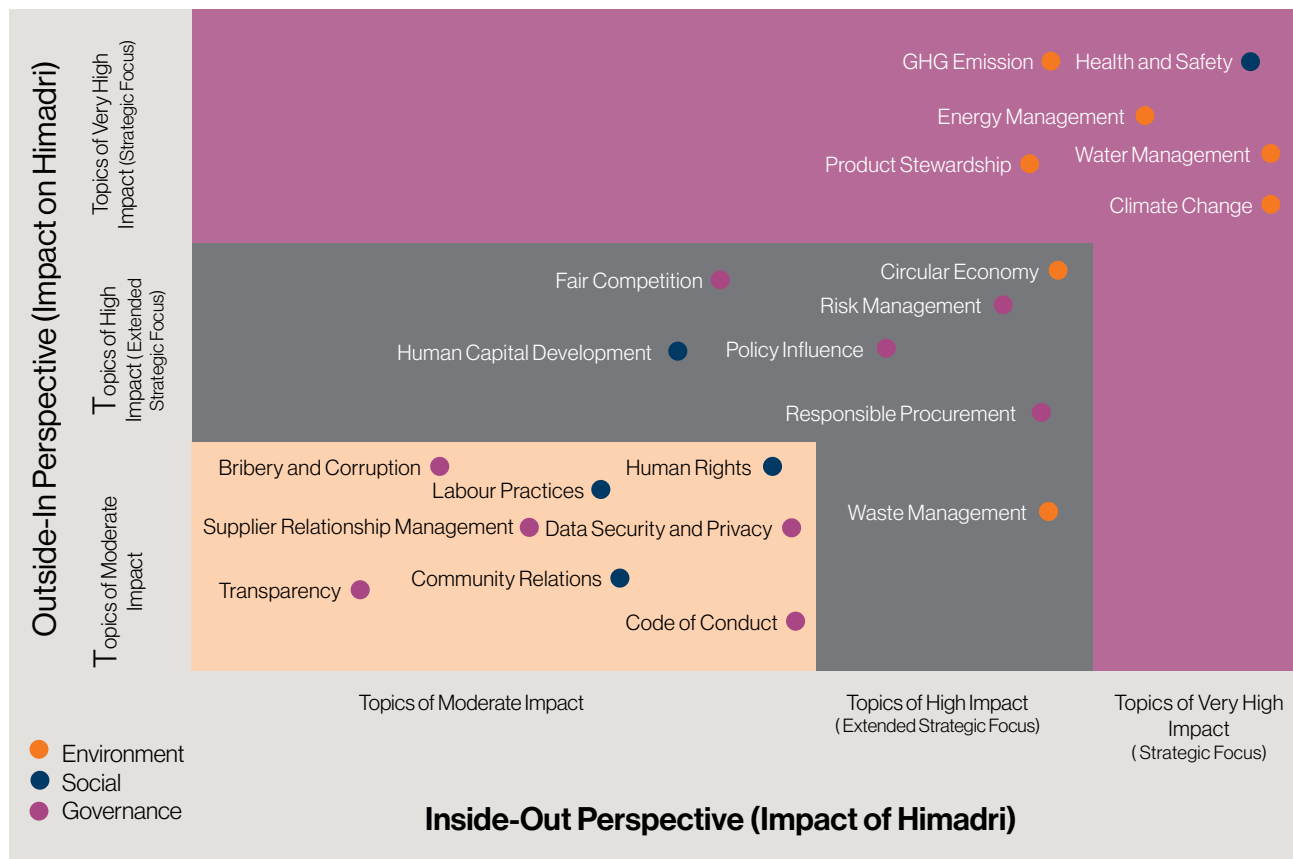


Figure 1: Double Materiality Assessment for Himadri

Recognizing the evolving priorities of stakeholders, Himadri remains committed to evaluating its reporting approach to ensure relevance. In line with this commitment, the process of evaluation and the impacts of the materiality topics are listed below:

Analysis of materiality topics	Identification of impacts (outside-in and inside-out perspective)	Assessment of significance of impacts	Topic prioritisation	Validation
· Purpose · Business model · Markets · Products · Strategy · Stakeholder groups · Value chain	Impact materiality How do we impact economy, environment, and society by business operation?	· Evaluation sheet based on impacts and frequency · Assessment of the evaluation	· Define materiality threshold · Topics prioritisation	· Validation of the material topics by internal and external experts and stakeholders · Approval by the executive board member responsible for sustainability
	Financial Materiality How do environment, and society aspects present risks and opportunities to our business operations?			



Material Topics

E	S	G
· Ghg emission · Energy management · Water management · Climate change · Product stewardship · Circular economy · Waste management	· Health and safety · Human capital development · Human rights · Community relations · Labor practices	· Risk management · Fair competition · Policy influence · Responsible procurement · Data security and privacy · Bribery and corruption · Supplier relationship management · Code of conduct · Transparency

The Company's materiality matrix paves a path to identify four key pillars of Himadri's sustainability endeavours. The Company tirelessly thrives to align its business operations for the betterment of these four pillars which encompasses well-being of 'Plant', 'People', 'Value Chain' and 'Sustainability Governance' in entirety.



Sustainability objectives

The Company integrated environmental stewardship and social responsibility across its financial, operational and technological frameworks. This has ensured that sustainability resides at the heart of all business aspects. By embedding these factors into strategic and operational planning, the Company navigates climate change challenges. The evaluation process spans a range of metrics, allowing it to assess current and future implications of climate-related risks, ensuring that the business remains resilient and future-proof.

In alignment with the net-zero emissions target, the Company has set measurable environmental goals to reduce carbon footprint and mitigate environment impact. These targets are integral to risk management, reflecting a comprehensive approach to climate-related risks. By monitoring and reducing emissions through innovative technologies, process optimisation and sustainable practices, the Company achieves sustainability objectives.

The Company's long-term commitment to reduce emissions extends beyond compliance; it strengthens business resilience in an evolving regulatory and environmental landscape. These efforts not only support ESG goals but also strengthen competitiveness and risk management. The approach ensures that the Company is positioned to seize green economy opportunities. In doing so, the Company reaffirms its dedication to achieve sustainable growth while addressing climate change challenges.

Sustainability objectives, FY 24-25

Objectives	Measures	Target FY 24-25	FY 23-24 Progress	Plan vs Progress	Main domain	UNGC-SDG
Vision Zero accident/incident	By 2025, Loss Time Injury Frequency Rate below 1 (vs 2021)	<1	1.18		People	 
Energy consumption	By 2025, reduce energy Intensity per metric ton of product sold (vs 2021)	-10%	-12.29%		Planet	 
CO2e emission intensity (Scope-1 & scope-2)	By 2025, reduce scope 1 and scope 2 CO2e emission intensity per metric ton of product sold (vs 2021)	-25%	-24.20%		Planet	  
CO2e emission intensity (Scope-3)	By 2025, reduce scope 3 CO2e emission intensity per metric ton of product sold (vs 2024)	-5%*	NA*	NA*	Planet	  
Zero liquid discharge	All plant must operate with ZLD status (vs 2021)	100%	100%		Planet	  
Solid waste	Reduce solid waste (hazardous and sent to landfill) per metric ton of product sold (vs 2021)	<1%	0.01%		Planet	 
Recycle materials	Increase the proportion of non-virgin raw material from external sources used in production to avoid depletion of natural resources (vs 2021)	>95%	98%		Planet	 
Gender diversity	Increase female representation in management team (vs 2021)	5%	4.5%		People	
Compliance training	Increase percentage of Targeted staff, who completed anti-bribery and corruption training (vs 2021)	>95%	99.8%		Governance/ Communities	
Value chain management	By 2023, conduct sustainability assessment of our value chain partners covering at least *70% of group spend (vs 2021)	85%	84% (against old target)		Communities	  
Carbon neutrality by product design	Introduce recycled raw material or bio sourced materials into product to reduce customer's carbon footprint - % RM in MT	0.1%	NA*	NA*	Planet	  

Behind Plan:  On Schedule:  Ahead of Schedule:  New Benchmark:  * New Objective

Himadri's Group Level Sustainability Objectives for FY 24-25.

Net zero roadmap: Himadri's commitment to global environment stewardship

Overview

The Company's strategy emphasises a reduction in energy intensity for Scope 1 and Scope 2 emissions, with the goal of setting an industry benchmark. It initiated the creation of an inventory

for Scope 3 activities, identifying and accounting for relevant categories. Looking ahead, the Company is considering initiatives to reduce Scope 3 emissions, emphasizing its commitment to sustainability.

To achieve net-zero, the Company identified three key areas aligned with the global SBTi standard, classifying its journey across short-term, mid-term and long-term targets - a comprehensive and phased sustainability plan.

Short-term



The Company aims to achieve climate change resilience by incorporating diverse fuels and minimizing energy consumption. These are expected to reduce carbon footprint at the corporate and product levels. The Company is exploring product end-of-life recycling initiatives and is committed to reduce emissions across the value chain.

The Company implemented a comprehensive sustainable procurement policy. During the reporting year, it launched an outreach programme for value chain partners to assess their alignment with our sustainability journey.

Governance and initiatives

- Draft a climate resilience response strategy addressing identified climate risks.
- Develop mandatory mitigation assessment guidelines for all new projects, mergers and acquisitions, including requirements to increase energy efficiency and utilise diverse fuel sources.
- Integrate decarbonization goals into the annual business planning process.
- Embed climate KPIs into performance appraisal metrics for executives and managers.
- Develop a supplier engagement programme to strengthen climate action across the value chain.
- Engage with community members to build climate resilience programmes and integrate climate adaptation into existing CSR initiatives based on identified risks.
- Initiate a carbon capture pilot project.
- Increase renewable energy consumption wherever feasible.
- Adopt a circular economy approach through recycling initiatives.
- Reduce upstream and downstream emissions.

Risk management

- Adapt existing enterprise-level and other risk management processes to account for losses and projected damages from climate-related events.
- Apply the same quality assurance and compliance approaches to climate-related information as used for finance, management and governance disclosures.
- Initiate a programme to develop a sustainable packaging solution aimed at eliminating virgin plastic from its value chain.
- Reduce upstream and downstream transportation emissions.
- Help reduce customer carbon footprint by developing and offering innovative products.
- Initiate science-based offset projects.
- Integrate ESG KPIs into supplier assessments.

Targets and metrics

- Define a framework to consolidate business unit-level targets and achievements, aligning and tracking progress against group-level targets.
- Achieve net zero by 2050, with a 30% absolute reduction in Scope 1 emissions by 2030.
- Achieve a 20% absolute reduction in Scope 3 emissions by 2030.
- Strengthen Scope 3 accounting and identify emission hotspots within the value chain.
- Establish specific, annualised targets for energy efficiency, water conservation and waste reduction.
- Ensure that value chain partners align efforts with group-level targets.
- Integrate renewable energy sources into operations, ensuring incremental year-on-year increases in consumption.

Medium-term



The Company is accelerating green initiatives to reduce its carbon footprint. In the pursuit of net-zero emissions, it plans to integrate feasible and sustainable next-generation fuels into operations, adopting innovative energy solutions that reflect a commitment to environmental stewardship.

As part of its corporate strategy, the Company set an ambitious goal to electrify its entire operation. This transition to electric power is intended to significantly reduce its reliance on fossil fuels, moderating greenhouse gas emissions. By leveraging advanced technologies and renewable energy, it aims to make operations efficient and eco-friendly.

In this phase, the Company will emphasise emissions reduction across the value chain. It recognises that sustainability must extend beyond its operations to include its suppliers and partners as well. To this end, the Company is implementing comprehensive measures to assess and mitigate value chain emissions, ensuring that each link in its supply chain aligns with environmental goals. Through collaboration and innovation, the Company aims to set a new sectorial standard for sustainability.

Governance and initiatives

- Identify and pilot green business opportunities, including energy storage technologies, low-carbon footprint grades of carbon black and coal tar pitch
- Identify specific areas for policy advocacy, such as policies aimed at mitigating technological and contractual barriers to moving away from coal and addressing infrastructural bottlenecks for cleaner fuel use.
- Identify opportunities arising from the implementation of carbon taxes in operations.
- Develop a climate-resilient infrastructure.

Risk management

- Develop business unit-level adaptation plans based on identified climate risks and techno-feasibility assessments.
- Engage with key external stakeholders along the supply chain to manage risks.
- Collaborate with critical suppliers of goods and services who face high physical and transition risks to mitigate these risks.
- Assess and quantify the impact of losing critical suppliers in the event of climate disasters or low-carbon transitions.
- Develop products aligned with a low-carbon economy.
- Integrate carbon removal projects within our operations.
- Achieve 100% electrification across our operations.
- Adopt science-based and effective offset projects.

Targets and metrics

- Absolute contraction of Scope 1 emissions by 30%.
- Absolute reduction of Scope 3 emissions by 40%.
- Ensure 50% consumption of recycled raw materials.
- Reduction of freight emissions by 50%
- Elimination of virgin plastic from packaging by 100%.
- Identify key suppliers and customers to collaborate with in reducing their Scope 1 and 2 emissions, aligning with Himadri's Scope 3 target.
- Encourage suppliers and/ or customers to adopt science-based emission reduction targets.
- Assess the relevance of CSR programmes to climate change by conducting business unit-specific studies on how effectively these programmes address identified climate change risks and vulnerabilities.

Long-term



The Company remains committed to scale proven technologies and position itself as a future-ready Company. In this phase, it will integrate next-generation technologies across operations, ensuring that it stays at the forefront of innovation and sustainability.

By embracing advanced technologies, the Company aims to enhance operational efficiency, reduce environmental impact and drive sustainable growth. This includes the adoption of cutting-edge digital tools, automation and smart systems to optimise processes and improve productivity. Additionally, the Company will incorporate renewable geothermal energy solutions and energy-efficient technologies to reduce carbon footprint. This comprehensive approach will ensure that operations are not only more sustainable but also resilient to new challenges.

The Company's commitment to integrate next-generation technologies reflects a dedication to continuous improvement and a proactive stance on global environmental and technological trends. In doing so, the Company aims to create long-term stakeholder value and deepen competitiveness.

Governance and initiatives

- Update the Net Zero plan, taking into consideration new regulatory, market requirements and achievements with short to medium-term targets.
- Develop and implement a Just Transition plan.
- Scale the use of renewable fuels and energy for transportation.
- Initiate the consumption of renewable geo-thermal energy.
- Integrate carbon capture across all business units.

Risk management

- Consider insurance or additional climate fund (enhanced ICP) for emergency purposes.
- Implement measures to reduce an exposure to physical climate risks.
- Strategise a Just Transition plan.

Targets and metrics

- Revise the climate budget
- Absolute Scope 1 reduction by 30%.
- Absolute Scope 3 reduction by 30%.
- Set up specific targets on use of clean technologies.

In this climate strategy, the Company developed a comprehensive approach that encompasses the organisation. This strategy is aimed at achieving net-zero goals and addressing risks associated with climate change, including physical impacts and transitional challenges.

The climate strategy comprises a detailed plan outlining the specific steps required for effective implementation. It emphasises the alignment of a financial capital allocation framework and social values with the overarching goal of achieving net-zero emissions (in accordance with the target of limiting global temperature rise to 1.5 degrees Celsius). This involves not only

addressing climate change but also supporting strong relationships with local, regional and global stakeholders.

Beyond primary de-carbonization strategies, the Company is actively monitoring emerging technologies that could accelerate a progress towards net-zero. While some technologies may still not be feasible from a technical or commercial standpoint, the Company is collaborating with industry partners and technology providers to support their development. This approach ensures that the Company is ready to deploy these technologies as soon as they become viable, protecting its position at the forefront of innovation and sustainability.

NET
ZERO

2050

Himadri's road map: Net Zero target by 2050

Achieve

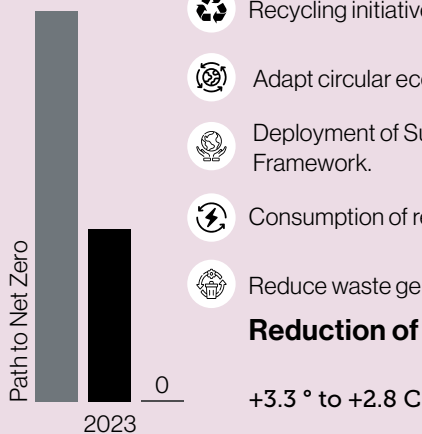
(2023 to 2030)

-  Reduce packaging emission.
-  Reduction of upstream and downstream emission
-  Lowering customer's carbon footprint by novel products.
-  Science based off-set, pilot projects.
-  Focus on adding renewable energy source
-  Deployment of Sustainable Procurement Framework

Reduction of Scope 3 by 20%

-  Introduction of fuel diversification/greener technologies
-  Capture and convert carbon emissions
-  Recycling initiatives
-  Adapt circular economy products.
-  Deployment of Sustainable Procurement Framework.
-  Consumption of renewable energy
-  Reduce waste generated

Reduction of Scope 1 by 30 %



Scope 1, 2 and 3 targets include science based projects aligning SBTi tools and MIT-SLOAN En-roads climate simulator.

SBTi – Absolute Contraction Approach has been applied to freeze the target against the timeline.

Accelerate

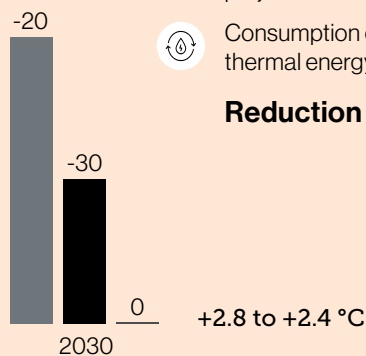
(2030 to 2040)

-  Elimination of virgin plastic in packaging by 100%
-  Reduction of freight emission by 50%
-  Science based off-set, Broadening horizon of successful pilot projects.
-  Reinforcing sustainable procurement framework to make it more effective and efficient.

Reduction of Scope 3 by 40%

-  Consumption of new generations/ carbon neutral fuel.
-  100% electrification of our operations
-  Consumption of recycled RM by 50%.
-  Carbon removal projects
-  Consumption of renewable thermal energy

Reduction of Scope 1 by 30%



+2.8 to +2.4 °C

Scale (2040 to 2050)

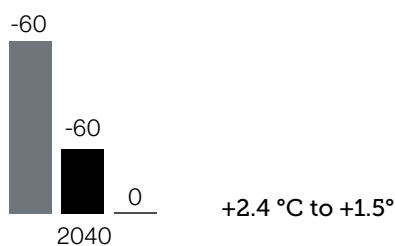
Assumption: India will be regulated carbon market with high tax imposed on conventional fuel and PLI for clean fuel and technologies

-  Scale successful science based offset projects.
-  Zero Tolerance on Sustainable Procurement framework and Collaboration with value chain partners.

Reduction of Scope 3 by 30%

-  Scale carbon capture and utilisation
-  Scale renewable thermal energy consumption
-  Scale usage of owned recycled plastics as packaging material
-  Scale recycled and upcycled raw material input
-  Scale usage of renewable fuels and energy for transportation

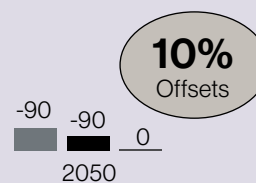
Reduction of Scope 1 by 30%

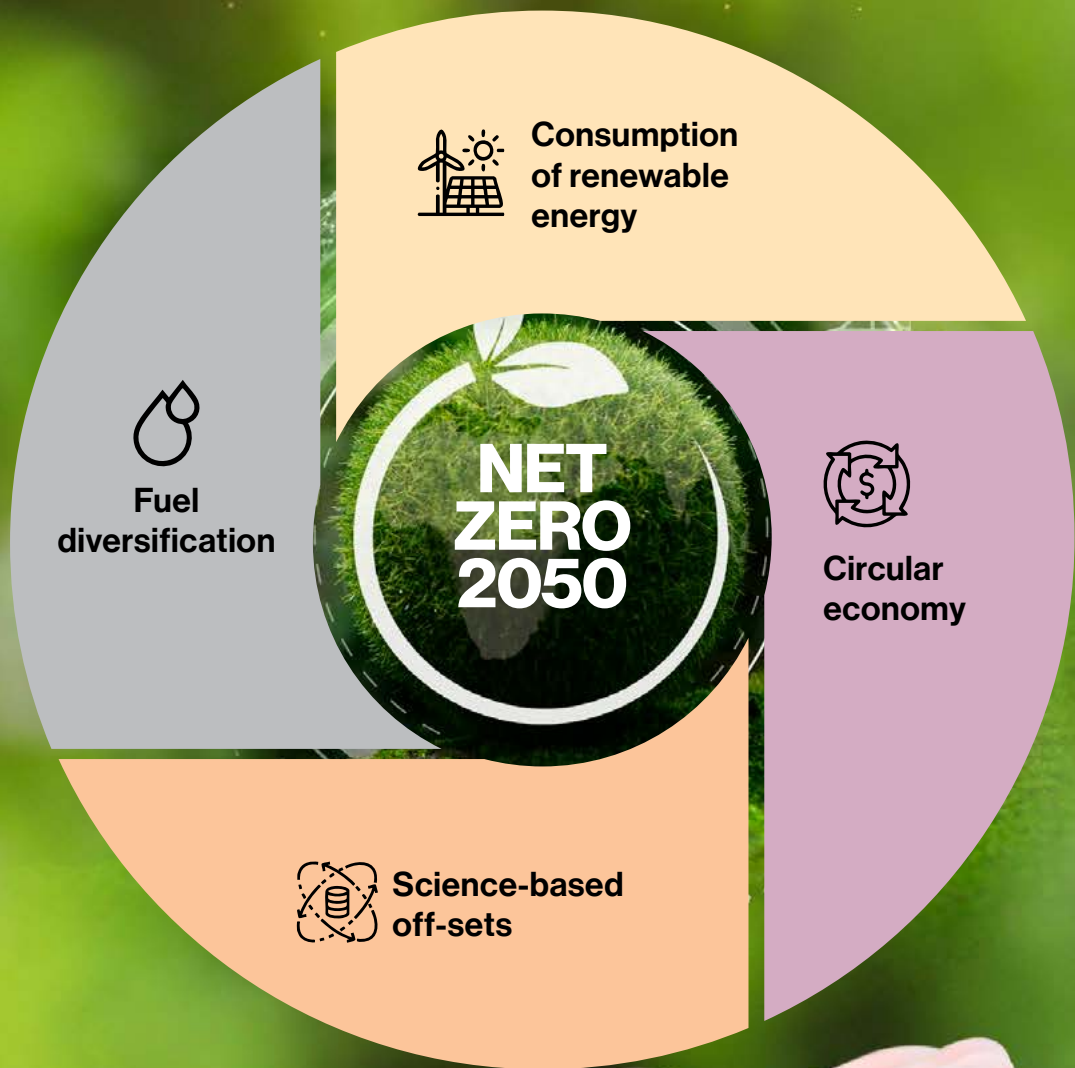


Our ambition



-  Scope 3 – Baseline Year 2023 (FY 23-24)
-  Scope 1 – Baseline Year 2021 (FY 21-22)
-  Scope 2 = 0, Baseline Year 2021 (FY 21-22)





Global sustainability alliance: A collaborative approach

Himadri's commitment to sustainability is showcased in its alignment with the United Nations Global Compact (UNGC) and the United Nations Sustainable Development Goals (UNSDGs).

These global frameworks guide our sustainability journey, ensuring that all of our growth is responsible, ethical and inclusive.

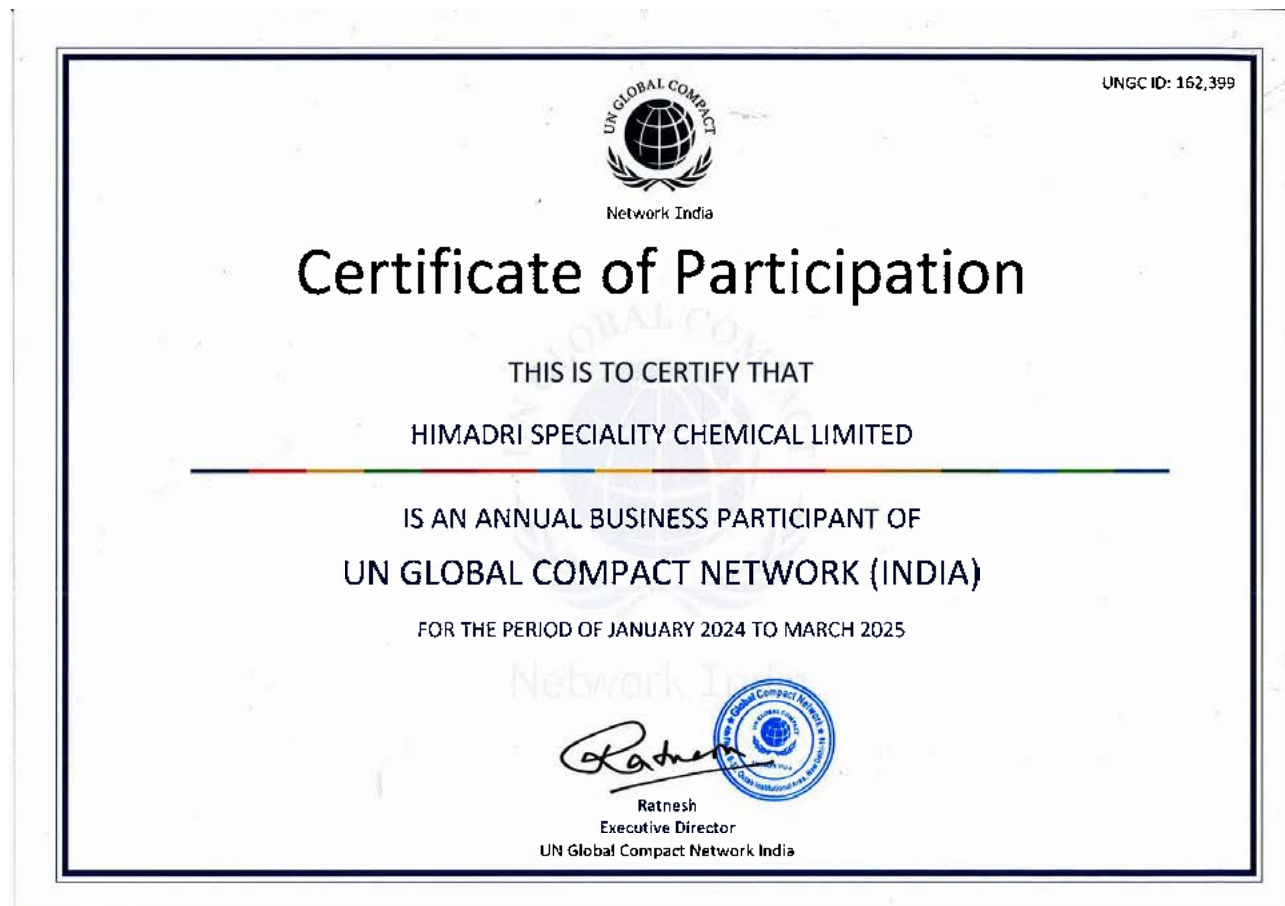
Commitment to the UN Global Compact (UNGC)

In 2024, the Company became a signatory of the United Nations Global Compact (UNGC), committing to its 10 principles that prioritise human rights, labour standards, environmental sustainability and anti-corruption. This alignment has

underlined the Company's dedication to embed responsible practices, promoting integrity, transparency and accountability.

The UNGC alignment empowers the Company to engage with a global network of businesses, governments

and civil society organisations. In turn, this creates onward opportunities for collaboration, innovation and joint development. The UNGC alignment helps build a foundation for future-ready practices, prioritizing resilience and value creation.



Alignment with the UN Sustainable Development Goals (UNSDGs)

The UN Sustainable Development Goals (UNSDGs) comprise a comprehensive addressal framework to some of the world's pressing challenges - climate

change, inequality and environmental degradation. The Company is aligned completely with these goals. It has embedded them into its strategy and operations.

The Company's approach to sustainability addresses the following areas:

Good health and well-being (SDG 3):

The Company integrates health-focused strategies across its operations. This comprises workplace safety through rigorous health protocols and CSR initiatives that widen healthcare access in underserved regions. The Company promotes workforce and community health through wellness programmes and partnerships.

Quality education (SDG 4): Himadri is actively advancing SDG 4 – Quality Education through its CSR initiatives by promoting STEM education, with a particular focus on empowering girl children. By fostering access to high-quality learning opportunities, Himadri is paving the way for a brighter future, equipping students with future-ready skills, and integrating principles of diversity, equity, and inclusion. This initiative not only strengthens the education system but also contributes to economic growth by preparing a skilled and diverse workforce for tomorrow's challenges.

Gender equality (SDG 5): The Company emphasises an inclusive work environment marked by equal opportunities for genders. It is committed to reduce gender disparity in its workforce, encouraging women's participation across roles and leadership positions. Through such policies and strategic partnership with the Global DEI Alliance, it champions equal pay, women's career development and an equitable workplace.

Clean water and sanitation (SDG 6): The Company implements efficient water management practices, including water conservation and recycling. The pursuit of water positivity through a zero liquid discharge (ZLD) process helps moderate environment impact and enhancing water resource sustainability.

Clean and affordable energy (SDG 7): By converting waste gases from its

carbon black manufacturing process into energy, the Company contributes to clean energy solutions, reducing a reliance on fossil fuels and lowering greenhouse gas emissions.

Decent work and economic growth (SDG 8):

The Company is committed to safe and fair working conditions for employees while driving innovation and sustainable economic growth across its area of operations.

Industry, innovation and infrastructure (SDG 9): Research and Development forms the cornerstone of Himadri's enduring legacy, driving innovation and progress across all facets of the organization. From pioneering the upcycling of industrial by-products through cutting-edge processes to integrating nanotechnology into future-ready product offerings, R&D is deeply embedded in our ethos. Himadri is steadfastly investing in advanced technologies to meet the challenges of tomorrow, ensuring solutions that are both impactful and sustainable. By harmonizing customer-focused quality research with a comprehensive analysis of our products' environmental lifecycle, Himadri actively contributes to SDG 9—fostering innovation, sustainable industrial growth, and resilient infrastructure.

Reduced inequalities (SDG 10):

The Company promotes inclusive growth, ensuring equal opportunities for all, regardless of their respective backgrounds. Through fair employment practices, market-standard wages, diversity initiatives and equal opportunity policies, the Company seeks to reduce income and gender disparities. Community engagement programmes provide support and resources to marginalised groups.

Sustainable cities and communities (SDG 11): Himadri is dedicated to strengthening communities through

inclusive and impactful CSR initiatives, with a special focus on empowering marginalized and vulnerable groups. From delivering clean and hygienic sanitation facilities to constructing a state-of-the-art hospital, our efforts demonstrate unwavering commitment to enhancing the quality of life. Additionally, our innovative product portfolio provides essential solutions for a sustainable, low-carbon future, driving our contribution to SDG 11—promoting sustainable cities and communities for generations to come.

Responsible consumption and production (SDG 12): The Company minimises resource use and environmental impact. In FY 23-24, it recycled 98% of its waste.

Climate action (SDG 13): The Company is progressing toward its Net Zero carbon target by 2050, with goals for emissions reduction and energy efficiency. Its participation in the Taskforce on Climate-related Financial Disclosures (TCFD) and Carbon Disclosure Project (CDP) highlights its commitment to manage climate-related risks and explore environmental stewardship opportunities.

Peace, justice and strong institutions (SDG 16): The Company facilitates transparency, ethical practices and robust corporate governance. It upholds legal compliance, promotes anti-corruption measures and respects human rights across operations and supply chain.

Partnership for goals (SDG 17): The Company collaborates with industry partners, stakeholders and local communities, a multi-stakeholder engagement that enhances sustainability practices, innovation as well as environmental and social impact goals.



Commitment to Net-Zero target with Science-Based Target Initiative (SBTi)



Himadri is committed to advance climate action through its alignment with the Science-Based Targets initiative (SBTi). This reflects the Company's proactive

approach to setting ambitious, science-driven targets that support global efforts to limit temperature rise and combat climate change.

Through science-based targets, the Company seeks to ensure that its greenhouse gas reduction strategies are enduring, measurable and relevant to the global climate agenda. This commitment involves a rigorous analysis

and integration of cutting-edge scientific research into sustainability practices.

In doing so, the Company not only enhances operational efficiency and reduces its carbon footprint but also inspires positive sectorial change. The Company's leadership in setting (and achieving) science-based targets has deepened its dedication to environmental stewardship and resilience.

Commitment to Global DEI Alliance (GDEIA)

Himadri is aligned with the Global Diversity, Equity and Inclusion (DEI) Alliance. This commitment has strengthened the organisational framework and helped build a work environment that embraces individuals of all backgrounds, identities and experiences.

The Company recognises that diversity and inclusivity are not just social responsibilities but also business imperatives. By aligning with the Global DEI Alliance, it is embedding the principles of Diversity, Equity and Inclusion into operations – from recruitment and workforce development to leadership, collaboration and

innovation. The result is a workplace where every individual feels valued, empowered and supported to achieve full potential. Besides, the Company's DEI initiatives address systemic inequities and enhance diversity, driving better decision-making, innovation and performance.

Impact of DEI on organisational growth



Diverse perspectives for innovative solutions: The Company's alignment with the Global DEI Alliance provides valuable resources and insights to embrace diverse perspectives. By creating a culture that encourages collaboration across demographics, the Company enhances its capacity to innovate and develop cutting-edge solutions.

Equity in opportunity: The Company is committed to provide equitable opportunities for all employees, regardless of their gender, race, ethnicity, and background. Efforts to eliminate biases in hiring, promotion and training

processes ensure an equal opportunity for each to contribute and succeed.

Inclusive workplace culture: The Company has built an inclusive culture where employees feel heard and respected. This approach leads to higher employee engagement, satisfaction and retention.

Himadri's commitment to Diversity, Equity and Inclusion (DEI) is linked to its broader Environmental, Social and Governance (ESG) goals. Creating an inclusive workplace goes hand-in-hand with environmental and governance initiatives, ensuring that its sustainability journey remains holistic and people-centric. By embedding DEI into its ESG framework, it is setting a new standard for responsible business practices benefiting people and the planet.

This Global DEI Alliance will help advance Himadri's commitment to

a diverse, equitable and inclusive workplace. This partnership will empower Himadri to enrich its organisational culture, promote inclusivity at every level and reinforce its role as a leader in responsible business practices.

By prioritizing diversity, equity and inclusion, Himadri aims to create lasting stakeholder value. This alignment not only strengthens internal operations but also reflects the Company's commitment to make a positive impact on communities and downstream industries.

Himadri's DEI journey is a testament to its conviction that sustainable growth and inclusive business practices are interconnected, catalysing the development of a future-focused organisation that makes the world a better place.

Furthering "Vision Zero accident" vision in collaboration with British Safety Council



Himadri's engagement with British Safety Council helps advance workplace health and safety. The esteemed British Safety Council provides training, certifications and audits to strengthen health and safety protocols.

Himadri's partnership with British Safety Council offers the following advantages:

International standards: Benchmarked health and safety practices against globally recognised standards and safety regulations.

Accredited training: Specialised training for employees and management, creating a safety-first culture.

Third-party audits: Independent safety audits, identifying improvement area and driving occupational safety.

Accident prevention: Access to cutting-edge research, tools and best practices.

Enhanced reputation: Deeper safety respect, enhancing stakeholder respect and trust.

Alignment with Responsible Care



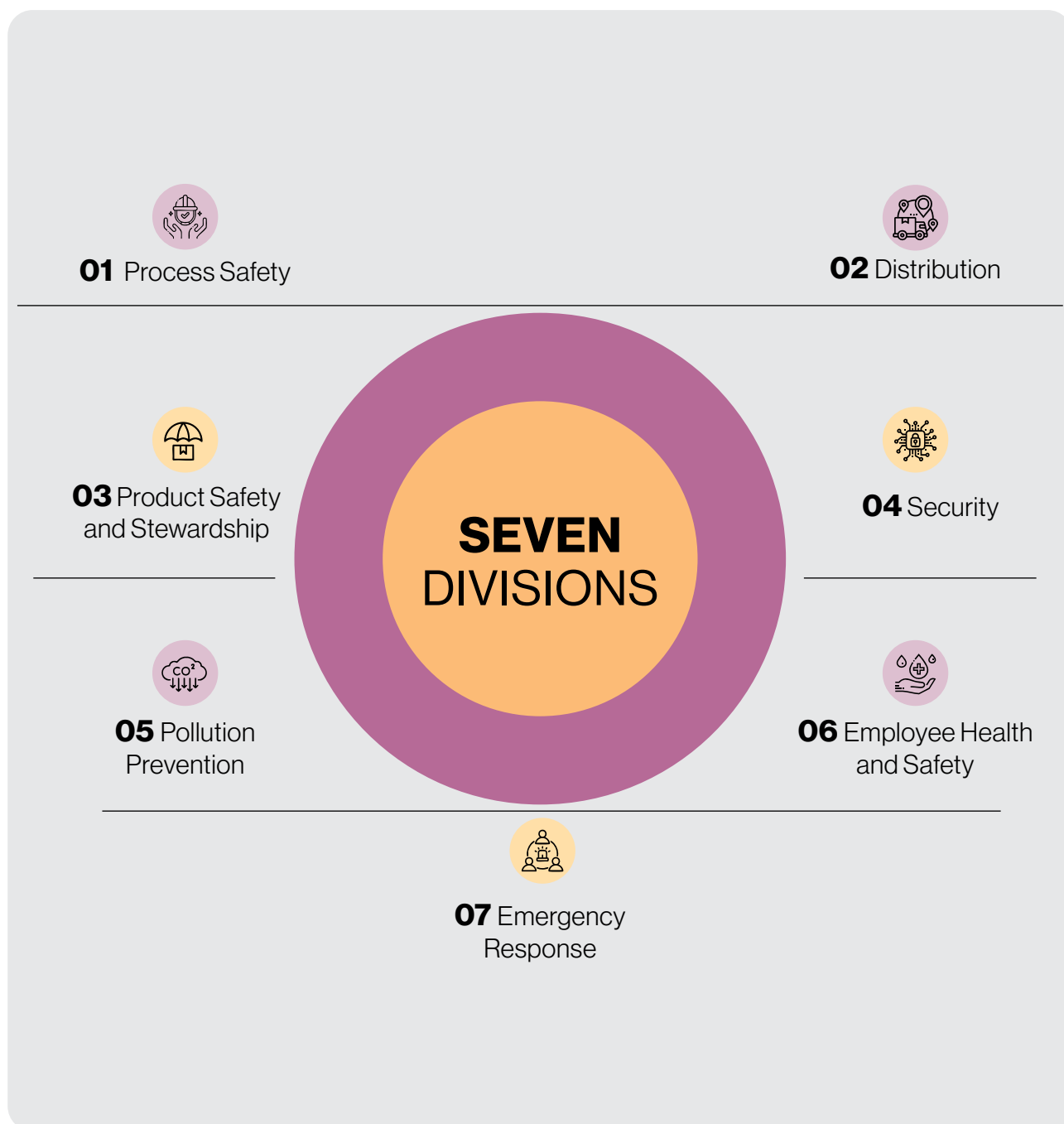
Himadri Speciality Chemical Limited is aligned with the International Council of Chemical Associations' (ICCA) global agenda through the Responsible Care® initiative, supported by the Indian Chemical Council, its Indian counterpart. Responsible Care® represents a global commitment by the chemical industry to

continuously improve and transparently communicate its performance in these critical areas. This underlines the Company's commitment to the highest standards of safety, health and environmental performance.

By integrating the seven Responsible Care® principles, Himadri ensures not only regulatory compliance but also surpasses them through proactive measures and innovative practices. As a new signatory to Responsible Care®, the Company is currently in the process of implementing follow-up activities.

Himadri's commitment is evident in rigorous safety protocols, stringent environmental safeguards and robust community engagement. The Company is committed to promote a culture of responsibility and excellence across its business.

Himadri's Responsible Care® commitment highlights its commitment to operational efficiency, employee and community well-being and resilience, underlining responsible corporate citizenship.



Himadri's strategic engagement with trade associations and public advocacy

Himadri's engagement with key trade and commerce associations have helped extend sustainability advocacy beyond operations. This engagement enables impactful advocacy, empowering the Company to influence policy, share best practices and strengthen industry relationships. The relevant platforms comprise Chemicals

& Petrochemicals Manufacturers' Association and the Asia Pacific Carbon Black Association.

Key benefits

Influence policy: The memberships help shape industry standards and advocate sustainable regulatory policies.

Public advocacy: This helps to raise awareness and drive the sustainability agenda.

Knowledge sharing: This facilitates the exchange of innovative practices; it addresses industry challenges through sustainability enhancements across the sector.

Through these engagements, Himadri advances its sustainability goals and contributes to broader sustainable development, embodying the spirit of BRSR (Business Responsibility and Sustainability Report) Principle 7.

Name of the trade and industry chambers/ association	Reach of trade and industry chambers/ associations (State/National)
Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)	National
Bharat Chamber of Commerce	
Federation of Indian Chambers of Commerce and Industry (FICCI)	
Confederation of Indian Industry (CII)	
Carbon Black Manufacturers Association	
The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	
All India Rubber Industries Association	State
Hooghly Chamber of Commerce & Industry	
International Tar Association	
	International



Himadri: Robust governance. Driving a sustainability culture

Overview

In line with 'Together, Towards Tomorrow' commitment, Himadri prioritises corporate governance.

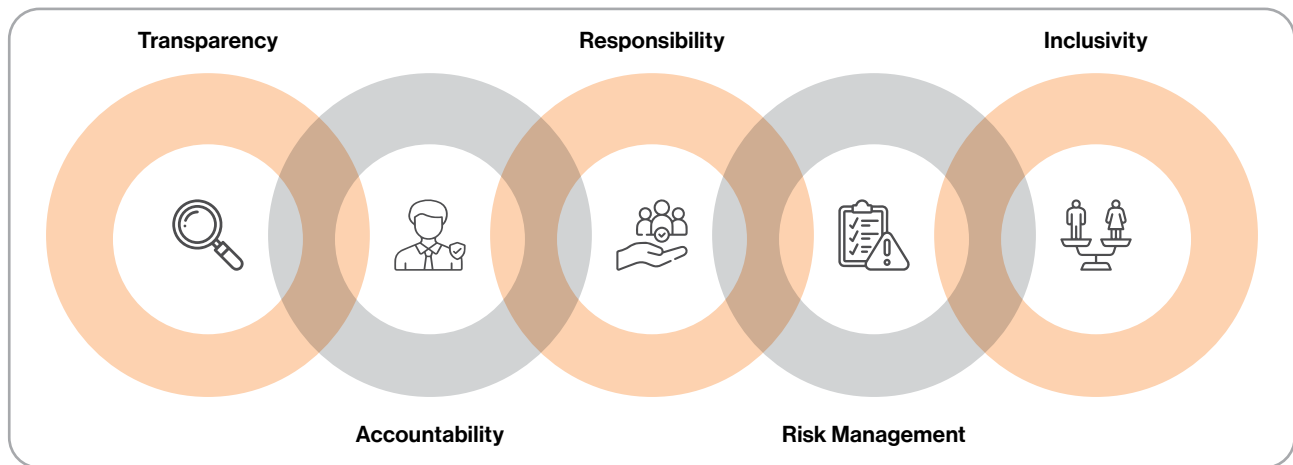
Governance catalyses transparent, fair, prompt and decisive decision-making. It incorporates all stakeholder perspectives; it ensures timely responses to the increasingly

diverse, complex and unpredictable environmental changes. This approach reconciles societal contribution with corporate profitability. The Company's robust management structures and internal controls have enhanced the prompt addressing of measures and accountability.

Himadri engages in meaningful stakeholder dialogue, which allows

for a regular review of its governance leading to high standards of integrity, commitment, passion, seamlessness and speed.

Himadri's Board - Executive and Independent Directors - provides a comprehensive guidance on all aspects of operations, ensuring that resource utilisation is sustainable and aligned with the Company's ideals.



Vision-Mission-Purpose of Himadri

Himadri's priorities include employee empowerment, integrity and safety. The Company endeavours to sustain a diverse, dynamic and transparent work environment. It established principles, policies, procedures, responsibilities and accountabilities.

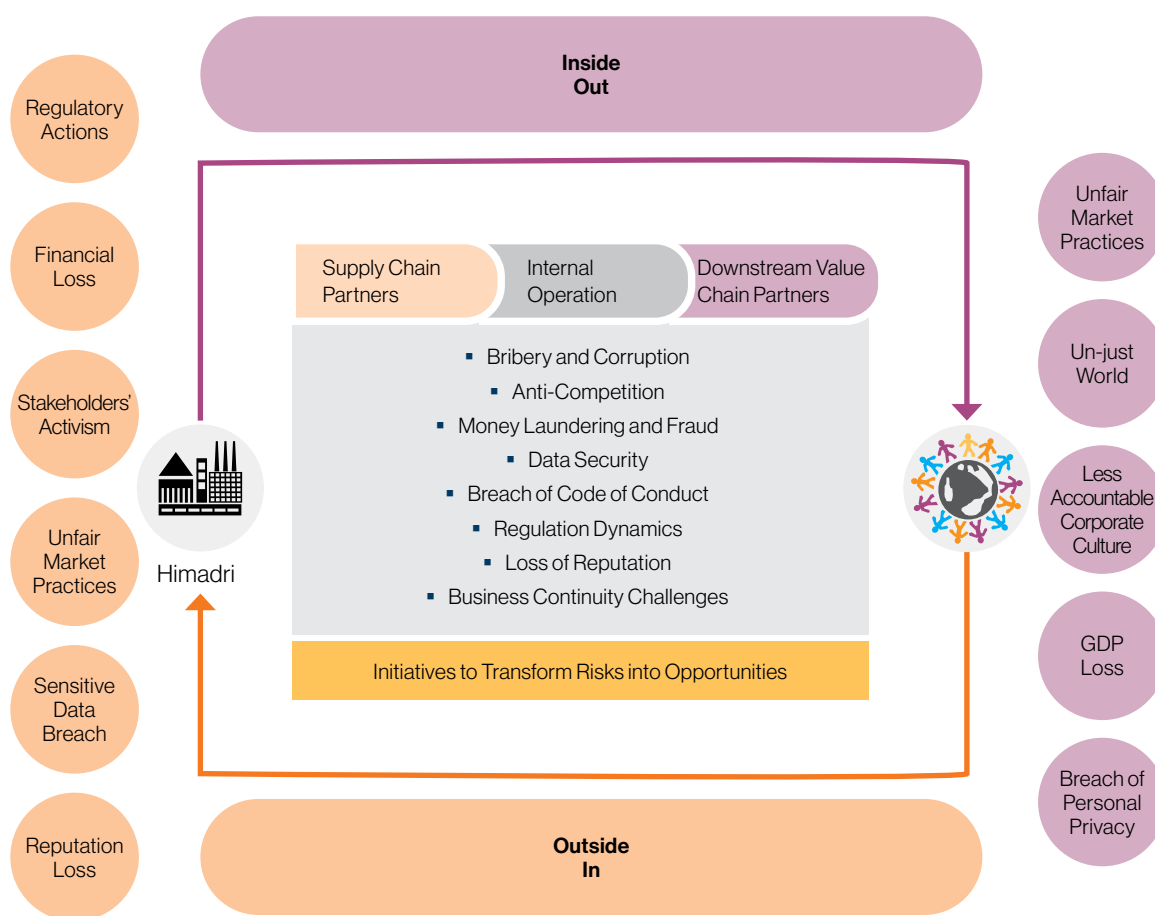
This responsible governance provides the necessary oversight and accountability, strengthens relationships (internal and external), builds trust and supports long-term sustainability. It ensures a compliance with relevant rules and regulations. The Chairman and Managing Director lead the management team, which is responsible for achieving Board targets.

Himadri's governance has enhanced its goodwill. This has empowered the Company to attract and retain financial capital, deepen talent, strengthen stakeholder relationships and execute high-impact social initiatives.

During the reporting year, the corporate risk management team conducted a comprehensive risk identification process (as directed by the Board). Although the Risk Management Committee is expected to take the lead in this effort, cross-committee and common risks are being addressed in collaboration with other committees mandated by the Board. Besides, Himadri incorporated sustainability-related risks, including responses to

non-conformities, reputational risks and actions that could affect the Company's brand. The risks are outlined below:

This responsible governance provides the necessary oversight and accountability, strengthens relationships (internal and external), builds trust and supports long-term sustainability. It ensures a compliance with relevant rules and regulations. The Chairman and Managing Director lead the management team, which is responsible for achieving Board targets.



Himadri's governance risk management

Himadri's governance risk management employs decentralised controls to capture granular risks (including physical and transition risks). Executives are appointed at the operating business and group levels to ensure comprehensive risk management.

At the group level, risk registers are aggregated to identify material risks across three factors: frequency, potential magnitude and impact. The established risk management system monitors quantifiable and non-quantifiable risks for the prevailing year and the mid-term period. Risk reporting serves as the starting point and outcome of Himadri's continuous risk management.

Risk coordinators ensure that risks are reported by respective business units (identification). The risk assessment process uses clear and uniform criteria for classification and prioritisation. The measures selected and implemented to manage risks, are designed to limit the potential damage caused by the risk factors and/or reduce their probability of occurrence (controlling). Progress and other emerging risks are tracked (monitoring). Monitoring is discontinued only when a risk becomes obsolete or insignificant.

All business units update opportunities and risk reports biannually. Ad-hoc risks are reported immediately, even outside the defined reporting intervals (reporting).



Implemented risk-opportunity identification and management process

Addressing corporate governance risks and capturing opportunities through strategic deployment of policies and subsequent actions are inherent to Himadri's philosophy. Therefore, we have developed comprehensive policies to answer every key governance element relevant to speciality chemical sector aligning the global and national goals. Himadri's governance policies are detailed below:

Anti-bribery and Corruption Policy:

This policy demonstrates Himadri's commitment to maintain the highest ethical standards by prohibiting any form of bribery or corrupt practices. It establishes procedures to prevent unethical behaviour, mandates employee training and promotes transparency in business dealings (in alignment with UNGC principles).

Fair Competition Policy: Himadri's fair competition policy ensures a compliance with anti-trust laws and promotes fair trade practices. The measures prevent anti-competitive behaviour, safeguard market integrity and provide a level playing field for all participants. Employees are trained to recognise and avoid practices like price-fixing or monopolistic behaviour.

Information Security and Data

Management Policy: This policy focuses on protecting sensitive information from unauthorised access, disclosure, or breaches. It outlines the framework for ensuring compliance with data protection regulations, implementing robust cybersecurity measures and securing personal data, especially in the digital age. The policy includes protocols for regular security audits and employee awareness programmes on data privacy.

Archival Policy: This policy defines guidelines for the systematic preservation and disposal of records and documents, ensuring a compliance with legal requirements. It provides a framework for retaining records in a secure manner, outlines the duration for which records must be kept and specifies procedures for safe archival and destruction.

Board Diversity Policy: This policy promotes diversity at the Board level, emphasizing gender, experience and expertise. It ensures that the Board represents a variety of perspectives, encouraging more robust decision-making. The policy implements practices that encourage a balanced

and inclusive representation of individuals with different backgrounds and qualifications.

Business Continuity Policy: The policy ensures that the Company maintains critical operations during and after disruptions (natural disasters or unforeseen crises). This includes risk assessment, contingency plans and communication channels to mitigate business risks.

Dividend Distribution Policy: This policy provides clarity on the distribution of dividends to shareholders. It sets out a financial criteria for declaring dividends, balancing profit distribution with corporate growth and future needs.

Material Subsidiary Policy: This policy outlines the framework for governance and oversight of its subsidiaries. It ensures that subsidiaries operate with the same ethical standards and compliance guidelines as the parent Company. The policy includes regular reporting, financial audits and reviews to ensure transparency and alignment with the Company's objectives.

Nomination and Remuneration

Policy: This policy governs the nomination of Board members and senior management, as well as their remuneration. It ensures that appointments are made based on merit, experience and expertise and that compensation is fair, transparent and aligned with industry standards. The policy supports talent retention and ensures competitive rewards.

Related Party Transaction Policy:

This policy ensures transparency and fairness in dealings with related entities, preventing conflicts of interest. It outlines the approval process for such transactions, ensuring that they are conducted at an arm's length and are in the best interests of the Company and stakeholders.

Stakeholder Engagement Policy:

This policy helps the Company engage with key stakeholders (shareholders,

employees, suppliers and community). It ensures that their interests are considered in the Company's decision-making and promotes a continuous dialogue.

Whistle-blower Policy: This policy encourages employees and stakeholders to report unethical practices or violations of Company policies without a fear of retaliation. It provides a confidential platform for reporting concerns and ensures that all complaints are thoroughly investigated and resolved.

Gift and Hospitality Policy: This policy has set guidelines for giving and receiving gifts or hospitality, avoid conflicts of interest and maintain integrity in business relationships. It requires employees to seek prior approval for gifts or hospitality above a specified value and mandates transparent documentation. The policy prohibits any exchange that could appear to influence business decisions, ensuring that all actions align with the core values of fairness, honesty and compliance.

Public Advocacy Policy: This policy guides the Company's involvement in public policy and advocacy. It emphasises transparency, integrity and alignment with the Company's mission and values. The policy governs participation in lobbying, membership in trade associations and engagement in public forums, ensuring that all advocacy activities support sustainable and responsible business practices.

Prevention of Fraud and Money

Laundering Policy: This policy incorporated ISO management systems to ensure a seamless implementation and monitoring of policies and frameworks. These systems help integrate progressive strategies throughout the process. These systems applied across manufacturing plants and corporate offices drive efficiency while reinforcing sustainability, compliance and excellence.



Management System	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office*
ISO 37001:2016	✓	✓	✓	✓	✓	✓	✓
ISO 27001:2022	✓	✓	✓	✓	✓	✓	✓

*Our corporate office is in leased commercial property and the premise is shared by multiple organisations.

Himadri prioritises the role of governance in systems and operations, deepening its sustainability as a speciality chemicals Company. The Company's ESG governance is overseen by the Board-Level Committee, led by the Chairman and Managing Director and CEO. Short-term

and long-term objectives have resulted in an organisation-wide framework, planning and execution leading to outperformance. This is managed by the ESG Council and business division-level Steering Committees, with the support of objective-specific task force deployments. This governance

structure ensures long-term value creation for customers, society and other stakeholders, while aligning with Nationally Determined Contributions and global benchmarks like UNGC and UNSDGs. This facilitates responsible decision-making and timely activity implementation.

Governance structure and Board's responsibilities

Himadri's leadership and practices have helped build a diverse, capable and experienced Board; its responsibilities highlight sustainable development practices while creating long-term stakeholder value. The Company's

Board provides a strategic guidance across the Company's operations, ensuring optimal resource utilisation and addressing governance and sustainability.

The Company's decisions are aligned with its vision and mission; strategies prioritise the best interests of all stakeholders. The Company's Independent Directors lead the Board

Name of director	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial understanding	Market understanding	Risk and compliance oversight
Mr. Anurag Choudhary	✓	✓	✓	✓	✓	✓
Mr. Shyam Sundar Choudhary	✓			✓	✓	✓
Mr. Amit Choudhary	✓	✓	✓	✓	✓	✓
Mr. Sakti Kumar Banerjee*	✓			✓		✓
Mr. Santimoy Dey	✓			✓		✓
Ms. Rita Bhattacharya		✓			✓	✓
Mr. Girish Paman Vanvari	✓	✓	✓	✓		✓
Mr. Gopal Ajay Malpani	✓			✓		✓

* Mr. Sakti Kumar Banerjee (DIN: 00631772) Independent Director has ceased to be an Independent Director upon completion of his second and final term and consequently ceased to be a Director of the Company w.e.f. close of business hours on 31st March, 2024

Committees that implement Board decisions and maintain continuous oversight through thorough reviews of policy and procedure implementation.

Board Composition and Specific Areas of Interest



Anurag Choudhary
CMD & CEO



Shyam sundar Choudhary
Executive Director



Amit Choudhary
Executive Director



Sakti Kumar Banerjee
Non-executive
Independent Director



Santimoy Dey
Non-executive
Independent Director



Gopal Ajay Malpani
Non-executive
Independent Director



Rita Bhattacharya
Non-executive
Independent Director



Girish Paman Vanmari
Non-executive
Independent Director

The Company's Board has established several committees as required under Chapter IV of the SEBI Listing Regulations. These committees focus on specific areas and make informed decisions within their delegated powers. Each committee operates within the scope and guidelines defined in its charter. The Company Secretary serves as the Secretary to all Board Committees. These committees are formed in accordance with the SEBI Listing Regulations and the Companies Act, as outlined below.



Audit Committee: The Company's Audit Committee ensures the integrity and transparency of financial reporting. The Committee, comprising primarily Independent Directors, is responsible for overseeing the financial reporting and disclosure process, monitoring the choice of accounting policies and principles and reviewing the performance of the internal audit function. It supervises the appointment, independence and performance of external auditors.

The Audit Committee ensures the presence of a robust system of internal controls and the effectiveness of risk management processes. It reviews significant financial reporting issues and judgments made in the preparation of the Company's financial statements. By maintaining rigorous oversight and supporting a culture of accountability and integrity, the Audit Committee helps safeguard the interests of shareholders and strengthens the overall governance framework.

Nomination and Remuneration

Committee: The Company's Nomination and Remuneration Committee ensures effective governance and leadership. Composed mainly of Independent Directors, the Committee is responsible for identifying and evaluating potential Board members and senior executives to ensure the Board's composition is aligned with the Company's strategic goals.

The Committee oversees the performance of the Board and

committees. It establishes a transparent and competitive compensation framework, reviewing and approving remuneration packages to ensure that they are fair, competitive and linked to individual and Company performance. The Committee supports the attraction, retention and motivation of high-caliber talent.

Stakeholders Relationship

Committee: This Committee is dedicated to transparent and effective stakeholder communication. The Committee (two Independent Directors and Executive Director) addresses stakeholder grievances, oversees investor complaint resolution and ensures adherence with stakeholder related policies and practices.

The Committee reviews stakeholder engagement activities, ensuring that the Company maintains strong, positive relationships with shareholders, customers, employees and other key stakeholders. By encouraging open communication and promptly addressing concerns, the Stakeholders' Relationship Committee helps enhance stakeholder trust and satisfaction.

Corporate Social Responsibility

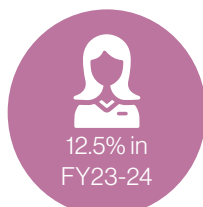
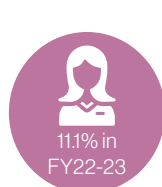
(CSR) Committee: This Committee drives the Company's social and environmental sustainability. The Committee (Board members and senior executives) oversees CSR planning, implementation and monitoring, ensuring an alignment with the Company's values and UNSDGs. This CSR Committee is responsible for identifying key social impact areas,

allocating resources and evaluating effectiveness. It focuses on projects that promote education, healthcare, environmental sustainability and community development. This enhances the Company's impact on society and environment.

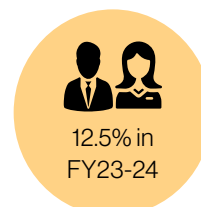
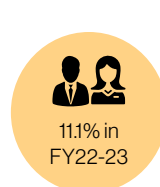
Risk Management Committee: This Committee oversees risk identification, assessment and mitigation that could impact the Company. This Committee (Board members and senior executives) ensures a robust risk management framework aligned with industry best practices and regulatory requirements. The Committee's responsibilities include monitoring the Company's risk profile, reviewing risk management policies and ensuring the implementation of effective risk mitigation strategies. By conducting periodic risk assessments and stress tests, the Risk Management Committee ensures that threats are proactively addressed and goals achieved.

ESG Committee: This Committee oversees the Company's ESG. The committee (Board members and senior executives) brings a diverse expertise in sustainability, governance and industry best practices. The Committee sets ESG goals, monitors progress and ensures an alignment with global standards and regulations. It reviews and advises strategies to minimise environmental impact, promote social responsibility and deepen governance. By integrating ESG into strategy, the committee ensures that the Company generates sustainable growth and responsible business conduct leading to enhanced long-term stakeholder value.

The Board, in addition to the mandatory Committees under Chapter IV of the SEBI Listing Regulations has constituted various other committees: Share Transfer Committee, Finance and Management Committee, Strategy & Investment Committee, Internal Complaint Committee, Commodity Committee and Share Issue & Allotment Committee (details in our Annual Report FY 23-24).



Women Representation in Board



Local area representation in board

Himadri's ESG governance

Overview

Himadri's ESG governance is adaptable and robust, designed to respond to global changes, drive expansion and address challenges across the short-term, mid-term and long-term.

The ESG agenda involves experienced committee members who provide oversight and focused decision making.

The Board of Directors oversees ESG matters, including associated risks and opportunities, while the CMD-CEO and other teams are responsible for operational execution.

The Company's Board recognises climate change as a key governance issue. This subject is a regular feature of strategy discussions, performance evaluations, investment decisions and scenario assessments. The Board members bring a range of expertise - finance, governance, resources and public policy - that ensures a comprehensive approach to integrating sustainability into decision-making.

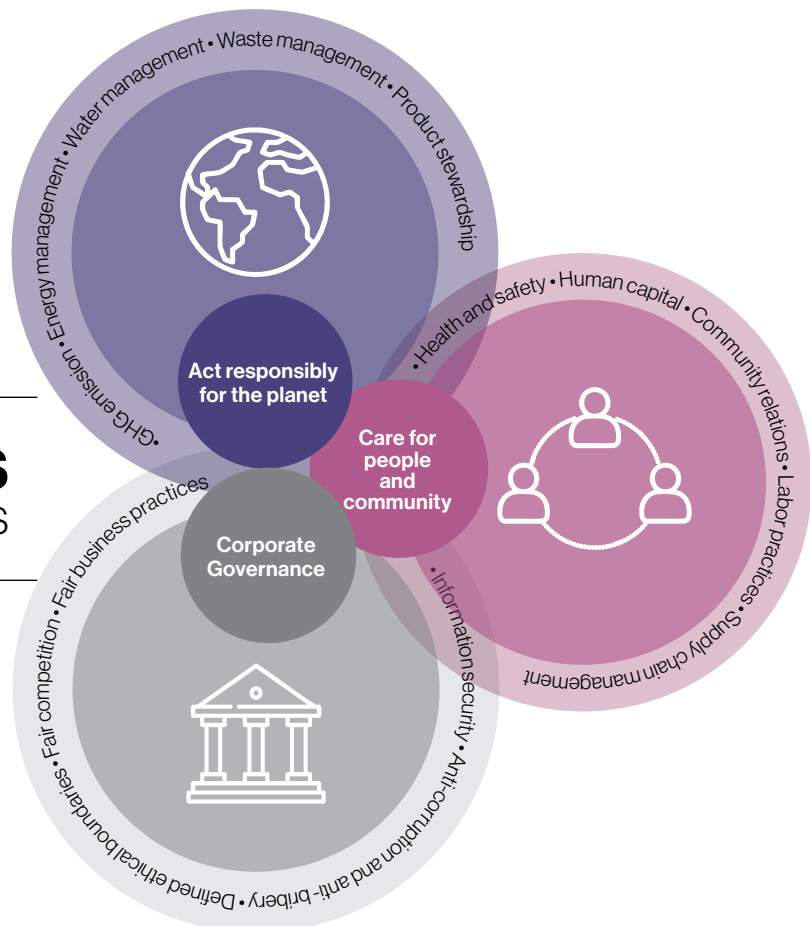
This experience enables the Board to evaluate climate change impacts on the Company and operational capabilities, understand the evolving climate change debate and stay informed of all policy responses. The Board possesses the collective knowledge to guide optimal financial allocation and meet stakeholder expectations. The Board integrates climate change science and expert advice into processes.

Himadri believes that enterprises possess the potential to generate significant societal and economic benefits. Every employee at Himadri is held to the highest standards of responsibility and transparency. In its pursuit of progress and prosperity, the

Company embraces ESG stewardship. This commitment is fundamental to the Company's sustainable growth strategy leading to a positive impact.

Himadri's ESG commitment is directed to reduce environmental footprint, promote social well-being and uphold the highest governance standards. The Company seeks to minimise environment impact through innovative practices and technologies. It supports the community and an inclusive workplace. This framework enhances transparency, accountability and ethical conduct. By embedding ESG into its business, the Company seeks to create long-term stakeholder value and build a better world.

HIMADRI'S SUSTAINABILITY PILLARS



Oversight by the Board's ESG Committee

Himadri's ESG governance structure comprises experienced committee members. The Board oversees the ESG subject, including associated risks and opportunities, while the CMD-CEO and other teams are responsible for decisions aligned with objectives.

At the Company's Board, climate change is a key governance issue and a part of strategy, performance evaluations, investment decisions

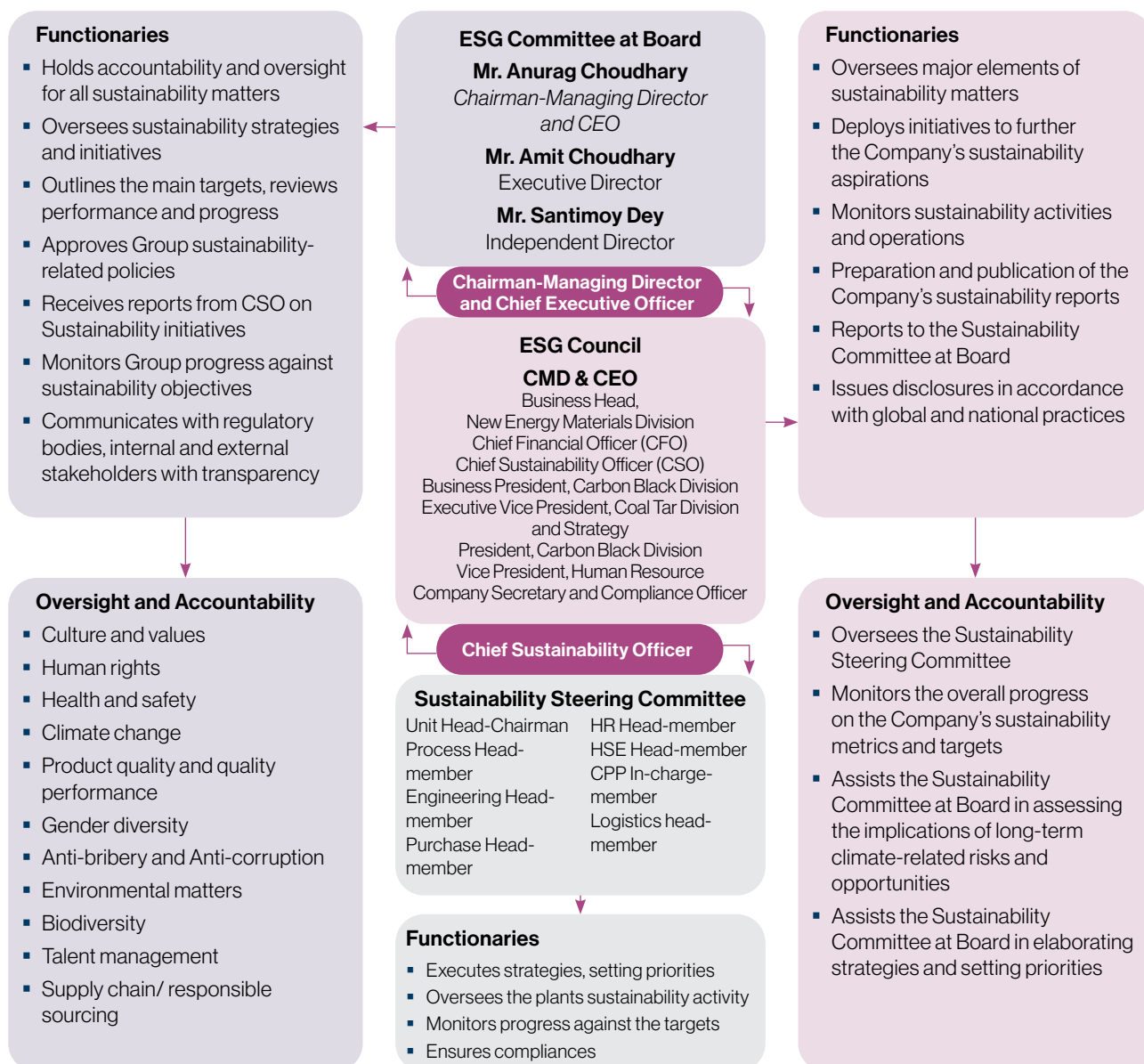
and market assessments. The Board members bring a range of expertise that translates into a comprehensive approach. This experience enables the Board to evaluate climate change impacts on the Company for the moment and future.

The Board possesses the competence in capital allocation discipline, outperformance and addressing stakeholder ESG expectations. It also possesses

an understanding of systemic risks and impacts. The Board integrates climate change science and advice leading to informed decisions. The ESG Committee at the Board level is responsible for overseeing all sustainability matters.

All responsibilities stop at the CMD and CEO, who oversees the implementation of sustainability and governance into business.

Sustainability governance



Key sustainability-linked Board resolutions, FY 23-24

Appointment of CSO: The Board appointed a Chief Sustainability Officer (CSO) to drive ESG initiatives.

Climate change strategy: The Board conducted a comprehensive analysis of climate change scenarios, focusing on the development of green products.

Broader climate-related discussions: The Board engaged with a range of climate topics, including the role of industry associations in advocacy.

Net-zero roadmap approval: The Board approved a visionary net-zero roadmap, aligned with Science-Based Targets (SBTs).

Progressive investment plan: A ₹100 Crore investment plan, for the next decade, this will enhance workplace safety, renewable energy integration, waste management, water conservation and product innovation.

New business investments: The Board approved significant investments in new energy products (₹4,800 Crore),

the tyre business (₹400 Crore) and circular economy ventures (₹500 Crore).

ESG Council: The Board deployed an ESG Council, comprising functional and business unit heads, to integrate sustainability into the business.

Sustainability steering committee: Business units established Sustainability Steering Committees and task forces, ensuring that sustainability initiatives were embedded at every operational level.

Engaging with investors: The Board addressed ESG-related concerns raised by investors, reaffirming its commitment to transparency.

Sustainability objective setting: The Board updated Group policies and action plans to ensure that projects and operations addressed social, economic and environmental responsibilities.

ESG performance target assessment: ESG targets were reviewed, ensuring they remained

aligned with stakeholder expectations, timelines and sustainable objectives.

Sustainability in performance evaluation: Himadri integrated sustainability metrics into performance evaluations at all levels, from managers to supervisors, promoting accountability throughout the organisation.

Mandating sustainability reporting: The Board monitored the preparation of SEBI's mandated BRSR, ensuring transparency through multiple reporting frameworks (Annual Report, Sustainability Report, TCFD and CDP disclosures).

Third-party assurance: The Company deployed third-party assurance on key sustainability metrics, reinforcing its accountability.

Empowering stakeholders: The Board empowered stakeholders to promote sustainability and continuous improvement in sustainability performance.

Management of ESG related risks and opportunities: ESG Council

ESG-related risk management is overseen by the ESG Council, which operates as one of the relevant committees under the control of the ESG Committee at the Board level. The ESG Council monitors the materiality

of risks and manages key ESG-related risks. It deliberates on and determines the direction of ESG activities and reports the status of these activities to the ESG Committee at the Board level. Composed of in-house experts,

the ESG Council guides Himadri's ESG efforts and meets biweekly to highlight issues like decarbonization, waste management, human rights, diversity, equity and inclusion (DE&I) and circular economy.

ESG Council activities

- Overseeing the implementation and progress of sustainability KPIs
- Designing and deploying initiatives to further the Company's sustainability aspirations
- Monitoring sustainability KPIs and strategizing the continual improvement roadmap
- Preparing and publishing sustainability disclosures in accordance with global and national requirements
- Meeting monthly and reporting progress to the ESG Committee at the Board level
- The ESG Council is chaired by the Chief Sustainability Officer (CSO) and its members consist of senior leadership. When necessary, the ESG Council seeks external perspectives from subject matter experts related to its ESG activities. As the highest leader of the ESG Council, the CSO is responsible for:
 - Chairing the ESG Council and overseeing routine reporting to the ESG Committee at the Board level
- Overseeing the sustainability steering committee
- Monitoring the overall progress of the Company's sustainability metrics and targets
- Assisting the ESG Committee at the Board level in assessing the implications of short, mid and long-term climate-related risks and opportunities
- Assisting the ESG Committee at the Board level in elaborating sustainability strategies and setting priorities

Overall management of ESG activities: Sustainability steering committee

Himadri established a business division-wise Sustainability Steering Committee, responsible for sustainability initiatives. The ESG Steering Committee, serving as the highest authority at the unit level,

is tasked with the implementation of ESG initiatives. This team collaborates with functional teams, external partners and industry stakeholders to develop roadmaps for sustainability endeavours.

Under the Chief Sustainability Officer, the team provides updates and monitors sustainability KPIs. The functions of the Sustainability Steering Committee include:

Executing strategies and setting priorities

Overseeing the unit's sustainability activities

Monitoring progress against targets

Ensuring compliance

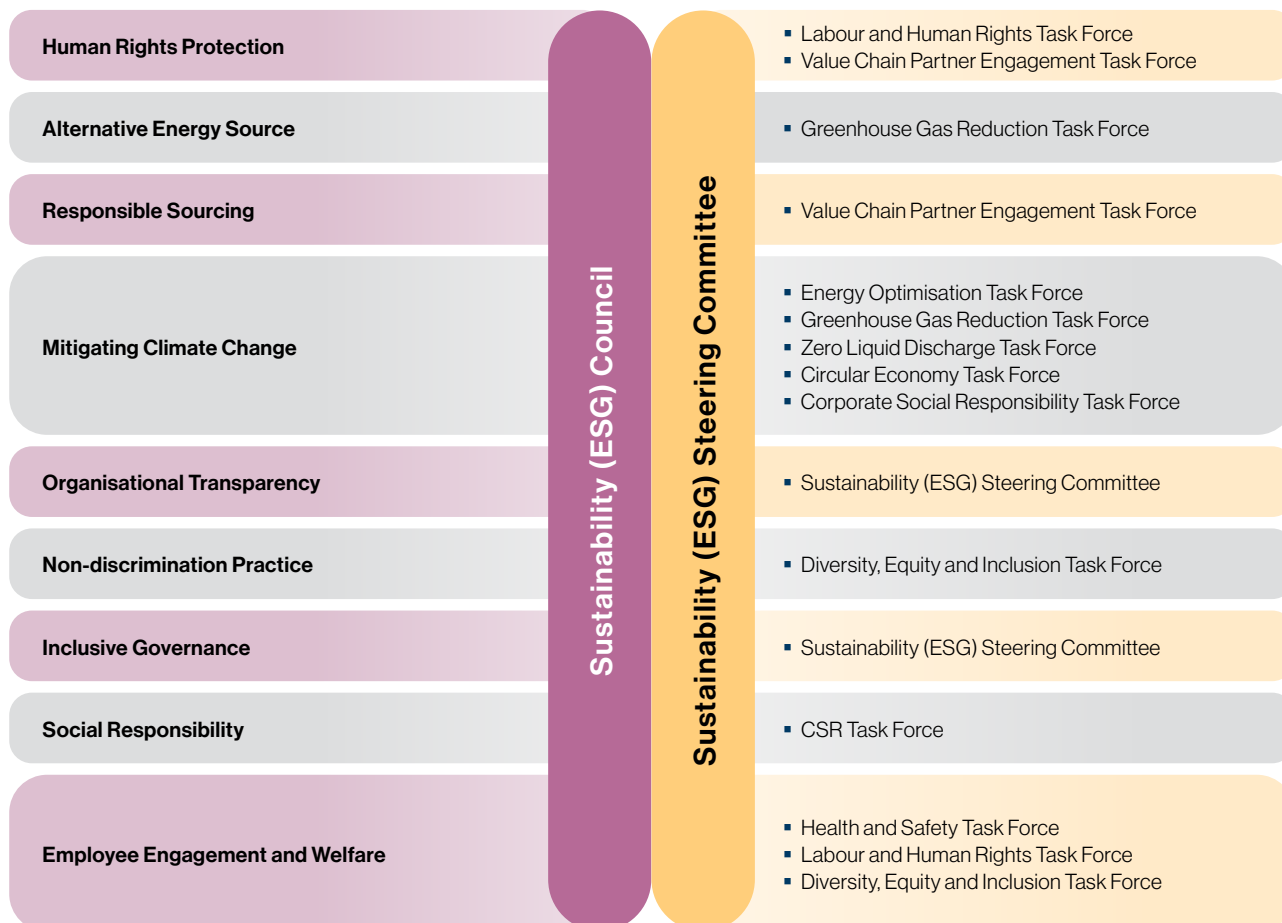
Refining KPIs for continual improvements

Expansion into ESG change initiatives to realise HARMONISE framework: Sustainability (ESG) Task Forces

To ensure the effective implementation of ESG initiatives by each employee and as an organisation, Himadri introduced objective-related task forces. Through this approach, Himadri is interlinking ESG strategies based on materiality

and initiatives measured through data-driven KPIs. The HARMONISE themes, driven by sustainability task forces, are becoming a crucial part of Himadri's ESG aspirations. The linkage between the Sustainability (ESG) Council,

Business Unit (BU)-level Sustainability (ESG) Steering Committees and the functioning of the sustainability (ESG) task forces aligned with the HARMONISE framework is outlined below:



**Health and safety task force:**

Himadri's health and safety task force is dedicated to creating a safe and healthy work environment. Through safety protocols and audits, the task force not only mitigates hazards but also promotes a safety culture. Employees are trained to ensure they are prepared and aware of best practices. This safety commitment enhances plant performance and employee well-being.

**Energy optimisation task force:**

The energy optimisation task force drives Himadri's commitment to energy efficiency and sustainability. Focused on energy-saving opportunities and implementing cutting-edge technologies, this task force ensures the Company minimises energy consumption while maintaining operational excellence. Regular audits and employee awareness campaigns enhances energy conservation, reducing costs and contributing to a greener future for Himadri.

**Greenhouse gas reduction task force:**

Himadri's greenhouse gas reduction task force helps minimise carbon emissions and achieve net-zero. By optimizing processes, adopting cleaner technologies and focusing on Scope 1 and Scope 2 emissions, the task force advances sustainability. Ongoing monitoring and reporting ensure compliance, promoting environment responsibility.

**Zero Liquid Discharge Task Force:**

This task force is central to Himadri's water stewardship. This task force implements innovative strategies to recycle and reuse water, ensuring environmental protection. Advanced treatment systems and monitoring supports Himadri's commitment to sustainable operations and reducing water consumption.



Circular economy task force: This task force drives Himadri's efforts to embed circular economy principles throughout the business. By minimizing waste, promoting recycling and optimizing product lifecycles, this task force ensures that resources are used efficiently and sustainably. Through collaboration across departments and initiatives (take-back programmes), the task force creates innovation and reduces environmental impact, contributing to a closed-loop system.

**Diversity, equity and inclusion (DE&I) task force:**

This task force is committed to an inclusive workplace that values diversity and equity. Through DE&I initiatives, the Company offers training programmes and respect, ensuring that every employee feels valued and empowered. This dedication to inclusivity strengthens the organisational culture, employee engagement and innovation.

**Value Chain Partner Engagement Task Force:**

The value chain partner engagement task force strengthens relationships with suppliers, ensuring an alignment with sustainability goals (particularly in reducing Scope 3 emissions). By training and assessing partners' ESG performance, the task force drives responsible sourcing practices, enhances efficiency and promotes sustainability progress across the value chain.

**Labour and Human Rights Task Force:**

The labour and human rights task force champions fair labour practices and human rights within Himadri's operations. Ensuring compliance with international labour laws and promoting a respectful work environment, the task force plays a key role in addressing grievances, promoting inclusivity and driving continuous improvement in labour practices, furthering a commitment to social responsibility.

**Corporate Social Responsibility Task Force:**

Himadri's CSR task force leads the Company's community engagement and sustainable development. By addressing social, environmental and economic issues in local communities, the task force ensures an alignment with the Company's sustainability goals. Through partnerships and impactful programmes, the CSR task force enhances societal well-being, highlighting a dedication to ethical practices and responsible citizenship.

Stakeholders' engagement: Key instrument for robust sustainability governance



Himadri's key stakeholders include customers, suppliers, employees, local communities, national and local governments, non-governmental and non-profit organisations (NGOs/NPOs), academia, industry organisations and corporations, as well as shareholders and investors.

Himadri works tirelessly to enhance lives beyond expectations, envisioning a future where humanity and nature thrive together. Through engagements with stakeholders, the Company encourages a deeper understanding and shares valuable information that benefits society and life quality. The Company incorporates feedback to enhance practices, activities and services. This feedback is reported to the Management Board and Board of Directors, informing discussions and decisions.

Himadri's ESG performance extends beyond operations to collective action

across the value chain. The Company's strategy helped increase ESG literacy among value chain partners, a unified approach to sustainability.

The Company's communication strategy comprises the development and dissemination of targeted content designed to educate and engage partners on ESG principles. This content includes a range of materials, such as detailed guidelines, best practice reports, case studies and industry-specific insights. Each resource addresses the challenges and opportunities faced by different sectors within the value chain. By providing these resources, Himadri empowers partners to integrate ESG considerations into operations.

To ensure that partners remain up-to-date with ESG standards and expectations, Himadri conducts periodic updates and interactive sessions (workshops, webinars and face-to-face

meetings) to discuss emerging ESG trends, share successes and address any concerns leading to informed decisions.

Himadri encourages open dialogue and feedback from value chain partners. By listening to perspectives, the Company refines its communication and addresses specific needs or gaps. This two-way communication enhances ESG literacy programme efficiency and strengthen partner relationships.

Himadri works tirelessly to enhance lives beyond expectations, envisioning a future where humanity and nature thrive together. Through engagements with stakeholders, the Company encourages a deeper understanding and shares valuable information that benefits society and life quality.

HIMADRI



Employees/Workers

Our employees are our most valuable asset. As an employer, we are fully committed to delivering duty of care by ensuring the right person is in the right job, providing adequate training, maintaining safe work processes, and ensuring a safe work environment. Our objective is to ensure an inclusive workplace with ample opportunities to support the growth of our people.

Communication method, frequency and key expectations

- Employee forums and training sessions- as needed
- Employee town hall- annually
- HR portal-as needed
- ESG engagement-as needed by task force mandate
- DE&I promotion-as needed by relevant function



Customers

We aim to develop and improve our products and services by actively listening to the concerns and opinions of consumers and customers, utilizing their feedback, and maintaining close communication.

Communication method, frequency and key expectations

- Customer consultation-as needed
- ESG engagement-as per corporate targets' mandate
- Customer survey- as needed
- New product presentations- as needed
- Industry conferences and events- as needed
- ESG audit-as needed
- Small meetings with leadership- as needed



Suppliers

To create value by enhancing efficiency and implementing responsible business practices throughout our value chain, we prioritise leveraging our influence and partnering potential with supply chain partners. Our approach to sustainable procurement is rooted in our core values, where we strive to minimise negative impacts on the environment, support local communities, and promote ethical business practices. partners.

Communication method, frequency and key expectations

- Supplier summit-annually
- ESG engagement-as per corporate targets' mandate
- Vendor survey-as needed
- ESG audit-as needed



Shareholders/ Investors

We build trust and meet shareholder and investor expectations by continuously enhancing our corporate value, proactively disclosing information, and engaging in effective communication activities.

Communication method, frequency and key expectations

- Annual Report- once a year
- Sustainability Report- once a year
- Periodic publications of reports- four times a year
- Newspaper/ Press release- as needed
- Small meetings with leadership- as needed



Local Communities

We aim to harmonise with local communities by understanding the impacts of our business activities, aligning our operations to meet their needs, and actively engaging in communication initiatives.

Communication method, frequency and key expectations

- CSR activities- as per corporate plan
- Community events- as needed
- Meetings and collaborative events- as needed
- Small meetings with leadership- as needed



Government/ Regulatory Bodies

Our Business Conduct Guidelines emphasise maintaining healthy and equal relationships with national governments. In line with these principles, we engage with and share opinions with relevant government organisations. Additionally, we collaborate with local governments to address social issues within communities.

Communication method, frequency and key expectations

- Business summits- as needed
- Governmental events- as needed
- Committees, councils- as needed
- ESG related events- as needed



Academia/ Industry Groups/ Other Institutes and NGO

We actively share knowledge and engage with academia in opinion exchanges for mutual benefit, aiming to jointly contribute to society and generate innovative solutions for climate change and other pressing challenges of today.

Communication method, frequency and key expectations

- Joint research- as needed
- Industry-academia summits- as needed
- Environmental events and human rights topics as needed

Broadening sustainability governance through training and awareness

Himadri is committed to increase ESG awareness among its value chain partners. The Company drives progress through sustainable practices

and shared sustainability objectives. This approach improves the ESG performance and enhances the resilience cum competitiveness of the

value chain. The Company aims to build a knowledgeable and cohesive value chain that catalyses sustainability and positive outcomes.

Stakeholders	Initiatives		
Employees 	- Realisation of "Together Towards Tomorrow" - ESG engagement - Implementation of purpose driven "Himadri" brand - Sustainable product design - De-carbonization - Responsible sourcing - Zero waste - Zero liquid discharge - Water conservation - Pollution prevention	- Respecting human rights - Workplace health and safety - Dignified labour practices - Human capital development - Employee well-being - Inclusive and diverse workplace - Responsible waste management - Product quality management	- Communication with customers - Digital security and privacy - Digital transformation - Crisis management and disaster prevention - Effective corporate governance - Full transparency - Responsible corporate citizenship - Anti-bribery and anti-corruption
Customers 	- ESG engagement - Purpose driven "Himadri" brand - Improved lifetime of product	- Environmental declaration - De-carbonization - Resource optimisation	- Inclusive and diverse workplace - Effective corporate governance - Respecting human and labour rights
Suppliers 	- ESG engagement - Sustainable raw materials - De-carbonization - Pollution prevention	- Resource optimisation - Respecting human and labour rights - Inclusive and diverse workplace	- Full transparency - Sustainable product declaration - Effective corporate governance
Shareholders /Investors 	Corporate governance	Investor relations	ESG engagement
Local communities 	Habits of cleanliness, health and beauty	CSR activities	
Government /Regulatory bodies 	- De-carbonization - Human and labour practices - Zero waste - Water conservation	- Pollution prevention - Workplace health and safety - Corporate governance - Tax strategies	- Transformative innovation - Responsible corporate citizenship - Anti-bribery and anti-corruption
Academia/Industry Groups/Other Institutions/ NGO and Other Institutions 	Transformative innovation	Sustainable product development	- Fair competition - Human Right Topics - Child Labour and Forced Labour eradication

Training Topics	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
UNGC Principles	✓	✓	✓	✓	✓	✓	✓
Anti-bribery and corruption	✓	✓	✓	✓	✓	✓	✓
Fair competition	✓	✓	✓	✓	✓	✓	✓
Data management and information security	✓	✓	✓	✓	✓	✓	✓
Training on BRSR 9 principles and related policies	✓	✓	✓	✓	✓	✓	✓

*includes Board Members as well

Key initiatives, FY 23-24

Future-ready compliance management

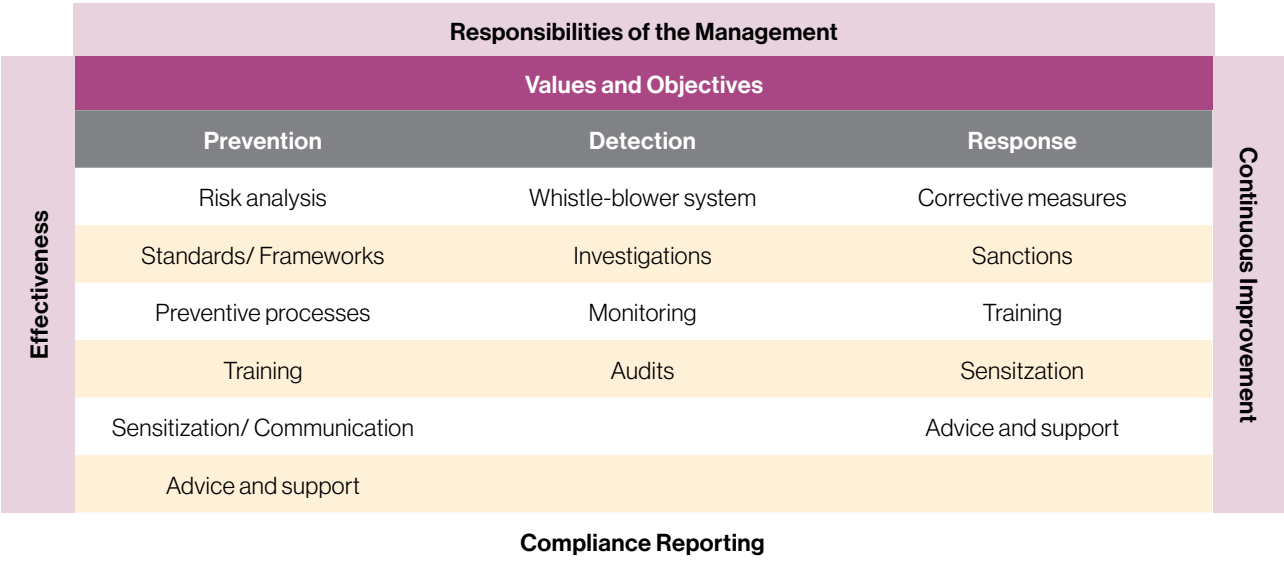
At Himadri, the ESG Committee of the Board establishes the minimum standards for the compliance management system. Its objective is to prevent, or at least minimise, compliance violations and associated risks. The CMD-CEO, as the highest decision-making authority at Himadri, states that compliance violations must be identified and addressed, with appropriate sanctions. The ESG Council

upholds Himadri's values to ensure the compliance management system is suitable and effective with regulatory compliance.

Tools such as audits and due diligence were employed to mitigate potential compliance risks related to sustainability topics (including anti-bribery, corruption and fair competition). In this regard, the Company considers group-wide business activities across all locations. To identify potential risks early, each business unit and function is required to conduct regular risk analyses. Based on

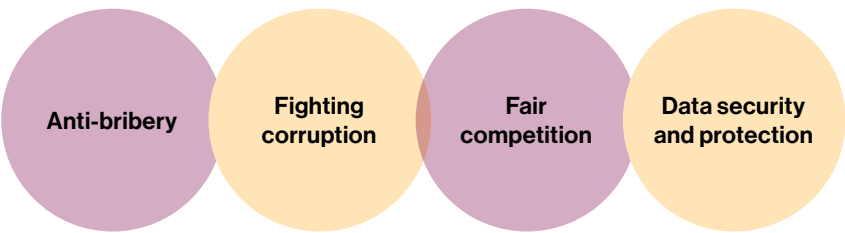
analysis results, the ESG Council issues binding standards following deliberations with the ESG Committee at the Board level.

The topics addressed in the risk analysis and actions taken may evolve over time. Significant changes in the relevant risk landscape are examined by the management bodies. A periodic risk analysis is conducted in key compliance areas, including anti-corruption, antitrust law and the prevention of money laundering.



Himadri's Compliance Management System

During the reporting year, the following risk analysis were conducted:



Following mitigating measures, these risk analysis did not identify any significant compliance risks.

At Himadri, all employees are required to immediately report potential or actual violations of conduct codes to the responsible departments or sustainability governance committees, whether the violations relate to them personally or their colleagues. To

detect non-compliance, the Company established reporting channels that employees, personnel from staffing agencies working at its premises and external stakeholders used to report compliance violations.

Himadri initiates measures to address violations and minimise risks. Depending on case severity, actions taken with regard to employees range from

warnings or reprimands to employment termination and compensation claims. Besides, further actions raise awareness like training. Sanctions against value chain partners could include relationship termination and blacklisting.

The Company's annual sustainability report and the SEBI-mandated BRSR report provide information on the organisation's compliance status and issues specific to the compliance management system. The transparent presentation of activities that uphold sustainability topics is crucial for Himadri. Performance data is provided in the publicly accessible annual report (BRSR), sustainability report and sustainability section of the Company's website.

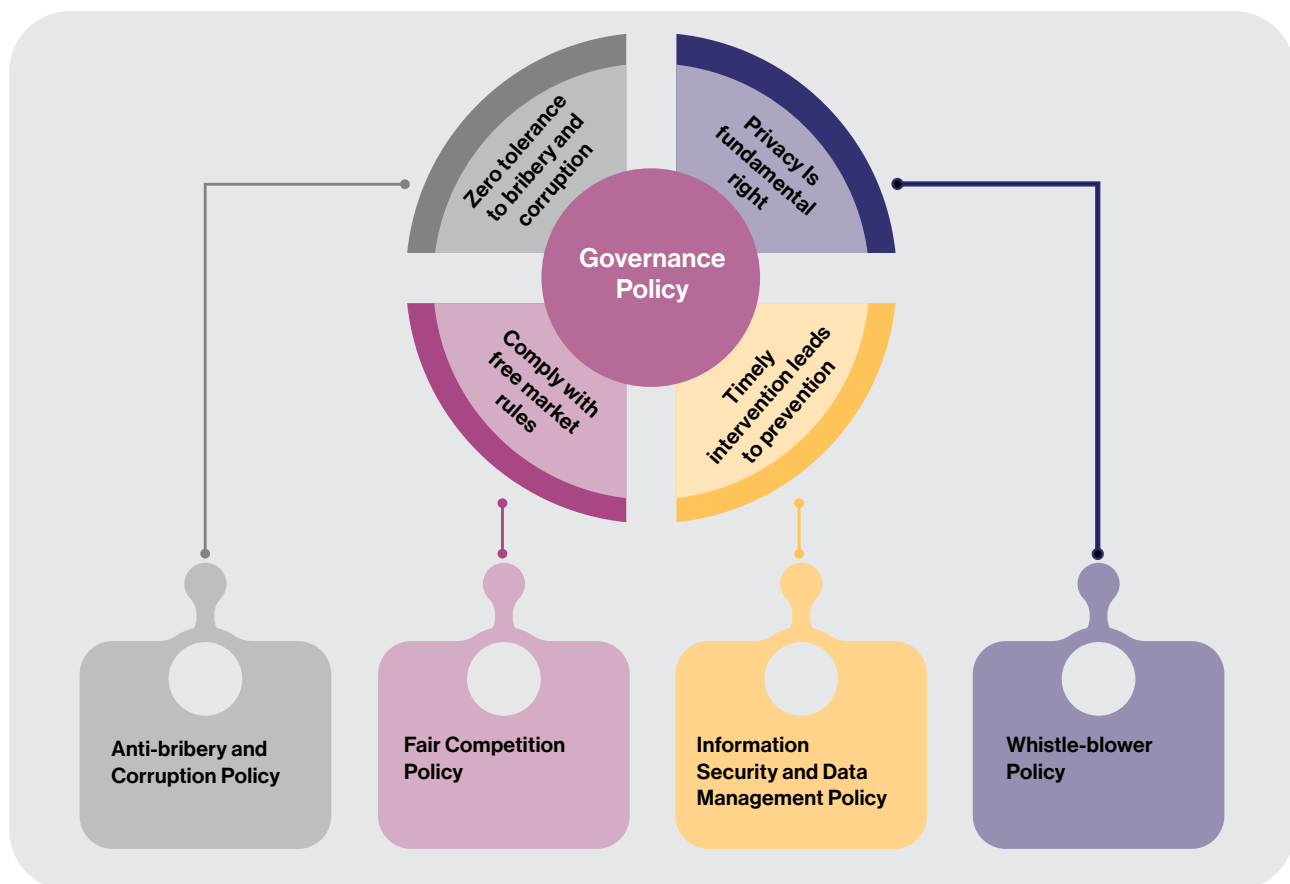
Broadening UNGC principles through robust sustainability governance: Implementation of new frameworks

Overview

Himadri established comprehensive frameworks for governance policies to reinforce ethical practices, legal

compliance and safeguard the reputation. These frameworks address critical areas like anti-bribery and corruption, fair competition, data

protection, security and whistle-blower mechanisms. The policies that benefit the organisation comprise the following:



Anti-bribery and corruption policy framework

Himadri's anti-bribery and corruption framework cultivates integrity across business operations. This framework provides guidelines for employees,

contractors and third-party stakeholders to prevent unethical practices (bribery, facilitation payments and gifts) that could influence business decisions.

Key features

Training and awareness: Regular training ensures that employees understand the importance of ethical behaviour and compliance with global anti-corruption laws. The Company implemented a mandatory compliance

training programme for all employees on anti-bribery and corruption. This training is hosted on the Company's online Learning Management System (Utkarsh) and is required for existing and newly appointed employees.

Zero tolerance: Any policy violation attracts disciplinary action.

Compliance monitoring: Periodic audits and third-party assessments ensure a compliance with national and international anti-corruption regulations.

KPIs/Objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Compliance Training on Anti-Bribery and Corruption	✓	✓	✓	✓	✓	✓	✓

Benefits

- Protects the Company from legal repercussions and financial penalties associated with anti-competitive practices.
- Enhances the Company's reputation around fair competition, supporting stronger relationships with customers, partners and investors.

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
Charges of bribery/corruption on BoD/KMP/employees/workers	Nil	Nil	Nil
Number of confirmed corruption incidents	Nil	Nil	Nil
No. of Cases reported on Anti bribery and corruption	Nil	Nil	Nil

Fair competition policy framework

- This framework ensures that the Company operates within a fair, open and competitive market in adherence with anti-trust and competition laws.

Key features

Market compliance: The Company's activities are conducted in compliance with competition laws that prevent practices like price-fixing, monopolistic behaviour and market manipulation.

Fair practices: The Company competes based on the merits of

products and services, promoting a complete fairness in dealings with customers, suppliers and competitors.

Training and awareness: The Company's training ensures that all employees appreciate the importance of ethical behaviour and compliance

with fair global competition laws.

The Company initiated a compliance training programme for employees on fair competition. The training is hosted on the Company's online Learning Management System (Utkarsh) and is mandatory for all employees.

When meeting industry association / body : Do check with the Chair whether competition guidelines have been put in place and circulated. If no, please contact Legal Services of your organization.

KPIs/Objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Compliance Training on Fair Competition	✓	✓	✓	✓	✓	✓	✓

Benefits

- Promotes innovation by encouraging healthy competition and fair market practices.
- Strengthens the Company's market position as an ethical player

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
Details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.	Nil	Nil	Nil

Data protection and security framework

- Digital data safety is paramount. Himadri's data protection and security framework is aligned with national data privacy regulations, such as the Digital Personal Data Protection Act 2023 (DPDPA), ensuring that personal and Company data are protected against unauthorised access, breaches, or misuse.

Key features

Data encryption and security protocols: Advanced technological measures protect sensitive data from breaches or unauthorised access.

Employee training: Employees are trained on data privacy regulations and best practices to securely handle data (phishing, ransomware and other cyber threats).

Data governance: The Company's robust data governance policy ensures a compliance with national data protection and privacy standards (including Digital Personal Data Protection Act 2023).

KPIs/Objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Training on IT security and data management	✓	✓	✓	✓	✓	✓	✓

Benefits

- Ensures that customer data is handled responsibly and securely.
- Reduces the risk of data breaches, safeguarding the Company from potential legal liabilities and business loss.

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
Number of confirmed information security incidents	Nil	Nil	Nil

Whistle-blower policy framework

- This framework promotes transparency and accountability, providing employees and stakeholders with a securely confidential mechanism to report unethical practices without any retaliation fear.

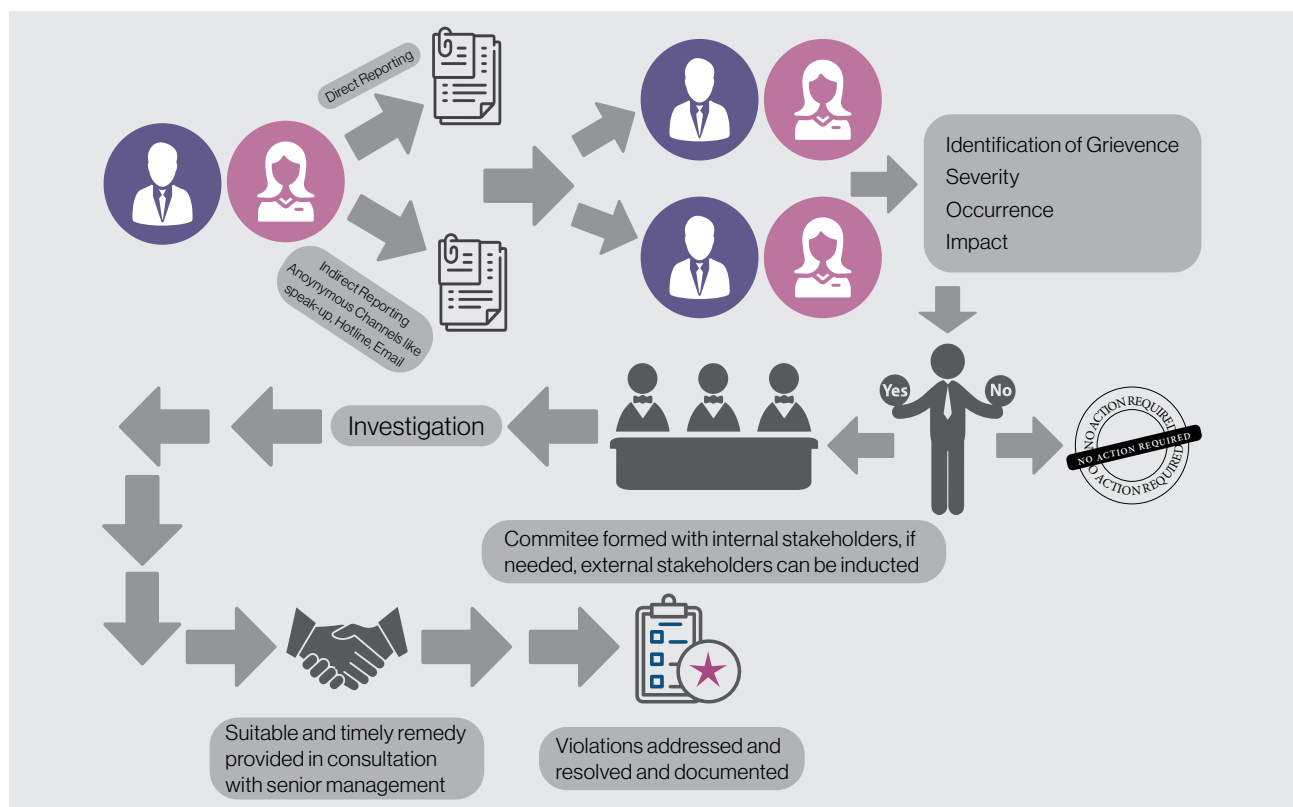
Key features

Confidential reporting channels:

Employees and stakeholders are provided secure confidential channels to report concerns or unethical conduct.

Protection from retaliation: The policy guarantees that whistle-blowers are protected from retaliation, supporting a safe environment for raising concerns.

Third-party audits: Independent third-party audits evaluate the effectiveness and transparency of the whistle-blower policy's implementation.



Benefits

- Encourages employees to articulate misconduct, enhancing accountability and transparency.
- Provides an early warning system to address risks before they escalate into larger issues

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
Number of reports related to whistleblower procedure	Nil	Nil	Nil

Integration with UNGC principles

Himadri's alignment with the UNGC reinforces a commitment to the highest governance standards, and global best practices in areas of anti-corruption, fair competition and data protection.

UNG's anti-corruption principle:

Himadri's zero-tolerance approach to bribery and corruption aligns with the tenth

UNG's principle, promoting transparency and fair dealings.

Fair competition and human rights:

Himadri's commitment to fair competition supports the broad UNGC principles on human rights, ensuring that market practices are fair and equitable.

Data security and privacy: Himadri's global data protection standards uphold the UNGC's emphasis on protecting

individual rights and privacy, contributing to governance excellence.

Risk mitigation and assurance

At the Company, the compliance frameworks are reinforced through mandatory training, periodic audits (internal and external) and third-party verification. This approach strengthens the Company's governance, mitigates risks and aligns with broader sustainability goals.

Commitment to full transparency: Internal/external audits and verification

At Himadri, transparency is a sustainability pillar. Clear, accurate and independently verified reporting strengthens stakeholder trust, drives accountability and deepens ESG performance. The Company's comprehensive framework comprises internal audits, external assessments and third-party verification. The framework ensures the integrity of the Company's sustainability data, demonstrating a firm commitment to responsible and sustainable business practices.

The audit findings are presented to the ESG Council and reviewed by the senior management. Regular updates to the ESG Committee at the Board level ensure that sustainability is integrated into decision-making and is consistently tracked.

The Company conducts external and internal audits to validate its sustainability reporting. These audits by globally recognised independent auditing firms

focus on key performance indicators aligned with international standards like ISO 27001 (Information Security, Cybersecurity and Privacy Protection Management System) and ISO 37001 (Anti-bribery Management System).

The Company demonstrated a transparent commitment in sustainability reporting through rigorous audit and verification. This process comprises internal audits, external assessments and third-party verification, covering business continuity management, IT security, data protection and anti-bribery management.

Internal audits

Himadri conducts periodic audits to ensure the effectiveness of governance frameworks and compliance with sustainability standards. These audits help identify areas for improvement and ensure that the Company's processes are aligned with global standards. The audits cover IT security, data protection and anti-bribery practices, ensuring a preparedness for probable risks.

External audits

External audits provide an independent review of the Company's sustainability practices. These audits are performed by recognised certification bodies, ensuring a compliance with international standards like ISO 27001 for IT security and ISO 37001 for anti-bribery management systems. These audits validate the Company's commitment to sustainability and ethical governance, providing external stakeholders confidence with the Company's practices.

Third-party verification

Third-party verification provides unbiased assessment of Himadri's sustainability data and performance. Independent agencies verify the accuracy of sustainability data, including metrics related to business continuity, IT security and anti-bribery systems. This verification ensures that Himadri's sustainability reports are credible and aligned with global best practices.

Key elements audited and assured

IT security and data protection:

Safeguards sensitive information; ensures a compliance with international data protection standards (ISO 27001).

Anti-bribery management system:

Monitors and prevents corruption risks, ensuring ethical business practices following a compliance with ISO 37001.

Through the integration of internal audits, external reviews and third-party assurance, the Company has established a comprehensive framework. This has ensured the accuracy, transparency and accountability of its sustainability reporting.

As a signatory to UNGC, Himadri has aligned sustainability around global best practices, ensuring that its reporting not only meets international standards but also contributes to the broader goals, aligning with UNSDGs. Through transparency, the Company is committed to drive positive change, leading the way to sustainable business practices.

Material Topics	Internal Audit	External	
		Audit	Assurance
Business Continuity	✓	-	✓
Information Security and Data Management	✓	✓	✓
Anti-Bribery	✓	✓	✓
Fair Competition	✓	✓	✓

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
Complaints regarding Conflicts of interest	Nil	Nil	Nil
Fines/penalties/ punishment/award/compounding fees/settlement amount paid in preceding's by entity	Nil	Nil	Nil
Appeals related to monetary or non-monetary	Nil	Nil	Nil
Consumer complaints in respect to advertising , delivery of essential services	Nil	Nil	Nil
No of Complaints/Grievances under the National Guidelines on Responsible Business Conduct from any stakeholders	Nil	Nil	Nil
Mandatory Training on Ethics (11 modules which covers ABC, IT, Fair Competition, whistle blower, COBC, DEI etc)	90%	99.8%	99.8%
Percentage of targeted suppliers covered by due diligence process on Human Rights, Environment, Corruption and Information security	-	82%	84%
Percentage of all sites assessed or audited on specific business ethics, environment aspects and human rights topics	-	100%	100%



Kamlesh Agarwal
Chief Financial Officer

As the Chief Financial Officer of the Company, I am pleased to reaffirm our unwavering commitment to sustainability governance, which is fundamental to both our strategic vision

and long-term financial resilience. At Himadri, sustainability is not only a core pillar of our growth strategy but also a crucial driver of long-term value creation, influencing our investment decisions, risk management approach, and operational practices.

Our sustainability governance framework, led by the Board-level Sustainability Committee, ensures comprehensive oversight of environmental, social, and governance (ESG) metrics. This governance structure facilitates the seamless integration of sustainability principles into our financial decision-making, aligning with global standards such as the UN Global Compact (UNGC) and Science-Based Targets (SBTs). By incorporating sustainability performance indicators into executive compensation

and operational targets, we reinforce accountability at all levels of the organisation.

The Sustainability Council and the Sustainability Steering Committees of the Company further enhance our capacity to identify, assess, and manage the risks and opportunities associated with climate change, resource efficiency, and evolving stakeholder expectations. We are committed to transparency, ensuring the integrity of our sustainability efforts through clear financial disclosures and third-party verification of sustainability data, which strengthens stakeholder trust.

Our ongoing commitment is to align financial stewardship with sustainable practices, ensuring that Himadri remains resilient and future-ready in an ever-evolving global landscape.



Monika Saraswat
Company Secretary

I am pleased to reaffirm our commitment to progressive corporate governance that drives accountability, transparency, and

sustainable growth. At Himadri, we recognise that strong governance is the backbone of resilient business operations and long-term value creation.

Our governance framework is structured to ensure efficient decision-making, robust risk management, and alignment with both regulatory requirements and stakeholder expectations. The Board of Directors, supported by specialised committees such as the Audit, Nomination and Remuneration, and Sustainability Committees, provide strategic oversight while empowering management to execute with precision and agility.

To strengthen governance practices, we have adopted industry-leading policies, including Anti-Bribery and Corruption, Whistle-blower, and Stakeholder

Engagement frameworks. Regular risk assessments, coupled with internal and external audits, ensure compliance and proactive mitigation of emerging challenges. Our digital initiatives in governance enhance transparency and enable real-time monitoring of key metrics.

At Himadri, we are focused on embedding sustainability principles into our governance structure, ensuring that every decision contributes to responsible growth and societal well-being. By fostering a culture of continuous improvement and ethical conduct, we aim to establish new benchmarks in corporate governance, reflecting our commitment to a sustainable and equitable future.

Advancing environmental stewardship: Our commitment to sustainable planet

Overview

Protecting the environment and addressing climate change are the

critical goals of our time. As a part of its corporate responsibility, Himadri is committed to preserve natural resources for use by succeeding

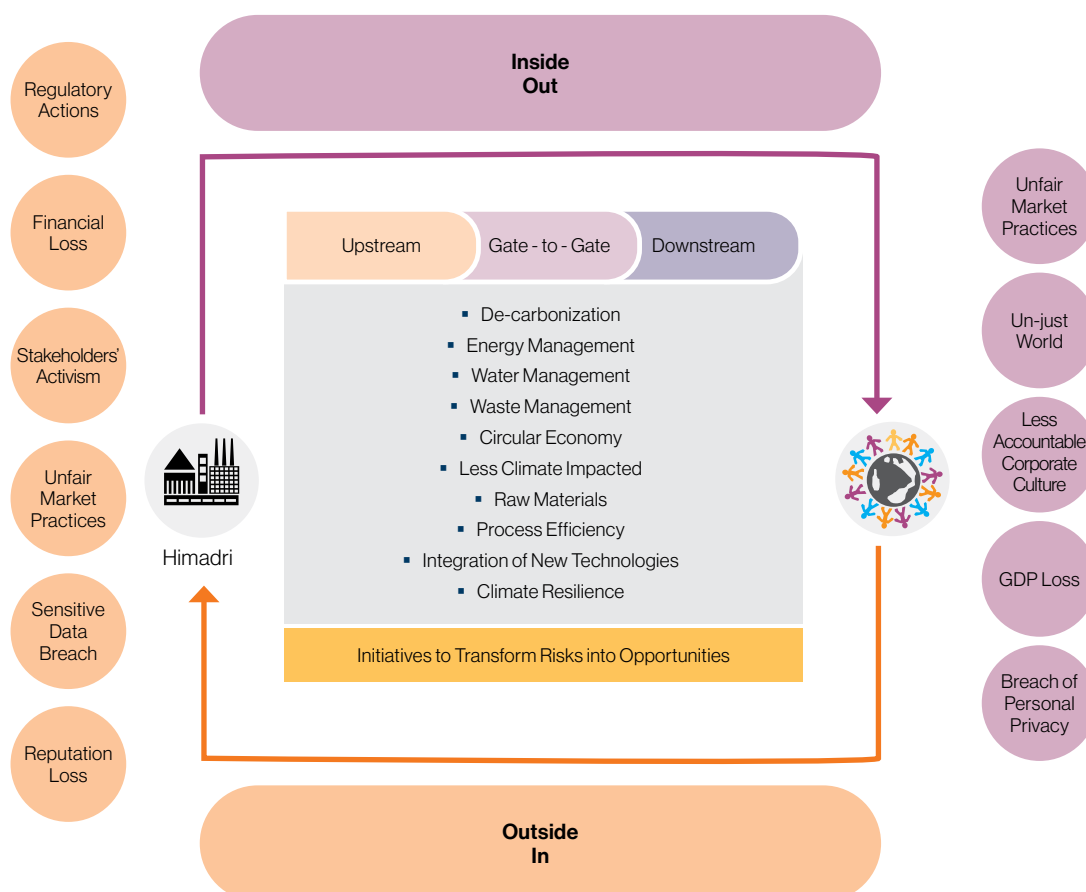
generations. This commitment includes reducing emissions as an integral part of its sustainability endeavour.

Himadri recognises its responsibility to minimise its environmental impact. The Company set ambitious targets and implemented robust measures to achieve its goals. The Company's key sustainability priorities — identified through a comprehensive materiality analysis — include climate change mitigation, GHG emissions reduction, energy and water management, product stewardship, waste management and circular economy promotion. These

initiatives are supported by an integrated environmental management system that complies with legal standards, internal policies and standard operating procedures, ensuring that the Company extends beyond compliance to continuous environmental performance improvement.

As a forward-thinking organisation, Himadri addresses climate change, marked by extreme weather events. The Company is committed to reduce

all climate-relevant emissions and minimise the environmental impact of its operations. To manage climate-related risks and opportunities across its value chain, the Board's ESG Committee, complemented by the Audit Committee and ESG Council, leads efforts to address these challenges. The ESG Committee is empowered to address significant climate risks by implementing mitigation measures, with regular control reviews to enhance effectiveness.



Himadri's Risk Management follows a bottom-up approach, integrating decentralised internal controls to capture risks - physical and transition - at the granular level. Through this approach, executives at the operating

business and corporate levels ensure comprehensive risk management.

At the corporate level, risk registers are consolidated to identify the Company's material risks based on three factors: frequency, potential magnitude and risk impact. The Company's comprehensive

risk register includes climate change risks that cover physical and transition risks cum opportunities. This holistic approach empowers Himadri to proactively manage the diverse risks associated with climate change (described below).

Project Risk	Corporate Risk	Business Risk
Project short term climate related risks captured	- Climate and Sustainability risks identified in group risk register - Incorporation of climate-related risk into risk reporting and internal controls	- Climate and Sustainability risks identified in Business Unit (BU) risk registers - Grouping of climate related material issues in Corporate risk system

At Himadri, addressing climate risks is one thing; it is imperative to seize opportunities through strategic policies and actions as well. Himadri deployed policies addressing key environmental factors pertinent to the speciality chemicals sector, aligning global and national goals. The Company's environmental policies and frameworks are outlined below:

Environment Policy: Himadri is committed to environmental sustainability by integrating environmental conservation and product stewardship across its operations. This includes product development, materials procurement, manufacturing, distribution, sales, usage and waste disposal.

Energy Efficiency and GHG Emission Management Policy: Himadri established its Net-Zero Vision for 2050, which specifies targets for energy intensity and GHG emissions across short-term, mid-term and long-term timeframes.

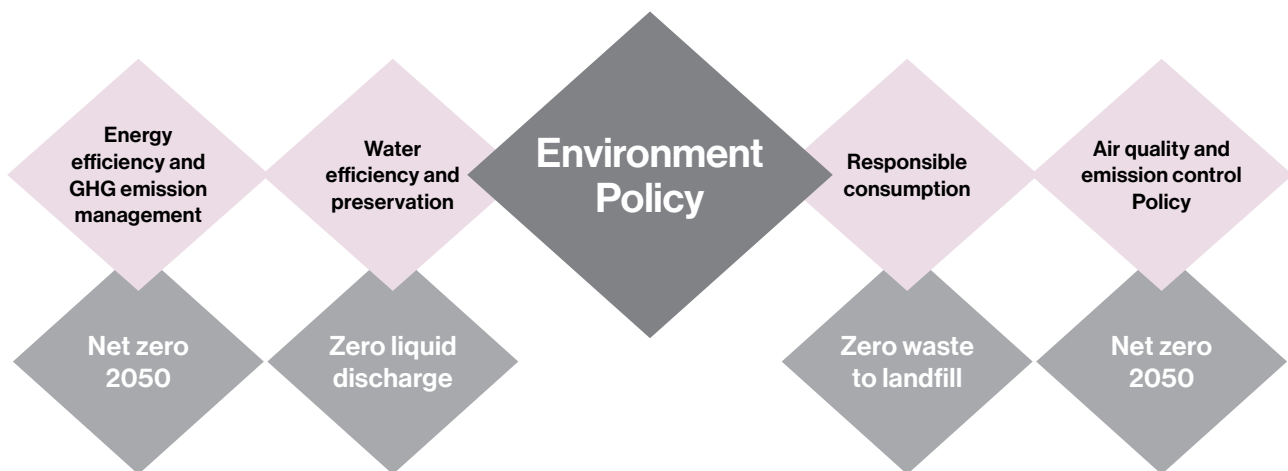
Air Quality and Emission Control Policy: Himadri is dedicated to reduce air pollution, with a focus on continuous improvement. This policy addresses air emissions beyond GHGs, including SO_x, NO_x and particulate matter, ensuring regulatory compliance and efficient material use in manufacturing.

Water Efficiency and Preservation Policy: Himadri endeavours to improve water-use efficiency and preservation in alignment with global and national water goals. This policy provides a framework for achieving Zero Liquid Discharge in all manufacturing plants.

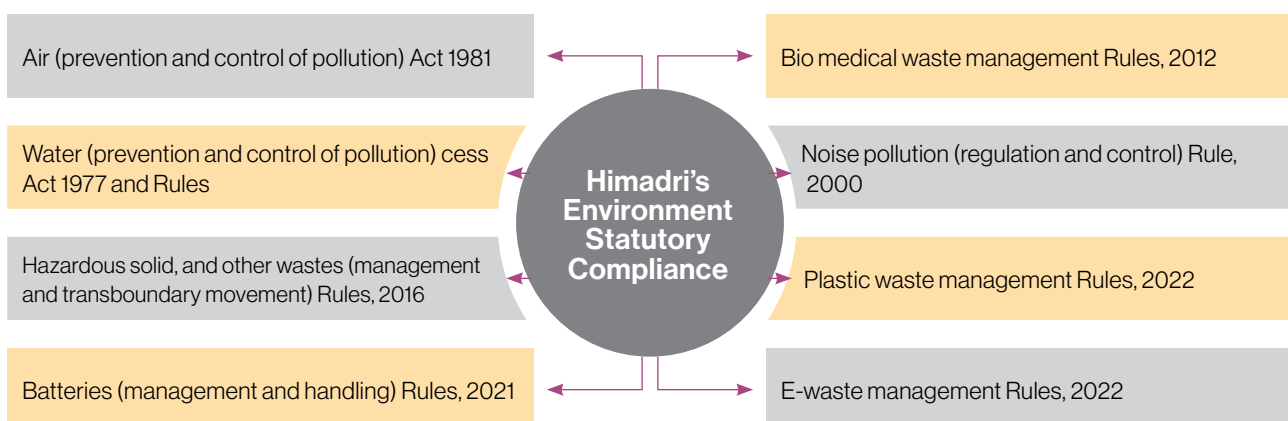
Responsible Consumption Policy: Himadri aims to exceed regulatory compliance by promoting best-in-class environmental stewardship. As a part of this commitment, the Company set a Zero Waste to Landfill goal by 2026.

Other environmental Policies where Himadri laid frameworks and action plans.

- Biodiversity policy
- Product end of life policy
- Customer health, safety and environment policy.
- Environmental services and Advocacy policy



Environment compliances



Himadri implemented ISO management systems to oversee the effective implementation and monitoring

of policies and frameworks. The management systems created a roadmap by integrating continuous

process improvement. These systems are applied across sites (plants and corporate offices).

Management System	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office*
ISO 14001:2015	✓	✓	✓	✓	✓	✓	✓
ISO 50001:2018	✓	✓	✓	✓	✓	✓	✓

*Our corporate office is in a leased commercial property and the premise is shared by multiple organisations. Thus, the opportunity to deploy management systems are limited in scope and incognisant in terms of impact in business.

Himadri's Together Towards Tomorrow philosophy articulates the Company's mission to 'create a sustainable planet for all, providing care and enrichment for the life of all people and the planet.' Himadri is implementing initiatives to

mitigate and adapt to global warming across business strategy areas.

During the reporting year, Himadri aligned with Task Force on Climate-related Financial Disclosures, disclosing climate-related information to promote a dialogue with investors

and other stakeholders. The Company participated in its first evaluation by the Carbon Disclosure Project (the rating is pending public release). The Company's detailed Net Zero Target for 2050 is also under review for approval by the Science Based Target Initiative.



Mitigating climate change/ de-carbonization our planet

Despite diverse risks, Himadri's business units remained dedicated to reduce carbon footprint. Himadri is implementing measures to moderate emissions, including investments in energy efficiency, development of low-

carbon products that meet EU emission intensity standards and a transition of operations toward sustainability.

Himadri's strategy prioritises energy intensity reduction for Scope 1 and Scope 2 emissions, with the objective of setting a sectorial benchmark. The Company began creating an inventory

for Scope 3 activities, identifying and accounting for relevant categories. Himadri is evaluating initiatives to reduce Scope 3 emissions, strengthening its sustainability commitment. The corporate objectives are supported by business unit-level Key Performance Indicators (detailed as follows).

KPIs/ objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Reduce energy intensity/Mt of product sold by 10% by 2025 against baseline (2021)	✓	✓	✓	✓	✓	✓	✓
Reduce Scope 1&2 CO2e emission intensity/ Mt of product sold by 25% by 2025 against baseline (2021)	✓	✓	✓	✓	✓	✓	✓
Reduce Scope 3 CO2e emission intensity/Mt of product sold by 5% by 2025 against baseline (2023)	✓	✓	✓	✓	✓	✓	✓

Himadri recognises that climate risk assessment is an evolving science, requiring periodic updates to physical and transition risk assessments. This

approach empowers Himadri to align its strategy with the latest projections and build a responsive resilience framework to address climate change impacts.

Details of the Company's mapped risks and opportunities are presented in its inaugural TCFD report (accessible here).

10% Energy intensity reduction per MT of product sold by 2025 against baseline 2021

**FY 22-23
-3.33%**

**FY 23-24
-12.29%**

			Potential Impacts on Business						Potential Financial Impacts				Potential Opportunities		
	Climate change related transition risks	Time Horizon	Loss of competitive edge	Regulatory Curtailment	Reduced Production	Increased Operating cost	Reputational Damage	Reduced Demands for Products	Revenue	Expenditures	Assets	Capital Cost	More Efficient Production	Increased Market Share	Integration of New Technologies
Policy & Legal	Regulatory Change (Cap & Trade)	Mid-term		●	●	●				●		●	●		●
	Regulatory Change (Carbon Price)	Short				●				●			●		
	Regulatory Change (Energy Policy)	Short				●					●	●			
	Fossil Fuel Taxed	Long			●	●		●	●	●			●		
	Renewable Energy Subsidies	Short	●								●	●			●
Market	Change in Energy Mix	Short		●		●				●		●			
	Decreased Availability of RM	Long	●		●	●			●	●					
	Alternative Greener Product	Mid-term	●					●	●		●	●	●	●	
	Changes in Prices	Short	●					●		●					
Technology	Rise of Technology Disruption impacting Competitive Edge	Mid-term	●					●	●		●	●			●
	Opportunity to Reduce Resource Consumption	Mid-term									●		●		●
	Opportunity to Use Sustainable Feedstocks	Long								●			●	●	●
	Integration of Next Generation Technologies	Long					●	●		●	●	●		●	●
Reputation	Change in Customer Reputation	Long					●	●	●					●	
	Change in Investor's Reputation	Long					●				●			●	
Physical risk	Heatwave	Short			●				●				●		
	Cyclone	Mid-term			●	●					●	●			●
	Rainfall	Short				●					●				●
	Flood	Long			●	●			●			●			●
	Draught	Mid-term		●	●	●				●		●	●		●
	Wildfire	Long			●	●					●				●

Risk Score

● Very Low

<20

● Low

20-39

● Medium

40-59

● High

60-79

● Very High

>80

● Opportunities

Energy generation and industrial production also lead to emissions. Himadri is committed to reduce these emissions. The Company's clean air initiatives include returning exhaust gases to the manufacturing process, thermal processing of residual gases with a high calorific value, using electric filters to capture particulates, employing catalysts to reduce nitrogen oxide and using desulfurisation methods (washing) with precipitation.

Himadri employs techniques to reduce emissions like wet and dry scrubbing, condensation and adsorption. In some cases, these emissions control methods are used in combination for enhancing effectiveness.

Clean air mission

Alongside emissions of greenhouse gases, energy generation and industrial production result in further emissions into the air. We want to reduce these further and therefore take the emissions situation into strategy development. Our

clean air measures include returning exhaust gases to the production process, thermal processing of residual gases with a high calorific value, the use of electric filters to remove particulates, the use of catalysts to reduce nitrogen oxide, and desulfurization by washing with subsequent precipitation. We also use other methods to reduce emissions from production facilities. Examples are wet and dry scrubbing, condensation, adsorption. Some of these emissions treatment facilities are used simultaneously.

KPIs/ objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Achieve and maintain 100% Compliance with regulator	✓	✓	✓	✓	✓	✓	NA
3 rd party quarterly audit	✓	✓	✓	✓	✓	✓	NA
Monthly internal audit	✓	✓	✓	✓	✓	✓	NA

Himadri Speciality Chemical Limited considers environmental stewardship a key elements of its procurement function. The Company's Sustainable Procurement Policy ensures that materials and services are acquired in alignment with environmental targets and global and national sustainability frameworks. Himadri's buyers are trained to uphold these principles, enabling the procurement of raw materials designed to minimise emissions of carbon dioxide (CO₂), sulfur oxides (SOx) and nitrogen oxides (NOx). To ensure adherence to quality standards, regular batch-wise checks are conducted in Himadri's in-house laboratory.

Air quality management and pollution control

At Himadri, environmental responsibility and air quality management form integral components of its sustainability commitment. Through the principles of reduce, reuse and recycle, the Company has adopted a series of measures aimed at reducing air pollution and dust emissions.

To address ozone-depleting chlorofluorocarbon (CFC) emissions from air conditioning systems, Himadri has optimised their usage to curtail

environmental impact. For dust emission control, advanced scrubbers are installed on reactors across production lines to prevent the release of carbon particles, particularly during reactor shutdowns. Regular inspections and a rigorous maintenance schedule ensure the effectiveness of bag filter systems in separating carbon from smoke and dust.

Further, Himadri has deployed suction lines at critical operational points, such as elevator tops, scalper screens and packing stations, to capture process-generated dust. These particles are filtered and recycled back into production, reinforcing the Company's circular approach to dust management.

Innovative technologies for emission reduction

Himadri's commitment to air quality extends to the implementation of cutting-edge technologies:

NOx abatement system: An advanced setup combining a scrubber/absorber tower, catalyst vessel and heating elements efficiently converts nitrogen oxides (NOx) into harmless nitrogen and water, significantly reducing environmental impact.

VOC reduction: Scrubbers integrated with direct condensers in non-

condensable vapor grids capture and condense volatile organic compounds (VOC), preventing their release into the atmosphere and mitigating air pollution effectively.

Sustainability and community engagement

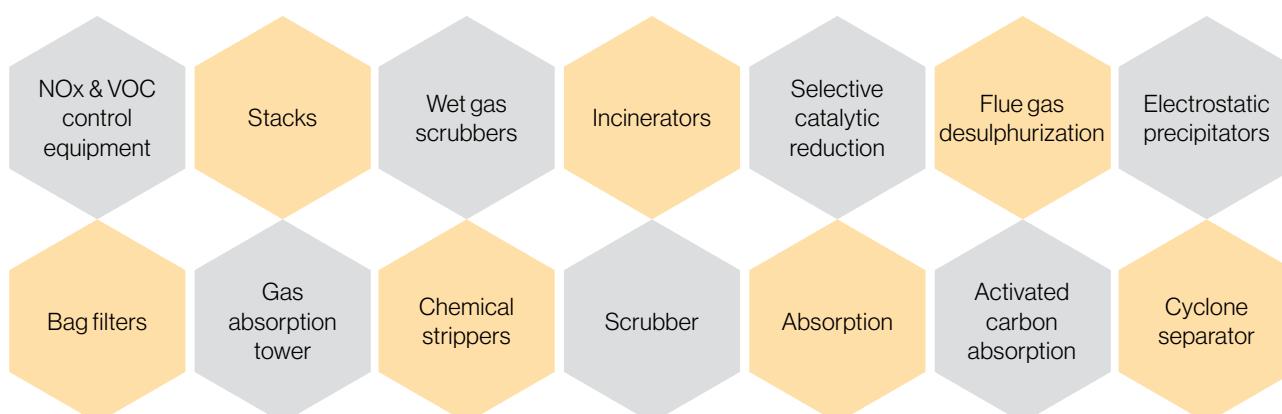
Himadri also engages in initiatives such as planting 50,000 saplings to enhance green cover and conducting free training sessions to promote environmental safety and cleanliness. The Company aligns its efforts with the National Clean Air Programme (NCAP), targeting a 40% reduction in particulate matter levels by 2025-2026 and supports the Life initiative advocating for a circular economy.

Commitment to a cleaner future

Himadri Speciality Chemical Limited takes pride in its holistic approach to air pollution control, regulatory compliance and environmental stewardship. With state-of-the-art emission control systems and proactive environmental strategies, the Company reaffirms its dedication to creating a cleaner, healthier and more sustainable planet.

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
3 rd party quarterly air audit	100%	100%	100%
Monthly internal audit for air quality	100%	100%	100%

Air Pollution Control Equipment



Vehicle and road management

The Vehicle Management Standard (Framework) implemented by Himadri plays a vital role in reducing air pollution. By ensuring that all vehicles within the plant premises are roadworthy and fully compliant with local regulations, particularly those governing the transport of hazardous materials, the Framework minimises the emission of harmful pollutants. Regular pre-operation safety checks, combined with a robust preventative maintenance system, ensure that vehicles operate efficiently, resulting in lower pollutant emissions.

The Framework also mandates strict adherence to speed limits and prohibits the use of mobile phones while driving, reducing the risk of accidents and unnecessary idling, both of which can contribute to air pollution. Furthermore, pedestrian walkways are separated from vehicle movement zones to enhance safety and all vehicles are required to be equipped with essential safety features such as fire extinguishers and first aid kits, reinforcing both operational safety and environmental protection.

To monitor and maintain air quality, Himadri operates in-house PM10 and

PM2.5 samplers alongside online air quality monitoring systems. These tools provide continuous tracking of particulate matter levels and other air quality indicators, ensuring that any deviations are promptly addressed.

By maintaining vehicles in optimal condition and enforcing stringent operational protocols, Himadri significantly reduces pollutant emissions, supporting cleaner air and demonstrating its commitment to sustainability and environmental stewardship.

Persistent organic pollutant (POP) abatement at Himadri

Himadri Speciality Chemical Limited recognises the importance of addressing persistent organic pollutants (POPs) as part of its commitment to environmental sustainability. The Company has undertaken several measures to mitigate the impact of POPs and ensure sustainable operations:

Adopting cleaner production techniques

Himadri optimises its processes to minimise waste and emissions by using less hazardous raw materials and improving energy efficiency. These ongoing efforts form a critical component of the Company's sustainability strategy.

Using advanced treatment technologies

Himadri has implemented a Zero Liquid Discharge (ZLD) system, ensuring that no wastewater is released into the environment. This system allows all wastewater to be treated, recycled and reused within the Company's operations, achieving complete water sustainability. Advanced treatment technologies in the Effluent Treatment Plants (ETP) are employed to break down POPs into less harmful substances, enhancing

waste management and reducing environmental impact.

Enhancing waste management practices

The Company has improved its waste management practices by focusing on proper segregation, storage and disposal of waste containing POPs. Ensuring environmentally sound treatment and disposal prevents POPs from being released into the environment.

Substituting with safer alternatives

Himadri actively seeks to substitute POPs with safer alternatives to reduce environmental contamination risks. For instance, in its Carbon Black production process, the Company uses Carbon Black Feed Stock (CBFS) oil blended with Pyrolysis oil, reducing reliance on primary fossil fuels. This approach lowers the carbon footprint and aligns with ongoing efforts to enhance environmental performance.

Regular monitoring and reporting

Himadri has established a comprehensive monitoring and

reporting system to track the presence of POPs in its operations and the environment. Regular monitoring enables early detection and timely interventions to mitigate POP-related impacts effectively.

Employee training and awareness

The Company conducts regular training programmes to raise awareness among employees about the importance of POP abatement and their roles in achieving it. This training is an integral part of Himadri's environmental management system.

Ensuring regulatory compliance

Himadri strictly adheres to national and international regulations on POPs, including those set by the Central Pollution Control Board (CPCB). The Company complies with restrictions on the production, use and disposal of POPs and implements measures to minimise their release. Compliance efforts are regularly reviewed and updated to meet evolving regulatory standards.

Water management and conservation

Himadri continues to focus on established water management initiatives, including monitoring water stress levels across relevant sites. Adequate water availability for cooling

and production processes is essential. Himadri implemented regular analyses of short-, medium- and long-term water risks across sites. During the reporting period, Himadri widened its water

stress assessments to encompass a comprehensive evaluation of water-related risks.

Water management technology	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
ZLD compliance	✓	✓	✓	✓	✓	✓	NA
Reduce fresh ground water withdrawal intensity by 20% by 2026 against baseline (2021)	✓	✓	✓	✓	✓	✓	NA
Reduce daily water consumption by 20% by 2026 against baseline (2021)	✓	✓	✓	✓	✓	✓	Insignificant

Water management and sustainability at Himadri

Himadri is committed to sustainable water management, adopting advanced technologies and practices to reduce freshwater consumption, recycle wastewater and mitigate environmental impact.

Water risk analysis and reduction

goals: Himadri utilises the WRI Aqueduct tool to analyse physical risks

such as water stress, flooding and water quality. The Company conducts water risk assessments based on water basins and site-specific water use. With a goal to reduce specific freshwater intake by 20% relative to production volume between 2021 and 2026, Himadri has implemented various measures across its production sites.

Zero liquid discharge (ZLD)

technology: All Himadri plants employ Zero Liquid Discharge (ZLD) technology through an Effluent Treatment Plant (ETP) integrated with a Water Recovery Plant (WRP). This system ensures wastewater recycling and efficient reuse, significantly reducing groundwater consumption.

Water recycling process

- Treated wastewater, DM plant backwash, RO rejected water and cooling tower blowdown are collected in the WRP feed tank.
- Water is clarified after dosing with dolomite, polyelectrolyte, sodium hypochlorite, caustic and coagulant, removing suspended solids.
- Clarified water undergoes filtration to remove residual TSS before

passing through an ultrafiltration unit, separating permeated and rejected water.

- Permeated water is treated through a two-stage reverse osmosis (RO) process, followed by de-gasification to eliminate excess carbon dioxide.
- Recycled water, with a daily capacity of 300 KL, is used for cooling tower makeup, process utilisation and RO

feed. Rejected water, with a capacity of 130 KL, is repurposed for road washing and quenching in the CBD process.

During the reporting year, Himadri expanded its ZLD capacity from 430 KL to 800 KL, underscoring its commitment to sustainable water management.

Resource reuse and recovery

Himadri prioritises waste material reuse, recovery and repurposing to minimise natural resource depletion.

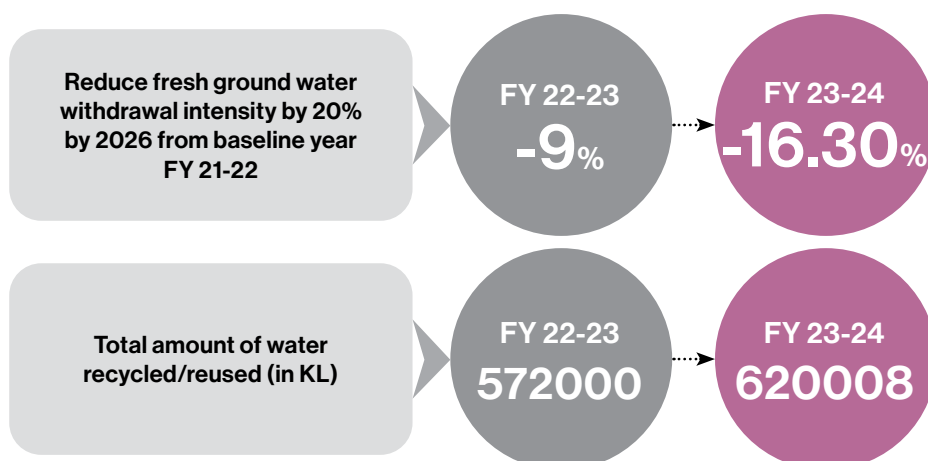
Packaging material reuse: Packaging materials for intra-Company transport

are recovered and reused, significantly reducing consumption, cost and associated carbon footprints.

Water recovery from coal tar: Through a tricanter and dehydration process, the

Company recovers 3% water from coal tar for reuse in manufacturing.

Condensate recovery: Approximately 60% of generated steam is recovered and reused in production processes.



Water quality monitoring

Water quality is rigorously assessed at every stage using CPCB-compliant indicators. Himadri's ISO-9001-certified and NABL-accredited laboratory performs in-house testing, supplemented by quarterly third-party audits to ensure compliance and validate performance.

Water-saving measures

The Company has achieved water cost savings of 70-75% through innovative water-saving practices. These include:

- Using scrapers, squeegees, brushes and hoses to reduce cleaning time and water usage.

- Recycling treated water through filtration, sedimentation, ion exchange, distillation and adsorption techniques, reusing 4-5% of wastewater.

Quenching techniques

Himadri employs quenching techniques in its carbon black production lines, using recovered water from the WRP to supply reactors and quench towers, reducing overall water consumption.

Transparency and stakeholder engagement

Himadri has initiated third-party verified water accounting, with results to be

published in its upcoming Annual Report and Sustainability Report. These efforts enhance transparency and reinforce the Company's reputation among stakeholders, including customers, partners, staff and local communities.

By integrating advanced water management technologies and sustainable practices, Himadri Speciality Chemical Limited demonstrates its commitment to reducing water consumption, conserving resources and protecting the environment.



Responsible consumption: Waste management

Himadri's efforts to reduce production waste are guided by a principle: avoid waste. If avoidance is not possible, waste should be recycled or used in energy generation. If recycling or energy generation is not feasible, waste should be disposed safely. The need to establish high-level circular economies that support sustainable economic growth is increasingly critical. Given the

planet's finite resources, rising lifestyle standards and growing resources demand on account of a rising global population, conventional one-way economic models will no longer be able to sustain prosperous lifestyles and cultures going ahead.

To stimulate economic activity and move to a decarbonised society, it will be essential to reduce the use of

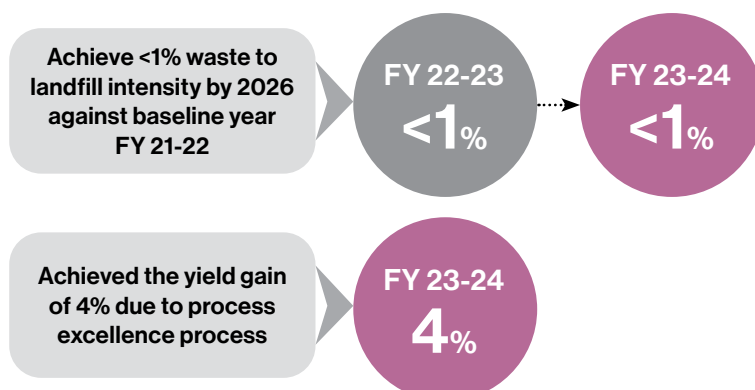
fossil-based plastics while addressing a growing demand for plastics. In this context, Himadri acknowledges the growing importance of reducing plastic consumption and enhancing recycling. In addition to plastics and hazardous waste, Himadri's waste management initiatives encompass a wide range of Key Performance Indicators (detailed below).

KPIs/ objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Achieve <1% waste to landfill intensity by 2026 against baseline (2021)	✓	✓	✓	✓	✓	✓	✓
Increase non-virgin raw materials above 95% from external sources used in production	✓	✓	✓	✓	✓	✓	NA
Ensure 100% compliance with regulators	✓	✓	✓	✓	✓	✓	✓

As a speciality chemical manufacturing Company, Himadri takes a comprehensive approach to identify risks associated with various types

of waste, including production waste, packaging waste, plastics and wood pallets. The Company considers a range of plausible scenarios through

consultations with internal and external stakeholders (outlined below).



Risk	
Policies, laws and regulations	Mandatory labelling of plastic consumption, toxicity etc.
	Stricter regulations on the processing of waste
Technology	Unsuccessful attempts to develop technology for reducing resource consumption or using recycled materials
	Increased volumes of waste generated from worksites in conjunction with the manufacturing of new products
Markets	Increased volumes of waste generated from worksites in conjunction with the manufacturing of new products
Reputation	Criticism of the industry or of individual companies, stronger concerns among stakeholders, changes in consumer preferences, etc.

Opportunities	
Resource efficiency	Lower disposal costs as a result of decreases in the volume of waste generated from worksites and lower costs for packaging, better transportation efficiency, etc.
Products and services	Reduction in the volume of waste generated through the development of resource-saving process and products, higher sales due to expanded markets due to reputation and development of innovative packaging
Markets	Higher sales due to improved access to new markets, use of incentives for developing innovative technologies,
Resilience	Improved resilience through actively continuing to promote 3R activities

Key performance Indicators	FY 21-22	FY 22-23	FY 23-24
Total weight of hazardous waste (in metric tonnes)	4.43	3.07	3.91
Total weight of waste recycled/recovered (in metric tonnes)	1337.27	1845.68	2637.25
Total weight of waste (in metric tonnes)	1341.70	1848.75	2641.16
Waste intensity in terms of physical output	0.0036	0.0046	0.0055

Process optimisation is central to Himadri. This includes in-plant reprocessing of substance streams and the application of the 3R principle (reduce, reuse, recycle) across operational sites. Where waste cannot be avoided, the focus is on mechanical or thermal reprocessing. At Himadri's sites, various types of recyclable waste — plastics, glass, paper, food waste and wood—are segregated and dispatched to external recycling firms approved by regional pollution control boards. The Company monitors these firms through audits to ensure their corresponding compliance with statutory provisions.

Himadri adheres to the recommendations of state government waste management authorities related to handling hazardous wastes like effluent sludge, oil-contaminated gloves, jute and soak sand. It employs vendors authorised by the pollution control boards. The Company reintroduced

recycled products as inputs following the end-of-life phase of its products.

Himadri launched a pilot project to implement a reusable packaging solution, with the potential to eliminate plastics and wood from its packaging. Besides, the Company strives to achieve its ambitious waste management target (zero waste to landfill).

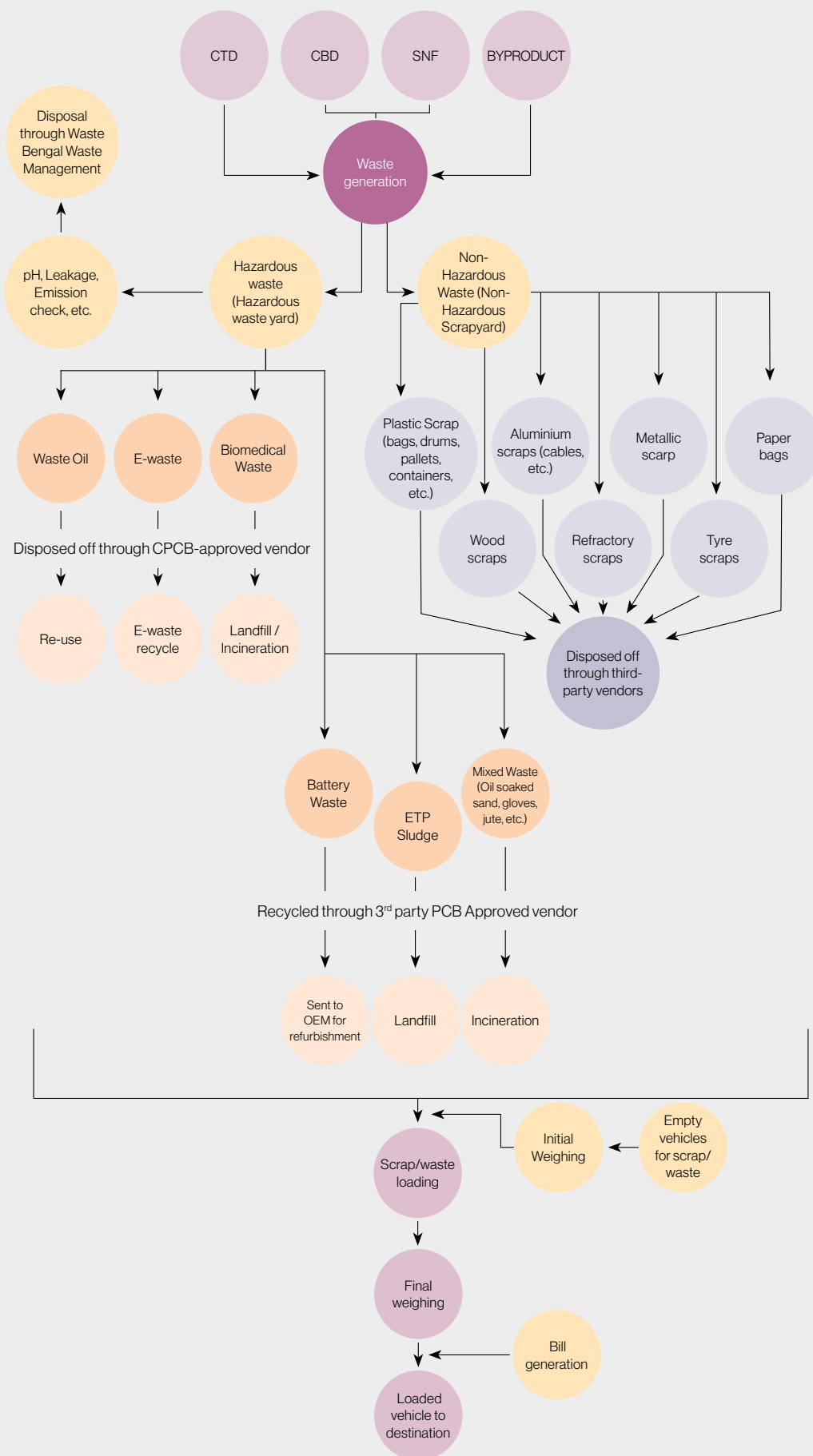
Himadri leverages the benefit of integrated production sites and systems for systematic waste management. By-products from one production process are repurposed as raw materials of other products, widening the value chain. The Company sources raw materials from other sectorial by-products (coal tar and carbon black feedstock). In addition to reprocessing, waste with high calorific value (substitute fuel) is used to produce energy, reducing a reliance on primary fossil fuels and moderating Company's carbon footprint.

Himadri is exploring alternatives to replace virgin materials. This includes initiatives to replace fossil-based plastics with alternatives like paper and metal. The Company is progressing to use plant-based plastics as an alternative to fossil-based plastics.

At Himadri, all plant waste and process scraps are systematically collected and transported to the main waste yard for segregation into hazardous and non-hazardous categories. Disposal of these wastes is carried out in compliance with Pollution Control Board (PCB) regulations and through PCB-approved third-party vendors under the supervision of the Health, Safety and Environment (HSE) department.

Himadri maintains regular communication with third-party vendors to monitor the final disposal and ensure proper management of the waste, reaffirming its commitment to environmental responsibility.

A flow diagram of Himadri's waste disposal procedure



Industrial noise management

Himadri has implemented a comprehensive standard operating procedure (Framework) to manage industrial noise effectively, ensuring a safe, compliant and comfortable work environment for all employees. The process begins with identifying areas across the industrial site that require noise monitoring. This identification is guided by the site layout and feedback from employees who are frequently exposed to elevated noise levels.

To ensure precise data collection, Himadri employs advanced noise measurement devices, such as sound level meters, dosimeters and octave band analysers. These devices are meticulously calibrated before use to guarantee accuracy. Measurement

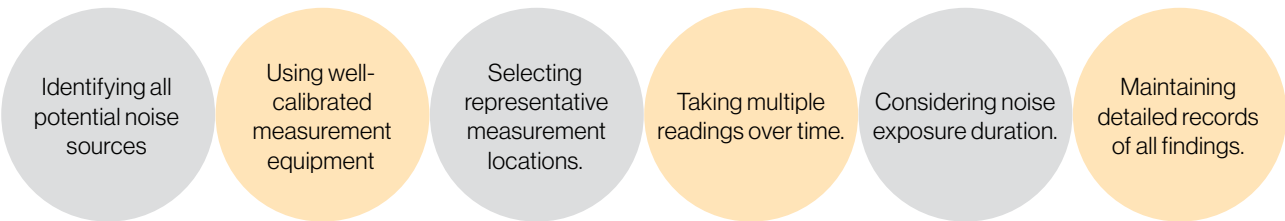
devices are strategically positioned in key areas, including locations where employees spend significant time and where machinery operates continuously. Data is collected over a sufficient period to provide a reliable representation of noise exposure levels.

The collected data is then analysed using statistical tools to calculate average noise levels, standard deviations and other key metrics. This analysis allows Himadri to identify areas where noise levels exceed permissible limits and require intervention.

To enhance its noise management efforts, Himadri develops noise contour maps that visually display

sound pressure levels across different site locations. These maps help pinpoint specific noise sources, such as machinery or equipment, enabling targeted noise reduction measures. A comprehensive report is generated based on these findings, including data from measurement points, noise contour maps, analysis results and actionable recommendations. Interventions may involve installing sound barriers, insulation, or silencers on machinery, as well as implementing administrative controls to minimise employee exposure.

Himadri has adopted a set of best practices to ensure effective noise management, including:



Regular noise measurement campaigns and transparent communication of results to employees reinforce awareness and demonstrate the Company's commitment to safety and well-being.

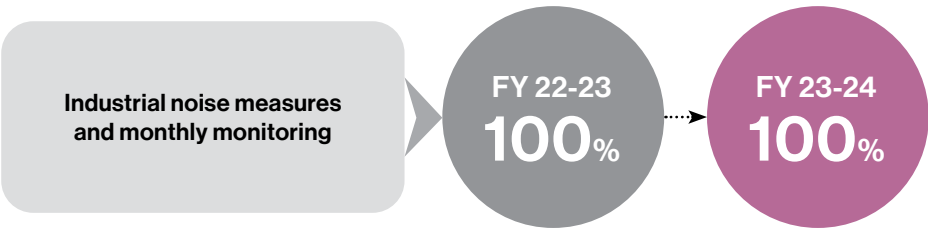
Several impactful noise reduction measures have already been implemented. For instance, acoustic hoods have been installed in high-noise areas such as the CETP and RC zones.

These enclosures, made of 40mm thick insulated panels, are equipped with doors and ventilation fans to control temperature while reducing noise levels. A silencer in the Carbon Power Plant has been replaced to reduce noise during grid failures, enhancing both sound control and operational efficiency.

Himadri remains dedicated to environmental stewardship and employee well-being. Through

continuous noise monitoring and the adoption of advanced noise mitigation technologies, the Company strives to reduce its environmental impact while supporting a quieter, safer workspace. These initiatives reflect Himadri's commitment to operational excellence, environmental responsibility and a positive workplace environment.

KPIs/ objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta
Maintain regulatory industrial noise limit	✓	✓	✓	✓	✓	✓
Monthly internal monitoring	✓	✓	✓	✓	✓	✓



VOC management

Himadri has implemented a highly efficient Hot Material Vapor Scrubbing Unit to manage Volatile Organic Compounds (VOCs), control odors and strengthen its environmental sustainability initiatives. This advanced system cleans gases or vapors by using a specialised liquid, referred to as wash oil, which absorbs and dissolves specific gas constituents, transforming the wash oil into what is termed rich oil.

The wet scrubber functions as a packed tower, with vapor entering from the base and ascending while the scrubbing liquid flows downward. This counter-current motion maximises the absorption and condensation process, enriching the scrubbing liquid with vapor components. To maintain efficiency, the enriched liquid is periodically replaced with fresh wash oil. A cooling coil with circulating water ensures that the temperature remains within the desired range for optimal performance.

To ensure consistent operation, Himadri has implemented a robust daily monitoring system. This includes tracking the scrubbing liquid's level and temperature. If the temperature exceeds 50°C or the daily cloud point surpasses 30°C, corrective actions, such as replacing the scrubbing liquid, are promptly taken. Detailed documentation of each data point enables continuous evaluation of the unit's performance.

Operational parameters for the scrubbing unit include maintaining scrubbing liquid levels between 40% and 60%, temperature ranges of 45°C to 55°C and a cloud point not exceeding 35°C.

As part of its sustainability measures, Himadri has integrated a nitrogen blanketing system in its light oil storage tanks. This automated system effectively controls pressure and minimises vapor emissions, preventing light oil-rich vapors from escaping into the atmosphere. By maintaining controlled

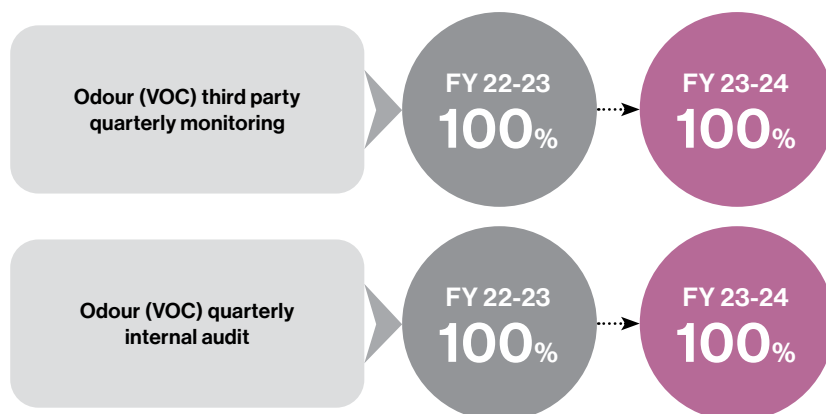
pressure, the system utilises a nitrogen-rich vapor mixture, which is more volatile than light oil vapor, to reduce emissions significantly.

Excess vapor mixtures are safely vented using the pressure-controlled system, aligning with Himadri's air pollution reduction goals. The ST12 tank is pressurised with nitrogen, ensuring that when the system activates, nitrogen is released first to condense light oil vapor into liquid form. This innovative approach further enhances environmental protection.

Through these advanced VOC management systems and sustainability initiatives, Himadri demonstrates its commitment to operational excellence, environmental responsibility and proactive air quality management.

These innovative practices not only enhance operational efficiency but also reinforce Himadri's commitment to reducing its environmental footprint and advancing sustainability.

KPIs/ objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta
Odour (VOC) management in daily basis through our online monitoring system	✓	✓	✓	✓	✓	✓
Third party quarterly monitoring and quarterly internal Audit	✓	✓	✓	✓	✓	✓



Nitrogen blanketing to reduce VOC

Environment

Presently vent out vapour mixture is rich with nitrogen as it is more volatile than Light oil Vapour as a result air pollution has reduced from before.

Limited Qty of vapor mixture exhaust from tank vent & also reduced from previous vent out qty.

As tank is under controlled pressure so that vapour mixture emission has reduced. As a result Air Pollution Reduced.

Safety

As light oil vapour emission is less & not contact with open air so chance for fire incident has been reduced. But further minimisation of chance of fire Foam pouring system & sprinkler system has been installed in tank.

Process

There is no damage of adjacent pipeline As light oil vapour emission stopped which is corrosive due to phenol content

Tank roof is cleaned & free from oil as tank all top vent remain close so there is no chance of slip of manpower as near miss.

Broadening environment commitment through training and awareness

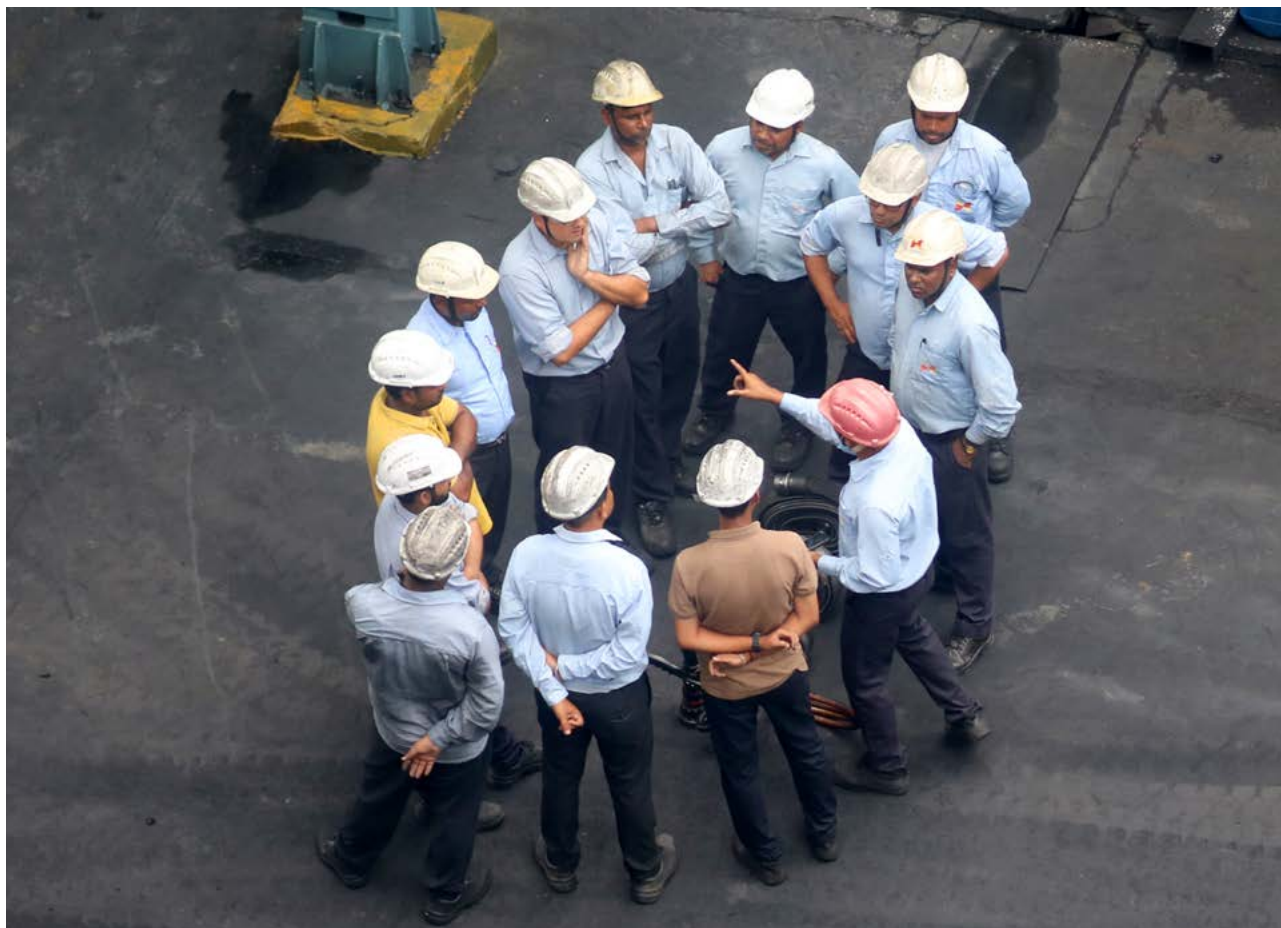
In FY 23-24, Himadri enhanced awareness among its stakeholders related to climate-related risks. The Company recognises that promoting environmental responsibility among employees is essential. Its training programmes are designed not only to increase awareness of key environmental issues but also equip employees with knowledge and tools

to contribute to environmental goals. Practical, hands-on learning is prioritised to engage employees in real-world environmental action. Employees at Himadri's business locations participate in on-site training that addresses specific environmental challenges related to waste reduction and energy conservation.

To enhance training effectiveness, Himadri conducts periodic assessments to gauge employee understanding and involvement. This feedback is analysed to modify training. Progress is monitored through specific KPIs related to environmental performance, reported to the ESG Council and shared in Sustainability Reports.

Training topics	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Climate actions aligned with global and national goals	✓	✓	✓	✓	✓	✓	✓
Energy efficiency and GHG management	✓	✓	✓	✓	✓	✓	✓
Water conservation	✓	✓	✓	✓	✓	✓	✓
Waste management	✓	✓	✓	✓	✓	✓	✓
Principle 6 of SEBI mandated BRSR (Statutory non-financial Report)*	✓	✓	✓	✓	✓	✓	✓

*includes Board Members as well



Transparency through audits and verification

At Himadri, transparency is a strategic sustainability pillar. The Company recognises that clear, accurate and verified reporting is essential to build stakeholder trust, ensuring accountability on one hand and driving continuous ESG improvement on the other. Himadri established a robust framework to integrate internal audits, external assessments and third-party verification. These initiatives have ensured data integrity, demonstrating a commitment to sustainable practices.

Himadri conducts internal audits across all key environmental material topics each quarter, while external audits and third-party assurance are carried out annually for selected material topics. Internal audits ensure data accuracy. The Company's

dedicated Environment, Health and Safety team conducts internal audits across manufacturing sites to assess key environmental parameters (energy consumption, GHG emissions, water use and waste management) and designed to:

- Monitor adherence to internal sustainability policies and objectives.
- Identify areas for improvement in resource efficiency and waste management.
- Ensure compliance with regulatory requirements and corporate standards.
- Facilitate continuous learning and capacity building within teams

The audit findings are presented to the ESG Council, reviewed by the

senior management team. Regular updates are provided to the ESG Committee at the Board level, ensuring that sustainability is integrated into decision-making and progress consistently tracked.

Himadri also conducts external audits to reinforce the accuracy and credibility of sustainability reporting. These audits are performed by globally recognised independent auditing firms which focus on key performance indicators that align with international standards, including ISO 14001 (Environmental Management) and ISO 50001 (Energy Management). The external audit coverage includes the following:

Energy profile: Audits verify energy data accuracy, ensuring that the reporting aligns with energy efficiency goals and complies with global standards.

GHG accounting: External auditors review GHG emissions accounting,

validating calculations for Scope 1 and Scope 2 emissions, ensuring a transparency in decarbonization reporting.

Water management: Water withdrawal, consumption and discharge data are reviewed to ensure accurate reporting to

conserve water resources and mitigate risks related to water scarcity and pollution.

These audits provide insights, helping Himadri strengthen processes and optimise resource management.

Third-party assurance: Enhancing accountability

To achieve the highest levels of transparency and credibility in sustainability reporting, Himadri also undergoes third-party assurance for critical environmental metrics. TUV-SUD, an independent verification body accredited by international certification agencies, assesses sustainability performance, ensuring alignment with global best practices and sustainability frameworks.

GHG emission validation: TUV-SUD validates GHG emissions data, ensuring that reporting is consistent with international protocols such as the Greenhouse Gas Protocol and aligned with Science Based Targets Initiative (SBTi) commitments.

Energy efficiency: Energy consumption and efficiency metrics are reviewed to ensure progress in reducing overall environmental impact through energy management initiatives.

Water usage: TUV-SUD assurance providers ensure water data is accurate, complete and aligned with global sustainability reporting standards, such as the Global Reporting Initiative (GRI).

Waste management: Operational waste generation and management data are reviewed to ensure accurate reporting in accordance with global and national standards.

Through the integration of internal audits, external reviews and third-party assurance, Himadri has established

a comprehensive framework that ensures the accuracy, transparency and accountability of sustainability reporting. This rigorous approach enables the Company to effectively communicate progress in key areas such as energy management, GHG reduction, water conservation and waste management, while continuously improving environmental performance.

As a United Nations Global Compact signatory, Himadri aligns sustainability initiatives with global best practices. The Company's reporting meets international standards; it contributes to broader environmental and social goals. By enhancing transparency, Himadri is committed to driving positive change and leading the way in sustainable business practices.

Material topics	Internal Audit	External	
		Audit	Assurance
Energy profile	✓	✓	✓
GHG emission accounting	✓	✓	✓
Water management	✓	✓	✓
Waste management	✓	-	✓
Air pollution	✓	✓	✓



Dr. Soumen Chakraborty
Business President

I am honored to validate Himadri's commitment to embracing circularity into its core operations. At Himadri, we recognise that transitioning from a linear to a circular economy is critical for achieving long-term sustainability, and we are proud to lead this transformation in the speciality chemical sector.

Circularity at Himadri is driven by a philosophy of reduce, reuse, and recycle. Our value chain epitomises this principle, as we utilise industrial by-products like coal tar to produce high-value materials such as mesophase pitch, coal tar pitch, and speciality oils. This approach minimises waste while maximizing resource efficiency. Furthermore, our focus on developing low-environmental impact products, such as Low Sulfur Fuel Oil (LSFO), enables our customers to reduce their own environmental footprints, extending the impact of our circular initiatives subsequently embracing Net Zero 2050 in every aspect of our daily operations.

Key to our strategy is waste valorization. Through innovations like recycling solvent waste in our laboratories and reprocessing operational by-products such as pitch dust, we are not only minimizing environmental impact but also creating economic value. Our Zero Waste to Landfill vision by 2026 reflects our commitment to setting

industry benchmarks in responsible production and waste management.

Our circularity efforts are further amplified by our focus on water recovery and reuse. Technologies like Zero Liquid Discharge (ZLD) ensure that every drop of water is recycled back into our processes, reducing groundwater dependence and contributing to our sustainability goals.

As we advance, Himadri is exploring carbon capture and bio-based alternatives to traditional materials, further strengthening our role as a pioneer in circular economy practices. With these initiatives, we are not just addressing today's environmental challenges but shaping a future where sustainability and economic growth coexist.

I extend my deepest gratitude to our stakeholders for their continued trust and collaboration as we redefine industry standards for circularity and sustainability.

Circular economy and minimise environmental impact

In the context of a circular economy, using Anthracene oil derived from coal tar as a feedstock for carbon black production is an innovative and sustainable approach that significantly contributes to resource efficiency and environmental sustainability.

Coal tar, a by-product of coal processing, contains a variety of valuable chemical

compounds, including Anthracene oil. Traditionally, Anthracene oil has limited scope industrially or disposed of, contributing to environmental pollution. By redirecting Anthracene oil into the carbon black production process, Himadri is not only creating a valuable industrial product but also closing the loop in the life cycle of coal tar derivatives, ensuring that fewer

resources go to waste. Additionally, the circularity of this process is critical for minimizing the carbon footprint of the carbon black industry. By integrating the use of a by-product into the production process, total emission reduction is achieved 45% compared to Anthracene Oil is disposed and subsequently combusted.

Key initiatives

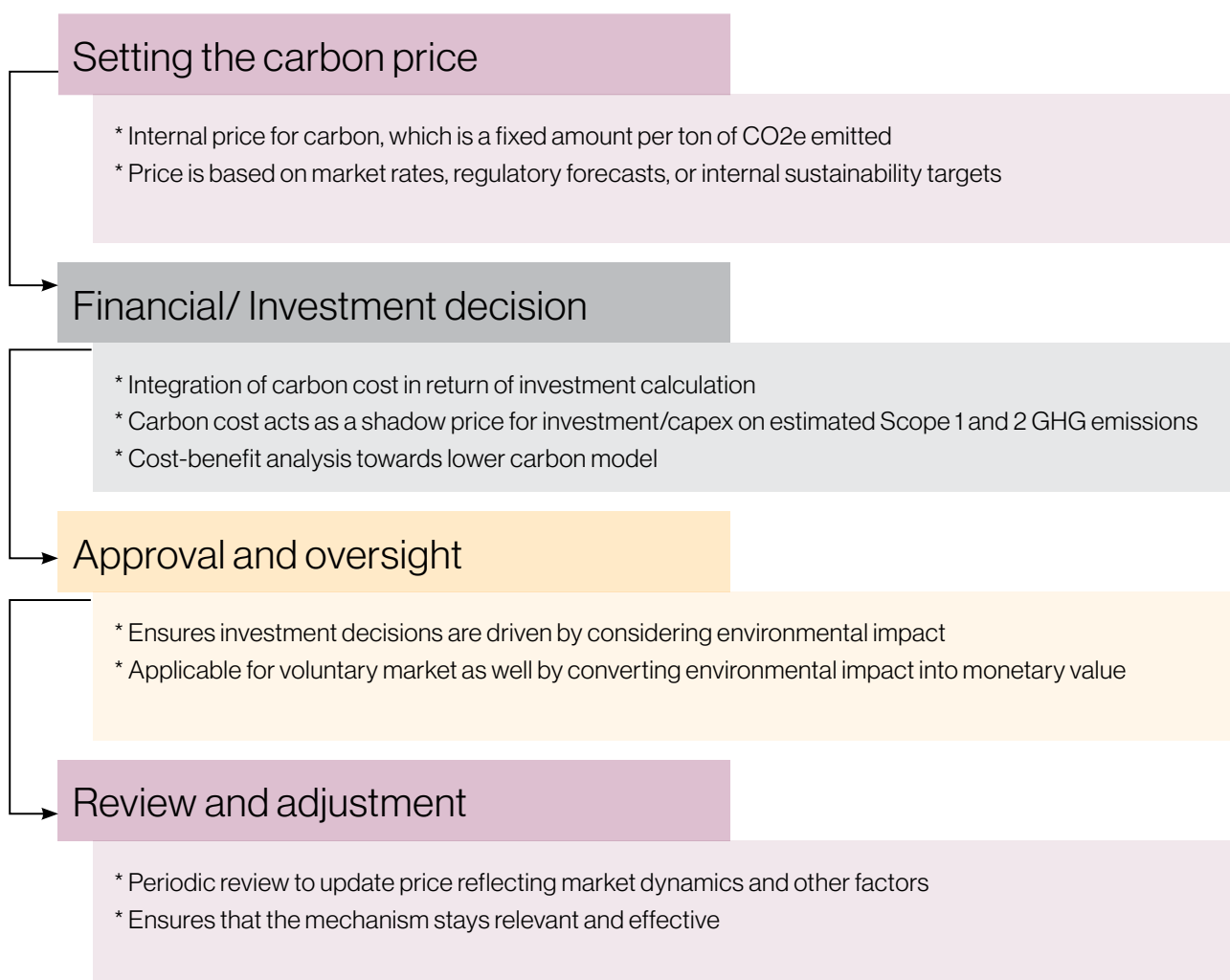
Internal carbon pricing: A fundamental shift towards a sustainable future

In our climate strategy, we have developed a comprehensive approach that encompasses our entire organisation. This strategy is aimed at achieving our net-zero goals and addressing the risks associated with climate change, including both physical impacts and transitional challenges.

In response to shifting regulatory demands and market dynamics apart from the strategic operational

deployment, Himadri's Board Level Sustainability Committee has recently formulated an internal carbon pricing to drive our investment decision towards a less carbon business model. Himadri has started integrating environmental impact assessments into the evaluation of each capital expenditure project, recognizing that these decisions significantly influence our long-term sustainability, particularly in terms of GHG emissions. Our Environmental Policy, overseen by the ESG Committee at the Board, applies across all our operations and mandates that all investment decisions must consider their environmental

impact. We incorporate an internal carbon pricing for Scope 1 and Scope 2 emissions into the payback calculations for investments requiring approval by the CMD-CEO. When evaluating capital expenditures or new projects, the potential CO₂ emissions (Scope 1 and Scope 2) are estimated. The internal carbon price is then applied to these emissions to calculate a "carbon cost," which is included in the overall cost-benefit analysis. This ensures that projects with lower carbon emissions are more financially attractive, incentivizing investments in more sustainable options.



Himadri implements the shadow pricing mechanism in which we assign a monetary value to each ton of carbon dioxide. Shadow pricing mechanism is a crucial tool to ensure that the environmental implications of long-term investment decisions are fully

understood. India being a fast-becoming compliance market for emission, internal carbon pricing mechanism assists Himadri to be future-ready encouraging more sustainable business practices. Derived from the global trading platform, the internal carbon price is fixed by

the ESG Council at ₹6,220 per ton of carbon dioxide which will be reviewed again after six months. This value will be considered as add on virtual ROI from FY 24-25. The detailed implementation process of internal carbon pricing has been devised below:

Life cycle assessment of Himadri's products

In line with its commitment to advance environmental stewardship and minimise the carbon footprint, Himadri conducted a comprehensive life cycle assessment of key products. The products assessed included Carbon Black, Coal Tar Pitch, Naphthalene, Sulphonated Naphthalene Formaldehyde and Polycarboxylate Ether. This evaluation was carried out in accordance with the ISO 14044 standard, a clear framework for conducting LCAs. Through this approach, Himadri derived a comprehensive understanding of the environmental impact across each product lifecycle stage.

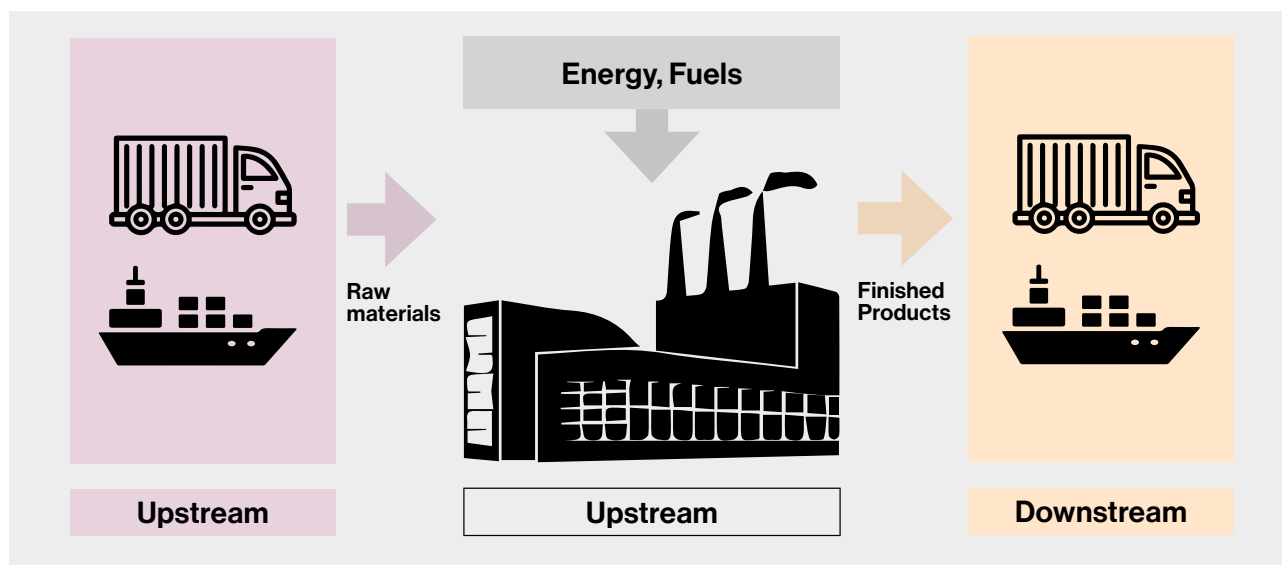
Scope of the life cycle assessment:

The LCA covered all critical stages of the product lifecycle - from the upstream transportation of raw materials, through the production process, to downstream transportation to end-users. This approach ensured that Himadri can assess holistic environmental impact and identify potential improvement areas.

Upstream transport: This phase assessed the environmental impact of transporting raw materials to Himadri's manufacturing units. By examining related carbon emissions, Himadri can understand how logistics and supplier choices affect the overall carbon footprint.

Gate-to-gate emissions: This refers to the environmental impact within Himadri's production processes. For each product — Carbon Black, Coal Tar Pitch, Naphthalene, SNF and PCE — this phase captures emissions from the conversion of raw materials into finished products. This analysis is essential for evaluating the efficiency of production processes and identifying energy optimisation, waste minimisation and emission reduction opportunities.

Downstream transport: This final assessment phase considers the environmental impact associated with delivering products to customers. This includes evaluating emissions generated from transportation, taking into account the distance, transport mode and fuel consumption.



Product focus

Carbon black: As a key ingredient in the manufacturing of tyre and rubber products, carbon black is central to the Himadri portfolio. The LCA conducted on this product helps the Company understand the environmental footprint of its production and distribution, enhancing its focus on reducing energy consumption and emission.

Coal Tar Pitch: This product (used extensively in the aluminium and graphite industries) has a unique lifecycle. Through the LCA, the Company

evaluates how energy efficiency and resource utilisation improvements can moderate environmental impact.

Naphthalene: This byproduct of coal tar distillation enjoys a range of applications from mothballs to chemical intermediates. The LCA of naphthalene provides insights into the optimisation of production process and minimised emissions.

Sulphonated Naphthalene Formaldehyde (SNF): Used in construction chemicals and other

applications, the LCA of SNF ensures that Himadri reduces the carbon footprint of this essential chemical by evaluating key emission sources and transport efficiencies.

Polycarboxylate Ether (PCE): A new addition to Himadri's product line, this product is used as a superplasticiser in concrete production. The LCA allows the Company to monitor energy use and emissions associated with PCE production.

Serial number	Product name	Life cycle emission (kgCO ₂ e/kg)
1	Carbon Black	2.3519
2	Coal Tar Pitch (Binder)	0.44
3	Coal Tar Pitch (Impregnated)	0.30
4	Naphthalene	0.33
5	Sulphonated Naphthalene Formaldehyde	1.35
6	Polycarboxylate Ether	1.477

By adhering to the ISO 14044 standard for conducting LCAs, Himadri ensures a systematic approach in evaluating the environmental impact of its products. This standard provides a framework that comprises goal definition, inventory analysis, impact assessment and interpretation, ensuring that the LCA results are consistently reliable. It enhances transparency related to environmental responsibilities and supports targeted action plans.

Values drawn from the LCA

Enhanced carbon footprint

clarity: The LCA provides a precise understanding of the carbon footprint associated with the entire lifecycle of each product. This insight helps the Company formulate strategies to reduce emissions in critical areas.

Sustainable decision-making: The LCA insights enable Himadri to make informed decisions regarding raw material sourcing, production efficiency and logistics. These insights help the Company identify opportunities to improve energy efficiency, reduce waste and optimise resource use.

Continuous improvement: LCA

results serve as a foundation for setting sustainability targets. By monitoring and reassessing impact, Himadri pursues new initiatives aligned with its sustainability roadmap (including net-zero by 2050).

Global standards and frameworks:

Conducting LCAs in compliance with ISO 14044 enhances Himadri's credibility with stakeholders and reinforces its alignment with global sustainability frameworks (UNGC and UNSDGs).

With LCA results, Himadri is better equipped to address environmental challenges associated with its products

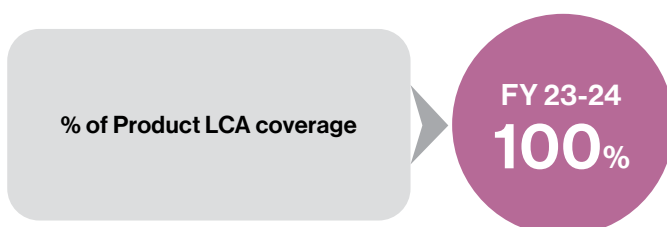
and operations. The insights gained from this analysis will guide sustainability, ensuring that the Company continues to lead the industry in sustainably responsible production. By focusing on continuous improvement and innovation, Himadri seeks to reduce its carbon footprint, enhance resource efficiency and contribute to a more sustainable planet. This LCA initiative is empowering Himadri to fulfil its commitment to environmental stewardship and sustainability. It reinforces the belief that through responsible production, innovation and sustainability focus, the Company can make a lasting environment impact.

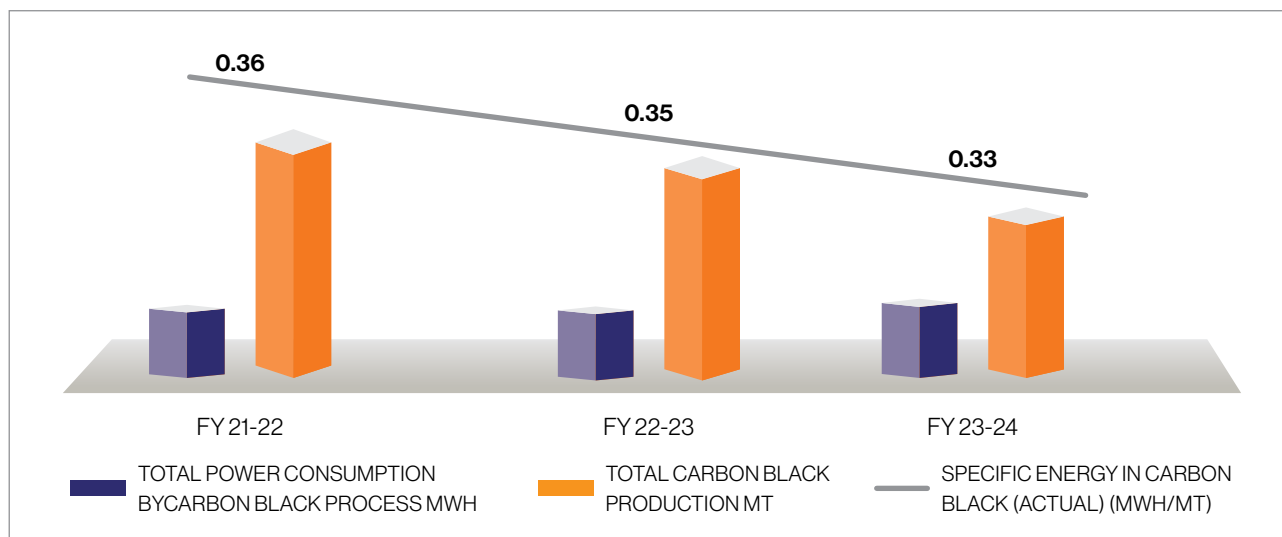
Energy management system

Himadri embarked on the implementation of a digital energy management system at the Carbon Black Division in Mahistikry. The

Company installed the SmartComm software by L&T Electrical and Automation directed to manage energy consumption. At the Carbon Black division, 140 smart meters were installed in the generating unit and process

distribution sections / subsections. These meters monitor auxiliary power consumption trends and an easy analysis of specific energy consumption across processes.





Introduction of steam heating in place of fuel oil

Himadri Speciality Chemical Limited has replaced the conventional fuel oil heating system with a steam heating system in its new 480 Ton per day Coal Tar distillation project.

This transition from a fuel oil heating system to a steam heating system has brought significant improvements in efficiency and effectiveness. In

the new Coal Tar distillation project, the conventional indirect heating of heat transfer oil by fuel oil has been replaced by steam heating in the dehydration unit. As a result, the fuel required for dehydration has been eliminated, leading to a substantial reduction in GHG emissions.

By switching to steam energy, the Company benefits from improved heating performance, potentially lower energy costs, reduced GHG emissions, lower maintenance requirements and a reduction in the shutdown maintenance time of the thermic fluid heater.



Innovative sustainability and efficiency enhancements in the captive power plant

Himadri leads the way in sustainable industrial practices through innovative captive power plant initiatives of the carbon black division. By integrating advanced technologies and optimised processes, Himadri is committed to reduce environmental footprint, enhance operational efficiency and contribute to global sustainability goals.

These efforts align with UNGC principles and UNSDGs, reinforcing the Company's role as a responsible industry leader. Himadri's initiatives are focused on achieving net-zero emissions by 2050, with interim targets set for 2025 and 2030.

The Company's energy & GHG emission Policy drives these initiatives in the captive power plant. These policies outline measures to enhance energy efficiency, reduce environmental impact and ensure operational safety. The key measures implemented during FY 23-24 included:

Hot air utilisation: Redirected hot air from Line-3 APH to Boiler #03 combustor, maximising combustion efficiency and reducing the gas/steam ratio for higher steam output.

WHRB boiler feed water optimisation: Increased the temperature from 40°C to 105°C, enhancing efficiency.

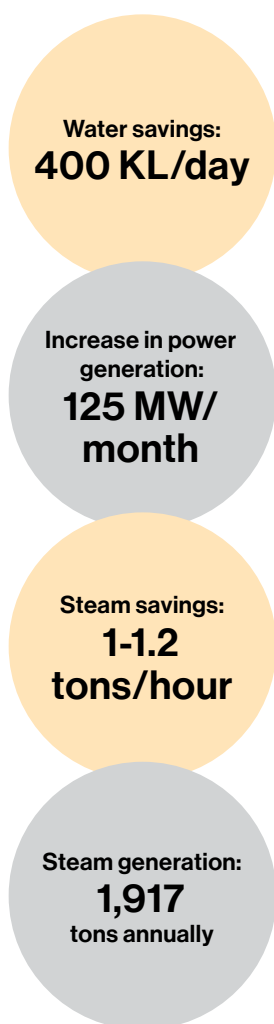
Silencer replacement: Replaced boiler #2 silencer to eliminate excessive sound pollution during grid failure.

Condensate recovery: Arrested steam leaks, saving 400 KL of water a day.

Heat exchanger: Utilised thermal energy in the blowdown line to generate 1,917 tons of steam annually, equivalent to 480 MW.

Cooling tower fills replacement: Replaced fills to improve steam/ power efficiency, resulting in a 125 MW/ month generation increment.

These initiatives resulted in efficiency and environmental impact improvements:



The initiatives were implemented across turbines, boilers, cooling towers, demineralised plants, water recovery plants and chemical consumption processes. These measures led to substantial cost savings, improved efficiency and reduced environmental footprint. The continuous monitoring of turbine parameters, combustion efficiency and equipment maintenance ensured sustained performance. Regular skill development and training enhanced workforce capabilities.

Himadri's captive power plant at Mahistikri operated under the management systems of ISO 14001:2015 and ISO 50001:2018, reinforcing a commitment to environmental and energy management standards.

The captive power plant exemplifies Himadri's commitment to sustainability and operational excellence. By integrating cutting-edge technologies and optimising processes, Himadri moderated its environmental footprint and enhanced operational efficiency. Strategic measures (hot air utilisation, WHRB boiler feed water optimisation and condensate recovery) led to water and energy savings, increased power generation and reduced chemical

consumption. These efforts contributed to the Company's interim 2025 and 2030 targets, positioning Himadri as a leader in sustainable industrial practices.

Himadri's proactive approach, driven by its Energy & GHG Emission Policy, highlights its role as an industry leader committed to net-zero emissions by 2050. In turn, this helped created an industry benchmark, reinforcing the Company's pioneering position in sustainable industrial innovation.

Use of waste heat recovery system: An effort to optimise resource consumption

Himadri Speciality Chemical Limited, engaged in the production of coal tar pitch (CTP), creosote oils, naphthalene, carbon black, advanced carbon materials and sodium naphthalene formaldehyde (SNF), generates significant process heat during carbon black production. To optimise the use of this generated heat, Himadri has implemented an efficient waste heat recovery system, utilising equipment such as the Air Pre Heater (APH), Oil Pre Heater (OPH), Waste Heat Recovery Boiler (WHRB) and Dryer Air Pre Heater (Dryer APH).

Himadri has also integrated an energy recovery system using a heat exchanger to capture thermal energy from boiler blowdown water. The blowdown water, at 100°C, passes through the heat exchanger, transferring heat to the boiler deaerator makeup water, raising its temperature from 30°C to 57°C. This process results in a temperature gain of 27°C, allowing the recovery of 324,000 Kcal/hour of energy. This energy recovery reduces steam consumption at 3.5 kg/cm² by 9.6 tons per day, leading to substantial cost savings and improved energy efficiency. This sustainable approach reflects Himadri's commitment to harnessing valuable energy and minimising wastage.

Himadri has implemented a Micro Turbine to address energy loss and wastage, while also reducing steam pressure for various processes. The Micro Turbine utilises excess high-pressure steam (around 60 kg/cm², 485°C), which is not required for the processes and converts it to usable levels of 20 kg/cm² at 280°C and 3.5

kg/cm² at 180°C. This turbine has effectively replaced the previous PRDS system, resulting in energy conservation, reduced water usage and decreased operational costs. During its operation in November 2022, the Micro Turbine generated 530.6 MWh of power, underscoring its significant contribution to energy conservation and environmental sustainability.

Himadri has introduced a Secondary Air Pre Heater (APH) as part of its waste heat recovery system to maximise sensible heat recovery and reduce the direct use of steam or electricity. The Secondary APH, installed between the Primary APH and the Main Bag Filter (MBF), recovers heat from hot smoke and the stifling air is then utilised in the Oil Pre Heater (OPH) to convert oil. The heat recovery calculations show that the Secondary APH recovers heat, which is used in the OPH and the Captive Power Plant (CPP) boiler combustor. This results in a total heat/energy usage of 1.20 GJ/ hour in the OPH and 5.45 GJ/ hour from the stifling air generated by the Secondary APH. By optimising the utilisation of waste heat, Himadri has achieved improved energy efficiency and reduced its carbon footprint, contributing to environmental sustainability.

Reduction in evaporation and water recovery: From FY 22-23 to FY 23-24, Himadri has achieved water recovery of 7 KL/day.

Waste heat recovery: From FY 22-23 to FY 23-24-2024, Himadri has recovered 17.43 GJ of waste heat.

Enhancing energy efficiency: Advanced power management and lighting solutions



Overview

Enhancing energy efficiency is essential in reducing environmental impact and improving cost-effectiveness in industrial operations. By moderating utility expenses, increasing energy independence and stabilising electricity consumption, industries can enhance business sustainability. Himadri is dedicated to sustainable practices, committed to a Net-zero vision aligned with India's Net-zero goal, validated by

the Science Based Targets initiative (SBTi) for 2050.

Himadri adheres to the principles of UNGC; it supports UNSDGs through its operations. Energy efficiency is core to the Company's enterprise risk management; its energy and GHG management policy outlines measures and projected outcomes.

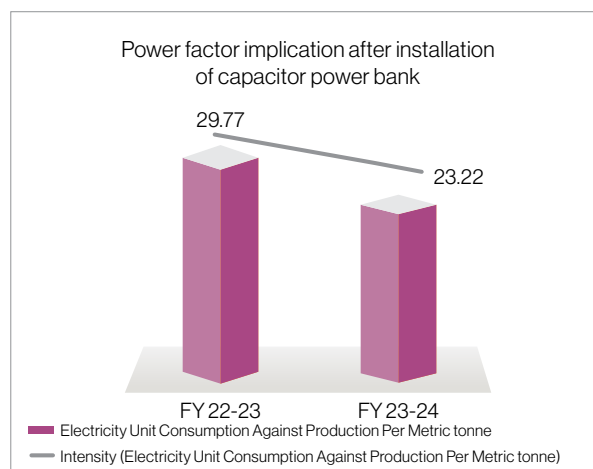
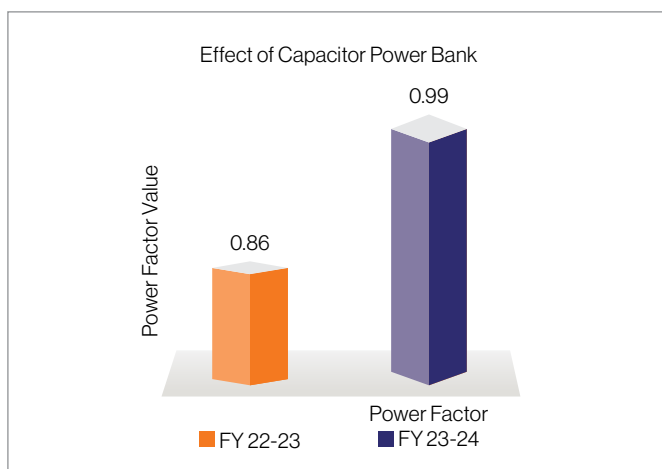
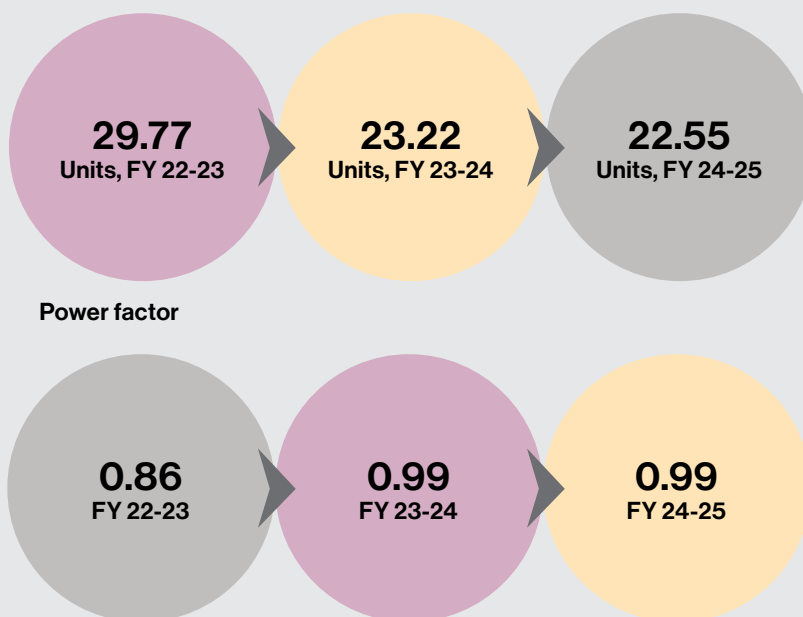
To further these goals, Himadri implemented significant energy efficiency initiatives at its Korba unit, reducing costs and environmental impact. Key initiatives included the

installation of a capacitor power bank and replacement of high-pressure sodium vapor (HPS) lighting with LED alternatives (details below).

Capacitor power bank installation: The power factor at the Korba plant was 0.86, resulting in inefficiencies and high energy costs. Himadri installed a capacitor power bank that balanced reactive power; the power factor increased, stabilising at 0.99. This improvement enabled smoother plant operations and substantial energy cost savings.

Key Metrics

Electricity unit consumption
against production per metric
tonne (MT)



These strategic transitions not only reduced expenses but also supported Himadri's sustainability goals by enhancing operational efficiency and lowering energy consumption. The initiatives are aligned with Himadri's sustainability objectives and were compliant with ISO 14001:2015 and ISO 50001:2018 management systems.

The plant replaced High-Pressure Sodium Vapor (HPS) lighting with LED, which led to significant electricity cost reduction. LEDs consume less power while delivering equal or better illumination. This transition decreased overall energy consumption, reducing energy expense. Moreover, LEDs have a longer lifespan and require less

maintenance. This switch reduced heat generation, enhancing efficiency. Electricity consumption per tonne of production improved.

Harnessing natural light: Reducing energy consumption and environmental impact

Himadri prioritises reducing energy consumption and carbon footprint through the efficient resource use. One of the key initiatives implemented to support this policy comprised the reduction of electricity consumption for factory lighting. The Company installed transparent roofing sheets that allowed natural light to illuminate workspaces, minimising the use of artificial lighting

during day hours at the Falta unit. To minimise energy consumption, the Company implemented the following actions:

Transparent sheet installation

- The FY 24-25 proposal included the fitting of transparent roofing sheets in the production sheds to eliminate artificial lighting during day hours.
- This initiative was implemented in Shed 2 of the Falta unit, resulting in measurable energy savings (now extended to Shed 1).
- The transparent sheets used in Shed 1 is anticipated to remove the need for 15 floodlights, each rated at 150 watts, during day operations.

Key metrics

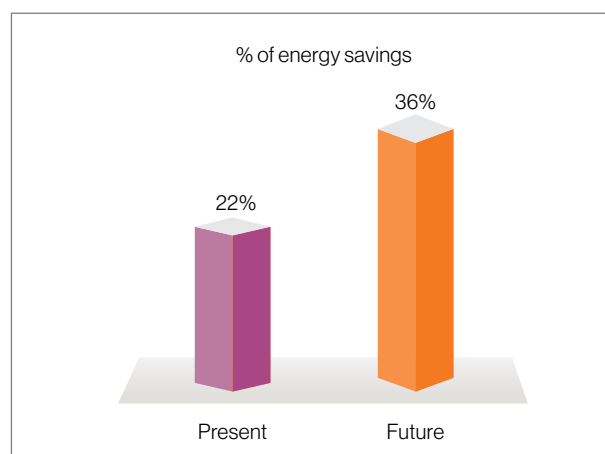
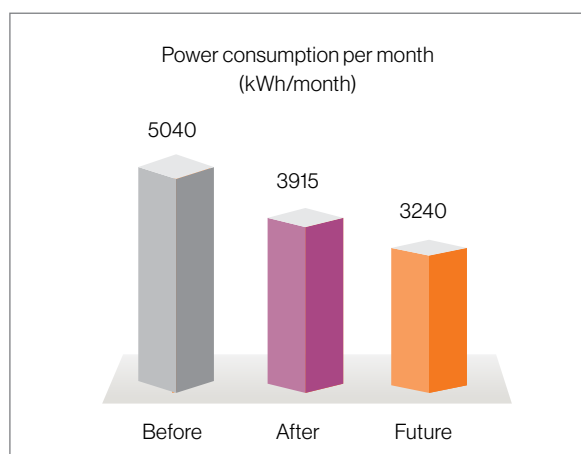
22% energy reduction: Achieved by replacing 15 of 42 existing 400-watt bulbs with 150-watt energy-efficient alternatives.

36% energy savings: This is the quantum of projected savings after installing transparent sheets, eliminating the need for 15 150-watt bulbs during day hours.

Elimination of 15 floodlights: This is the direct result of transparent sheet installation, contributing to additional energy savings.

Reduction in artificial lighting use: Significant decrease in dependence on electrical lighting during the day, enhancing energy efficiency.

Calculation for lighting inside production shade area 1			
	Before	Present (after implementation)	Future
Number of 400 watt bulb	42	27	27
Number of 150 watt hanging bulb	0	15	0
Number of transparent roof sheets	0	0	20
Light bulb use hours	10	10	10
Factory operating day per month	30	30	30
Power consumption per month (kWh/month)	5040	3915	3240
% of Energy Saving	0 %	22 %	36 % (Tentative savings)



The energy-saving measures reduced energy consumption while lowering the Company's environmental footprint. Initially, 42 floodlights rated at 400 watts each were used to illuminate Shed 1. Last year, the Company replaced 15 of these 400W lights with 150W energy-efficient bulbs, achieving a 22% energy consumption reduction.

The Company is installing 20 transparent sheets in Shed 1, which will help switch off an additional 15 of the remaining 150W bulbs, resulting in a 36% reduction in energy consumption.

This initiative is conducted under the ISO 14001:2018 and ISO 50001:2018 management systems, enhancing long-term sustainability.

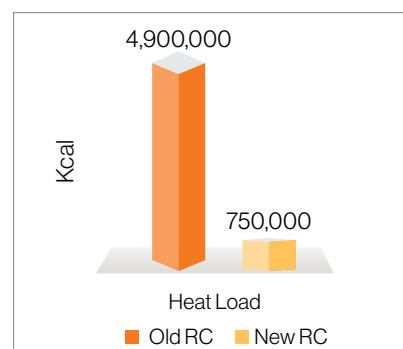


Enhancing water efficiency with advanced cooling systems

Himadri has introduced a double-stage cooling system with a Steam Generator and Heat Exchanger, replacing the previous single-stage cooling system with a condenser. This transition has significantly reduced evaporation loss from the cooling tower, resulting in substantial water savings.

- The new system reduces the heat load to the cooling tower for the new Rectification column(RC) (750,000 Kcal/day) compared to the old RC (4,900,000 Kcal/day), leading to a considerable reduction in evaporation loss. In FY 23-24, approximately 1,454 tons of water were saved, marking a 4.7% improvement over the previous year, which equates to a daily savings of 4.1 tons of water.

This initiative reinforces Himadri's commitment to sustainable water management and operational efficiency, reflecting a proactive approach to environmental responsibility.



Rainwater harvesting system at Himadri

Himadri has implemented a rainwater harvesting (RWH) system at its Korba plant, focusing on the collection and storage of rainwater instead of allowing it to run off. The rainwater collected from roof-like surfaces is redirected into tanks, cisterns, deep pits (such as wells, shafts, or boreholes), aquifers, or reservoirs with percolation, allowing the water to seep down and recharge the groundwater. The harvested water is used for various

purposes, including garden irrigation, domestic use (with proper treatment) and road sprinkling. The water is committed to long-term storage or groundwater recharge.

A pilot rainwater harvesting system has already been successfully installed at Himadri's Korba plant in India. Moving forward, the Company plans to implement this technology at all its plants.

As part of its commitment to sustainability, Himadri continues to enhance its rainwater harvesting capacity, progressively reusing rainwater each year. For FY 23-24, a total of 527,298 liters of water were collected through the system, reinforcing Himadri's ongoing efforts to conserve water resources.

Water harvesting calculation

NO	Location	Collection area dimension
1.	Roof area of ADM building	15.40 mtr * 18.80 mtr
2	Roof area of store & process office	20 mtr * 13 mtr

Boost fuel performance to achieve higher energy efficiency and lower carbon emission intensity: fuel addition

Himadri has successfully implemented a high-performance multifunctional fuel additive across its reduction processes, targeting various fuel applications such as furnace oil, carbon black feedstock, light diesel oil and low sulfur heavy stock. This additive has led to significant improvements in fuel efficiency and carbon emission reduction, optimising production operations.

The specially formulated compound, dissolved in aromatic solvents and readily soluble in fuel oil, acts as a combustion catalyst. It accelerates the oxidation of unburnt hydrocarbons during heavy fuel oil combustion. This innovation effectively addresses the challenge posed by asphaltene's complex structure, which previously hindered complete combustion, resulting in carbon deposits, soot and particulate matter emissions.

The benefits achieved through the implementation of this fuel additive are extensive, encompassing several aspects:

Chemical benefits: The speed of oil combustion has increased, leading to enhanced fuel efficiency. The combustion of unburnt hydrocarbons has been accelerated, resulting in better fuel utilisation.

Mechanical benefits: The requirement for excess air has been reduced, minimising heat loss through flue gases. Heat transfer efficiency has improved, leading to reduced heat loss through heat transfer surfaces. The spray pattern, flame homogeneity and fuel flow properties have also enhanced. There has been a considerable reduction in sludge formation and clogging in pipes, filters and nozzles. Once the additive

disperses, it suspends any existing sediment in storage tanks and provides protection against water-induced corrosion. This has led to a reduced frequency of mechanical maintenance and an increased equipment lifespan.

Economic benefits: Himadri has achieved approximately 4% fuel savings, contributing to greater cost-efficiency due to this initiative.

Environmental benefits: Emissions have been significantly reduced, along with the particulate matter in flue gases. Overall, specific fuel consumption per ton of production has decreased by 4-5% compared to the previous approach without additives, demonstrating Himadri's commitment to high efficiency and sustainable practices in fuel utilisation.

Advancing collaborative sustainability ambition

At Himadri, sustainability is viewed as a shared commitment and the Company embraces a collaborative approach that spans the entire value chain. Recognising that both direct and indirect emissions (Scope 1 and Scope 2) ultimately influence the Scope 3 emissions of its customers, Himadri continually strives to minimise its carbon footprint while developing low-emission, customer-focused products. This integrated strategy reflects the Company's dedication to advancing its environmental goals as well as those of its partners.

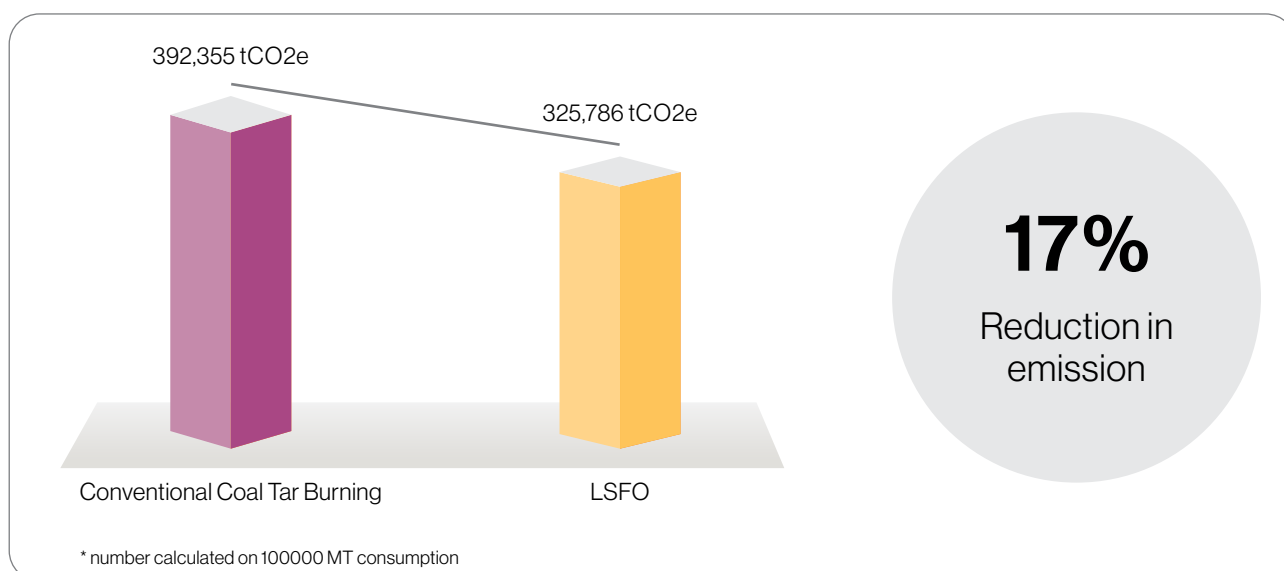
In alignment with these efforts, Himadri has developed an innovative Low

Sulphur Fuel Oil (LSFO) as an alternative to conventional coal tar burning in steel plants. This forward-looking solution not only reduces GHG emissions significantly for customers but also offers efficiency benefits due to its high calorific value, further supporting SDG 12: Responsible Consumption and Production by reducing overall material consumption.

Himadri's unique business model for steel plants exemplifies the Company's commitment to a circular economy. By extracting coal tar from steel plants, processing it into Coal Tar Pitch and other valuable by-products and supplying LSFO back to these facilities,

Himadri actively supports the reuse of operational by-products and minimises waste sent to landfills. This closed-loop process embodies Himadri's commitment to reducing waste, enhancing resource efficiency and creating shared value for its partners.

Through these initiatives, Himadri is driving significant environmental progress across its value chain, creating a future where sustainable solutions benefit both the Company and its customers. This approach not only emphasises Himadri's customer-centric philosophy but also reinforces its role as a responsible industry leader committed to long-term sustainability.



Reduction of hazardous substance generation or toxicity:

Himadri emphasises environmental responsibility in its operations. The Company has made a strategic choice in the selection of environmentally friendly refrigerants for its AC compressor units. For large area applications, Himadri uses R410A, while for small area applications, it opts for R32. These refrigerants are non-ozone depleting, non-toxic, non-flammable, and non-corrosive, making them more sustainable alternatives. R410A and R32 are blended mixtures of difluoromethane and pentafluoro ethane, designed to replace the ozone-depleting R-22 refrigerant, which is being phased

out due to its harmful effects on the environment.

Himadri has installed another new Water Recovery Plant (WRP) to recycle wastewater from various sources, including ETP, DM plant backwash, RO plant rejected water, and cooling tower blowdown water. The process involves dosing with various chemicals, settling in clarifiers, filtering, ultra filtration, reverse osmosis, and de-gasification. The final permeate water is used for cooling tower makeup, process utilisation, and RO plant feed, while the rejected water is used for road washing and CBD

process quenching. This water recycling significantly reduces groundwater consumption.

Himadri is continuously using low Sulphur and low asphaltting fuel stock as heat source. In-house modified fuel oil Sulphur content (0.3%) is too low compared to Sulphur content (1%) of conventional furnace oil. Another formulation has been implemented to reduce fuel asphaltting content by adding wash oil for complete combustion and reduction of smoke, soot and particulate matter, black smoke, CO in flue gas. Complete combustion of fuel is done.

Use of recovered input materials

Himadri has adopted a comprehensive recycling and reuse approach in its laboratory operations to comply with environmental policies and government guidelines. During the production of Coal Tar Pitch from Coal Tar, various by-products, such as Naphthalene and Creosote oils, are generated. The Company focuses on recycling used solvents, including Quinoline and Toluene, which are extensively used in quality testing to determine the presence of insoluble matters and measure moisture content in raw materials and finished products.

The recycling process involves collecting used solvents mixed with bitumen, referred to as washing oil and feeding them into a distillation unit. This unit separates Toluene and Quinoline at their respective boiling points (110.6°C for Toluene and 237°C for Quinoline),

achieving high purity levels of 90% and 94%, respectively. The intermediate oil produced during distillation—a mixture of Toluene and Quinoline—is also fed back into the distillation unit for further processing, creating a closed-loop system.

The impact of this recycling initiative includes significant environmental benefits, such as achieving zero discharge of chemicals into the environment, which aligns with sustainability goals and reduces chemical pollution. The process enhances cost efficiency by reducing the need to purchase new chemicals, thereby lowering operational costs. This initiative not only minimises environmental impact but also sets a benchmark for sustainable practices in the chemical industry, demonstrating Himadri's commitment to environmental

responsibility and resource conservation.

Sampling oil (up to 100 kg) from the distillation plant is collected and sent to the unloading point for mixing with raw Coal Tar. In the Pitch granulation unit, liquid pitch is solidified to meet customer needs and dispatched in bags. During granulation in the cooling bay, some pitch dust is generated and deposited. This pitch dust is collected once a year during the cleaning operation at the shutdown of the granulation unit. The collected pitch dust is stored in bags and reprocessed with soft pitch by melting it in the Melter.

High-pressure and low-pressure steam is converted into condensate water after use in the process. The condensate recovery system is in operation to recover all condensate water and reuse it in the process for hot vapor cooling.

Use of eco-friendly or bio-based input materials

Himadri emphasises environmental responsibility in its operations. The Company has made a strategic choice in selecting environmentally friendly refrigerants for its AC compressor units. For large-area applications, Himadri uses R410A, while for smaller applications, it opts for R32. These refrigerants are non-ozone-depleting, non-toxic, non-flammable and non-corrosive, making them sustainable alternatives to conventional refrigerants. R410A and R32 are blended mixtures of

difluoromethane and pentafluoroethane, designed to replace the ozone-depleting R-22 refrigerant, which is being phased out due to its harmful environmental effects.

Cow dung and molasses are routinely used in the Effluent Treatment Plant (ETP) process to treat wastewater. The cow dung is sourced from local communities, supporting both waste management and local agriculture.

In its commitment to reducing paper usage and promoting sustainability, Himadri has implemented an Employee Self-Service (ESS) portal, where paperless transactions are routinely executed. The Company is working towards reducing the carbon footprint associated with cloud servers by transitioning to green on-premise-on-cloud server services, which have the potential to significantly reduce energy consumption.



**M B Gadgil***Business President*

Himadri's New Energy Materials business exemplifies its commitment to environmental sustainability by advancing efficient energy storage

solutions that align with global and national net-zero ambitions. The Company is at the forefront of producing sustainable battery materials, including Lithium Iron Phosphate (LFP) cathode materials, which are critical for lithium-ion batteries used in electric vehicles (EVs), stationary energy storage systems, and consumer electronics.

Himadri addresses key environmental challenges by focusing on LFP cathode materials, as LFP batteries are non-toxic, exhibit lower price volatility, and require less lithium than alternative chemistries. This reduces the environmental impact across the battery lifecycle. Himadri's production plan to scale up to 200,000 MT of LFP cathode material in phases positions the Company to significantly

support the decarbonization of mobility and energy storage sectors.

Through innovative R&D and sustainable sourcing strategies, Himadri ensures a diversified supply chain while reducing reliance on traditional, less sustainable sources like cobalt and nickel. These efforts enhance resource efficiency and align with Himadri's Net Zero commitment by 2050, eventually delivering global and national decarbonization ambitions.

By championing energy storage advancements, Himadri is driving the transition to a low-carbon economy, underscoring its role as a key enabler of sustainable energy systems globally and in India.

**Somesh Satnalika***Executive Vice president*

It is my privilege to affirm Himadri's commitment to environmental stewardship and sustainability. In an era where industries must be the agent of change for good and take accountability for their ecological footprint, Himadri has positioned itself as a leader in implementing innovative solutions to minimise environmental impact.

Our efforts to embed circularity are embedded in our core business

model itself – our primary raw material coal tar being an industrial by-product of steel plants. Our use of industrial by-products like pyrolysis oil to create high-value materials reduces dependence on virgin raw materials. Additionally, initiatives such as reusing recovered water in production processes and recycling operational waste align with our vision to achieve zero waste to landfill by 2026. Our future ventures are focussed towards battery recycling and tyre recycling.

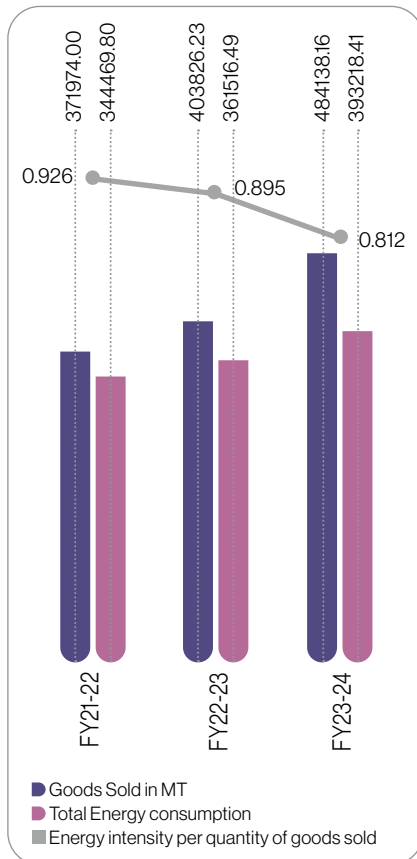
Our operations are guided by a comprehensive sustainability framework, focusing on reducing greenhouse gas emissions, advancing water conservation, improving energy efficiency, and adopting circular economy principles. Himadri's Zero Liquid Discharge (ZLD) technology across all plants demonstrates our leadership in responsible water management. Similarly, our energy management systems and continuous process optimisations underscore our commitment to minimizing resource consumption and carbon emissions.

A highlight of our journey has been the integration of Life Cycle Assessment (LCA) for key products, enabling us to assess and mitigate environmental impacts across the value chain. By adhering to global standards, such as ISO 14001 and 50001, we ensure rigorous environmental compliance and innovation.

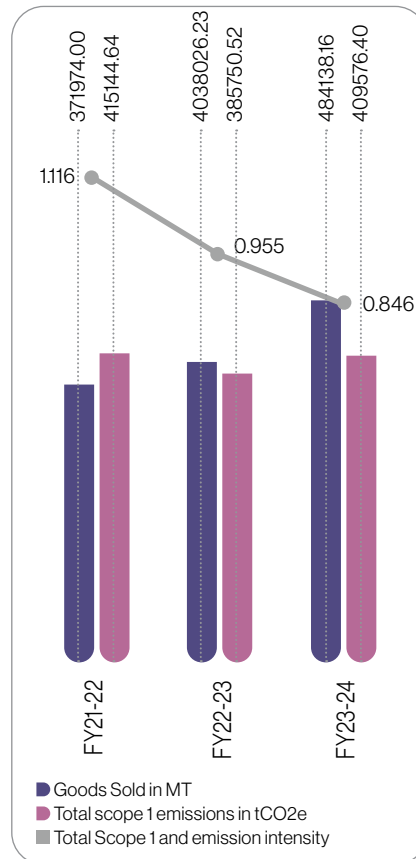
Looking forward, Himadri is scaling its investments in carbon capture technologies and renewable energy integration, driving the transition to a low-carbon economy. Our proactive participation in the Carbon Disclosure Project (CDP) and Task Force on Climate-related Financial Disclosures (TCFD) exemplifies our commitment to transparent and collaborative environmental action.

I thank all stakeholders for their continued support as we advance our mission of achieving Net Zero by 2050, fostering a sustainable future for our business, communities, and planet.

Energy intensity trend



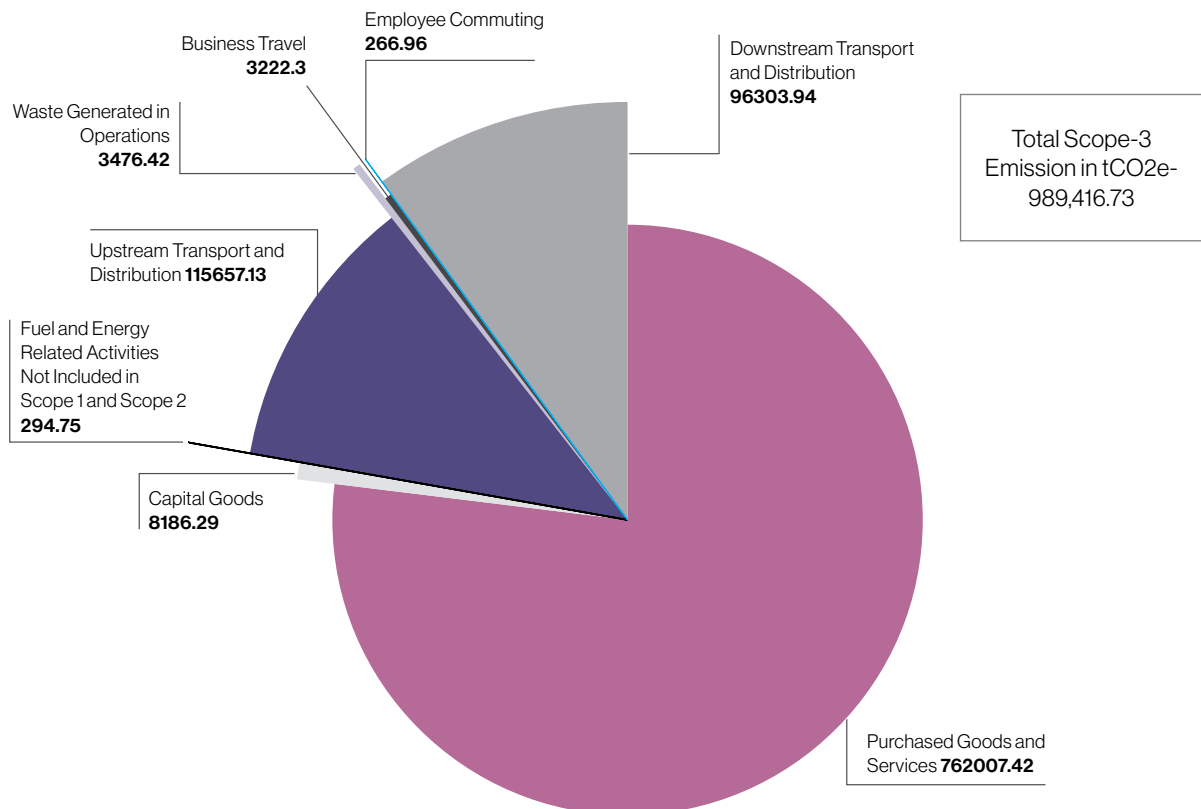
GHG emission trend



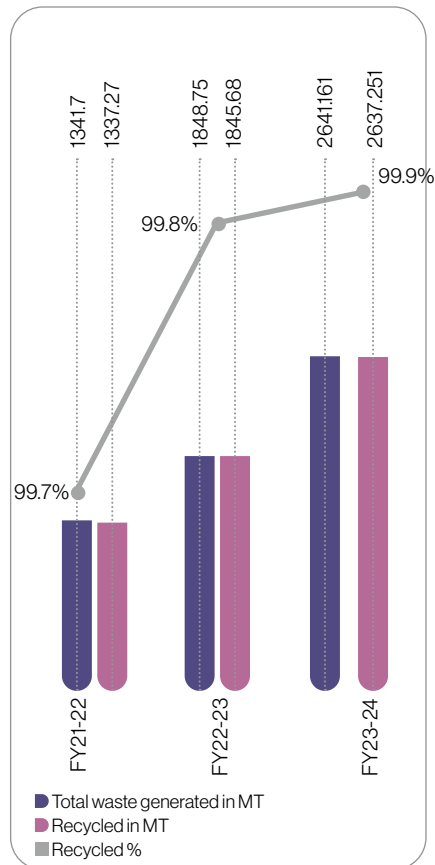
In the FY 23-24, Scope 1 and Scope 2 emissions from our operations were 4,09,576.4 metric tons CO₂e. The Scope 2 emission became zero due to Himadri being a net exporter of electricity (generated reusing waste gas produced in carbon black production) in our captive power plants. The drop in emissions intensity was due to initiatives like capturing and reusing steam, and energy efficiency measures (detailed in the above chapters).

Due to complex nature of our raw materials, collecting primary emission data from suppliers often pose challenges. Due to this, we regularly employ industry standard databases to account GHG emissions like Ecoinvent 3.91, DEFRA, and Exlobase.

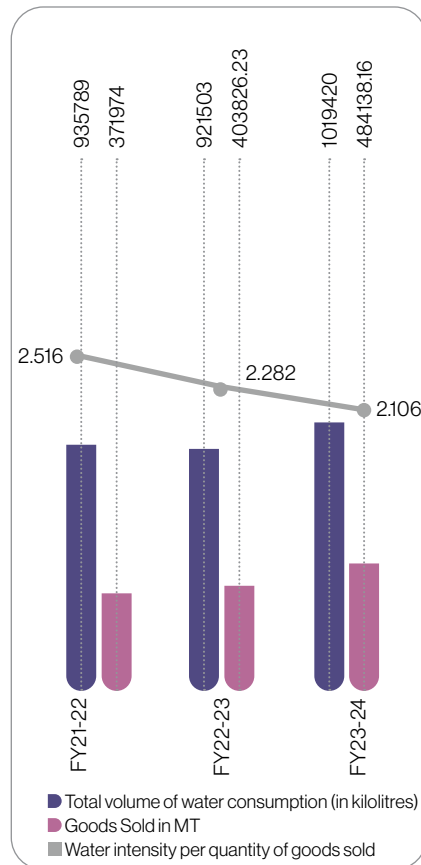
Scope-3 emission FY 23-24 in tCO₂e



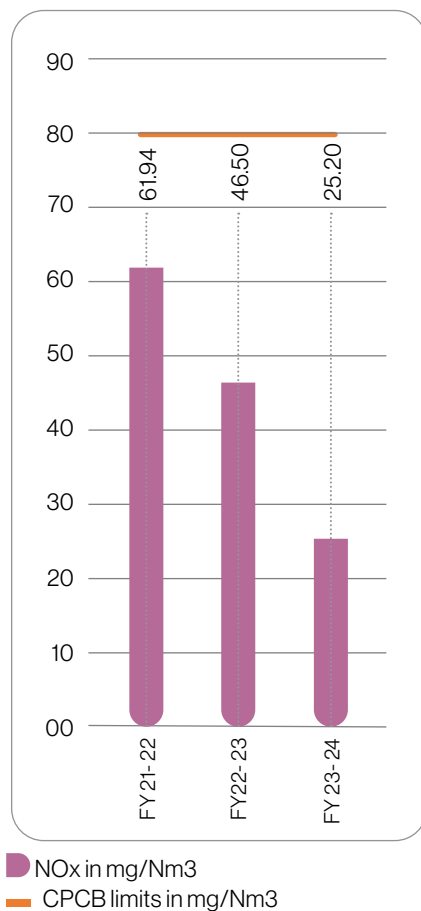
Waste recycling



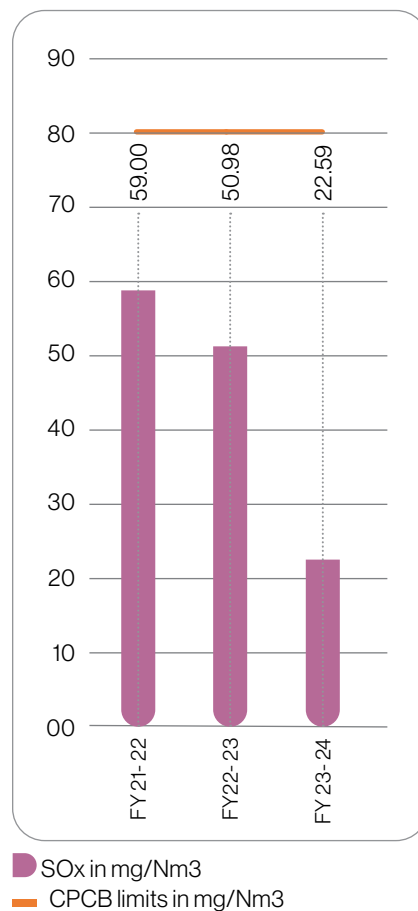
Water management



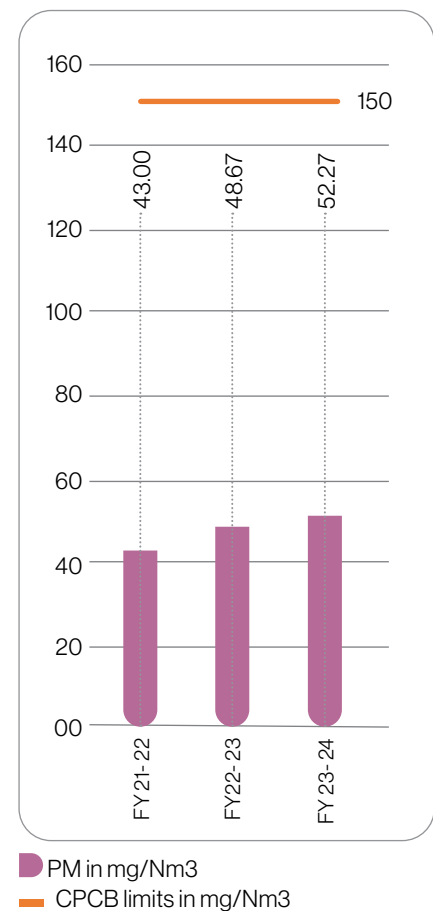
Air emission-NOx



Air emission-SOx



Air emission-particulate matter



The way forward

As Himadri looks to the future, its commitment to addressing climate change will be driven by a multi-faceted approach that blends innovation with sustainability. The Company believes that achieving Net-Zero is not merely the end goal; instead, it strives to foster a carbon-negative economy, creating a better planet for future generations. Himadri's strategy emphasises integrating circular economy principles across its operations, prioritizing resource efficiency, waste reduction, and sustainable product design in all business decisions. By closing the loop on material cycles, the Company aims to minimise its environmental footprint while deriving value from the sustainable use of resources.

To further its environmental stewardship, Himadri is in the process of launching a carbon capture pilot project. This initiative will leverage advanced technologies to capture and sustainably utilise carbon emissions within a value chain that contributes to reducing the overall carbon footprint. As the project scales, it is envisioned to become a cornerstone of Himadri's strategy for achieving carbon neutrality, setting a new benchmark for responsible industrial practices.

With greenhouse gas (GHG) emissions reduction identified as a material priority, Himadri has initiated measures to lower

Scope 1 and Scope 2 emissions while intensifying efforts to address Scope 3 emissions. In the coming year, the Company plans to replace diesel with biodiesel to reduce emissions in Scope 3 categories 4 and 9. Discussions with India's oil marketing companies have already begun, exploring potential collaborative approaches to implement this transition.

Looking ahead to 2024, Himadri anticipates a year marked by progress and innovation. Plans are underway to automate the recording of environmental data for key performance indicators (KPIs), enhancing data quality and enabling more timely evaluations. Additionally, the Company aims to centralise audit records, further streamlining its processes and systems. These initiatives are designed to improve operational efficiency while reinforcing Himadri's dedication to sustainability and environmental stewardship.

Through these efforts, Himadri aspires to set best-in-class benchmarks in climate action within its industry segment. The Company is steadfast in its belief that growth must align with the broader goal of global environmental stewardship. As it moves forward, Himadri will continue to innovate, collaborate, and lead by example, contributing to a sustainable future for its business, communities, and the planet.

Himadri is driving environmental stewardship and supporting a circular economy through several innovative projects aimed at reducing environmental impact while adding value to industrial processes:

Deep processing of heavy oil by-products: Himadri is developing a solvent-free process to extract specialty chemicals like Anthracene, Carbazole, and Fluorene from heavy oil by-products, eliminating hazardous emissions and waste for cleaner production.

Hydrogenation of by-products and waste oils: The company is undertaking the hydrogenation of waste oils, including heavy oil by-products, engine oil, and cooking oil, to produce low-sulphur industrial oil. This initiative reduces reliance on conventional resources and lowers harmful emissions, supporting cleaner energy alternatives.

Recycling end-of-life tires: Himadri is advancing tire recycling projects to convert waste tires into reclaimed rubber, recovered carbon black, low-sulphur industrial oil, and reclaimed steel. This process reduces landfill waste and promotes sustainable material recovery.

These projects reflect Himadri's commitment to innovation, waste reduction, and sustainable solutions that benefit both business growth and environmental conservation.



Advancing health and safety practices: Committing to maintain a safe and sustainable workplace

Himadri promotes a culture of health and safety while supporting labour and human rights. The Company prioritises the well-being of employees and stakeholders through the implementation of various non negotiable safety standards and ethical labour practices. This enhances productivity and catalyses sustainable development.

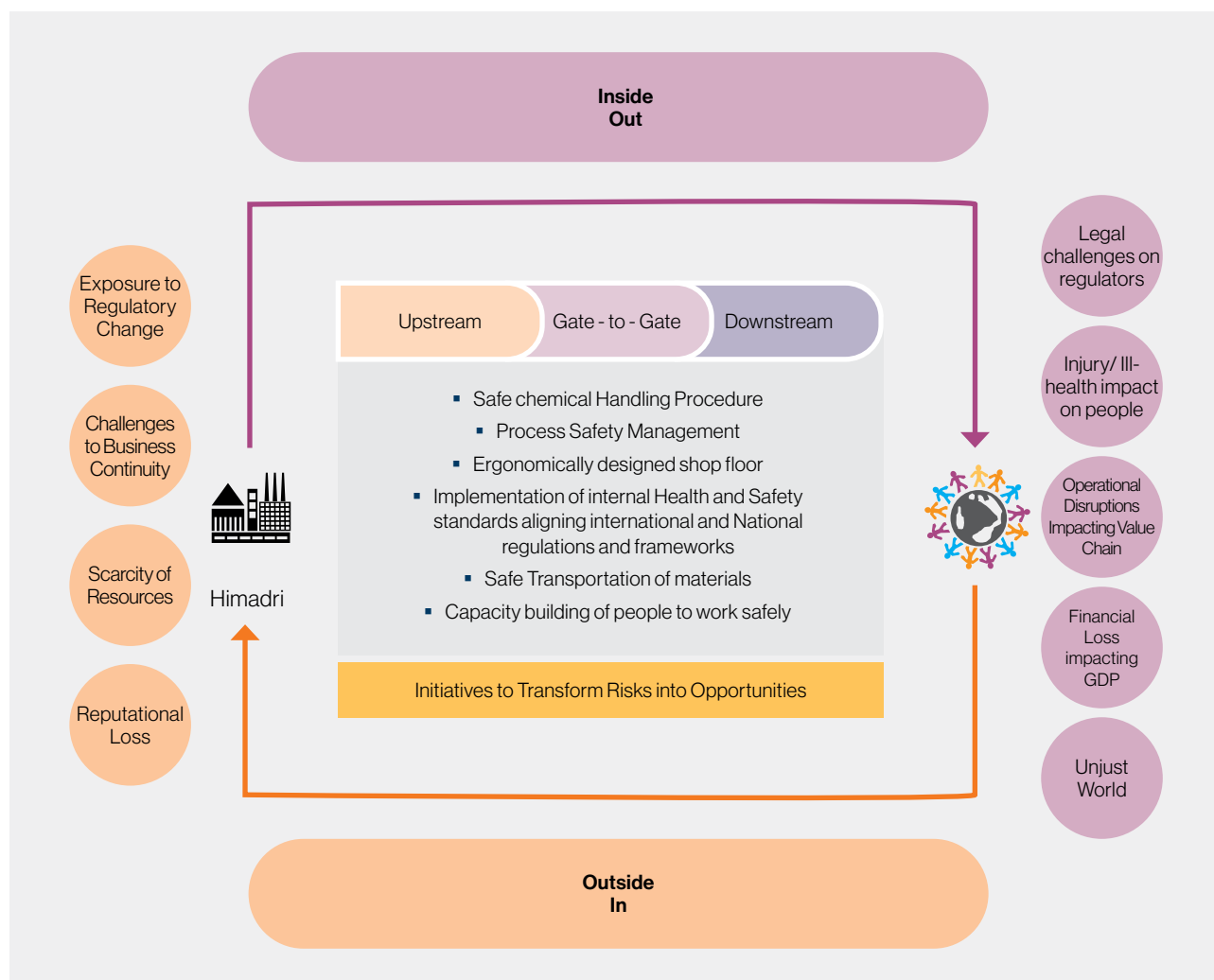
As a responsible chemicals Company, Himadri invests in essential elements of health and safety practices. The Company has set ambitious targets and implemented robust measures. Key health and safety priorities were identified through a KPI-driven approach. The Company emphasised the protection of people and property by enforcing health and safety protocols, measure

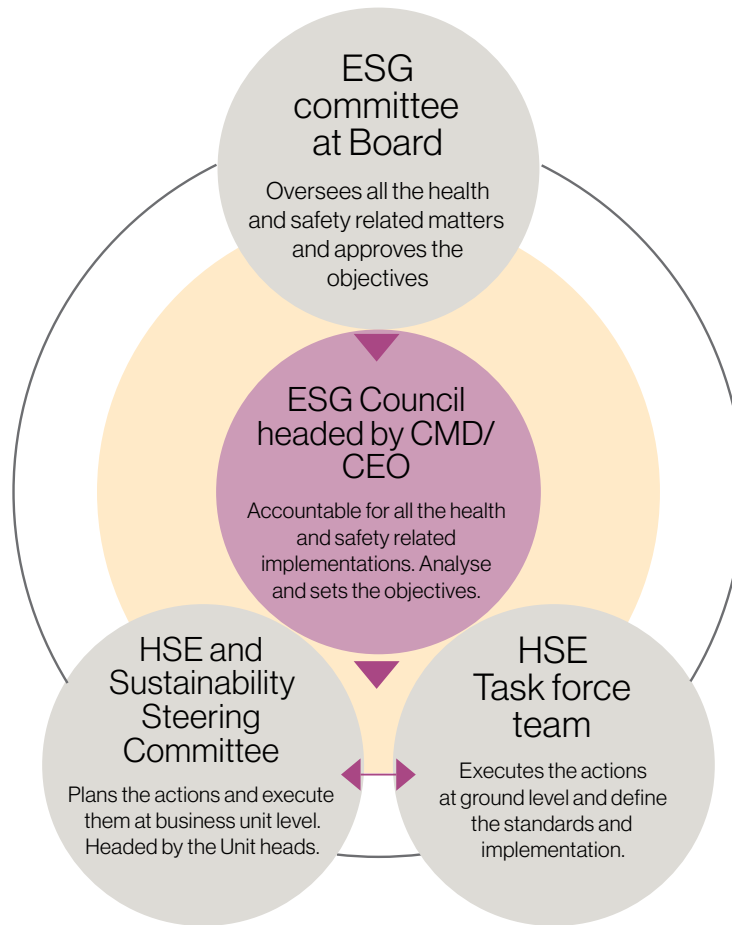
and technologies designed to prevent workplace accidents and ill-health. This approach aligns with Himadri's Zero Accident/Incident vision.

Himadri prioritises employee well-being through health insurance and ESIC coverage; ESG and Safety Committees assess and upgrade safety measures. Risks are countered through controls that are regularly reviewed. Safety measures include advanced fire detection systems, personal protective equipment, compliance with regulatory standards and safe chemical handling procedures.

The Company's sustainability goals align with the UNGC and UNSDGs, reflecting a commitment to minimise workplace injuries, promote well-being and develop sustainable practices.

Himadri's consideration of double materiality reinforces the Company's commitment to understand and address financial and environmental/social impacts. The Company has mapped processes that affect - and are influenced by - factors within its supply chain from upstream activities to downstream distribution. Double materiality comprises a commitment to health and safety management aligned with international and national standards, extending beyond compliance. By addressing challenges to business continuity, regulatory changes and impacts on people and the planet, the Company balanced profitability with societal and environmental responsibilities. This ensures proactive risk management, operational resilience and sustainable growth.





VISION ZERO accident / incident



Himadri envisions a 'zero accident' workplace around four pillars: Planet, People, Community and Governance. This goal highlights the Company's commitment to build a sustainable, safe and responsible future.

Himadri's Vision Zero Accident/Incident is grounded in a proactive framework focused on four pillars - Learning, Culture, Commitment and Communication. This vision is dedicated

to create a safe, healthy work environment. By implementing comprehensive safety measures, proactive risk management and continuous training, the vision strives to eliminate workplace accidents and incidents. This commitment promotes care, accountability and excellence in health and safety practices, ensuring that every individual returns home safely from work.

The significance of each pillar which drives the zero-incident workplace are:

Learning: This pillar focuses on continuous improvement and knowledge enhancement. Trainee employees share their experiences. This results in updated safety practices.

Key actions: Technical and behavioural training sessions, and digital-enabled programmes.

Culture: Himadri integrates safety into daily operations, creating a workplace where everyone feels responsible for safety and is encouraged to proactively report hazards.

Efforts include the implementation of health and safety standards; introduction of 10 core safety rules; rewards and recognition systems; consequence management practices.

Commitment: Himadri's leadership sets clear expectations, provides necessary resources and leads by example. The employee commitment drives the zero-incident goal.

Key commitments include: Reducing the lost time injury frequency rate to below 1 by 2025; ensuring 100% of employees are trained in health and safety practices; Establishing ISO 45001:2018

certification across all manufacturing plants by 2025.

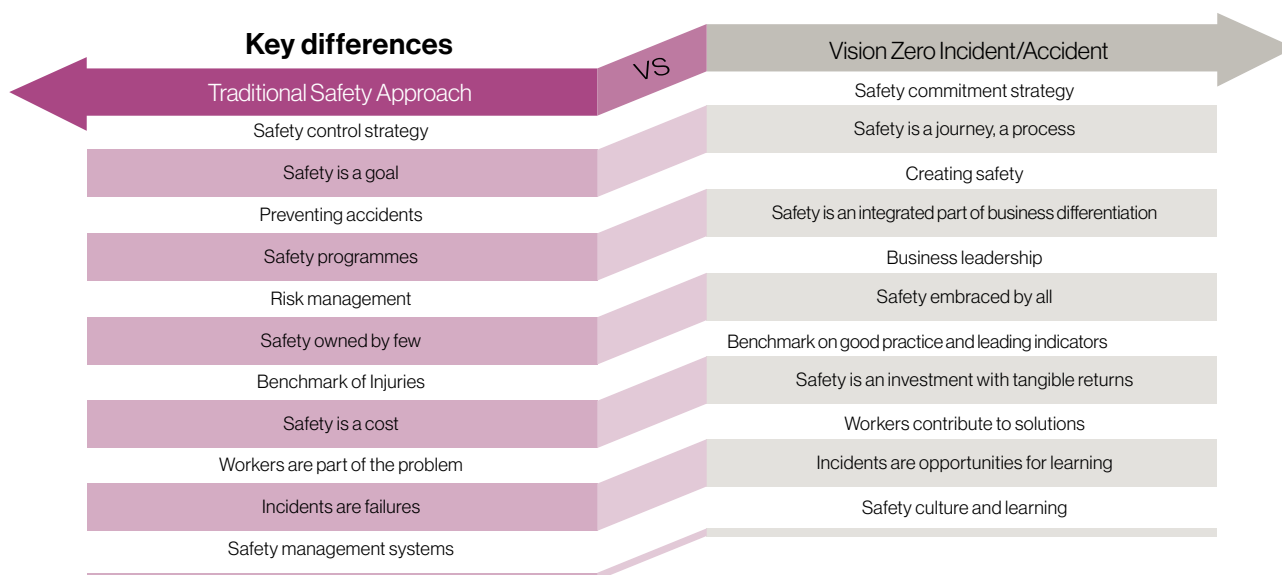
Communication: Himadri promotes open channels for sharing safety concerns, incidents and best practices. Examples include: Safety alerts; Town Hall and safety committee meetings; Risk assessments and safety audits; Toolbox talks and training sessions.

Himadri's journey from traditional safety approaches to Vision Zero Incident/ Accident philosophy focuses on specific targets to prevent accidents, while Vision Zero views safety as an integral journey and part of the business Traditional

safety management often comprises programmes led by designated individuals and measures performance through injury benchmarks. In contrast, Vision

Zero sees safety as an integral leadership responsibility that is embraced by all employees, viewing incidents as learning opportunities. This approach supports

comprehensive safety, integrating safety into business operations and making it a collective responsibility.

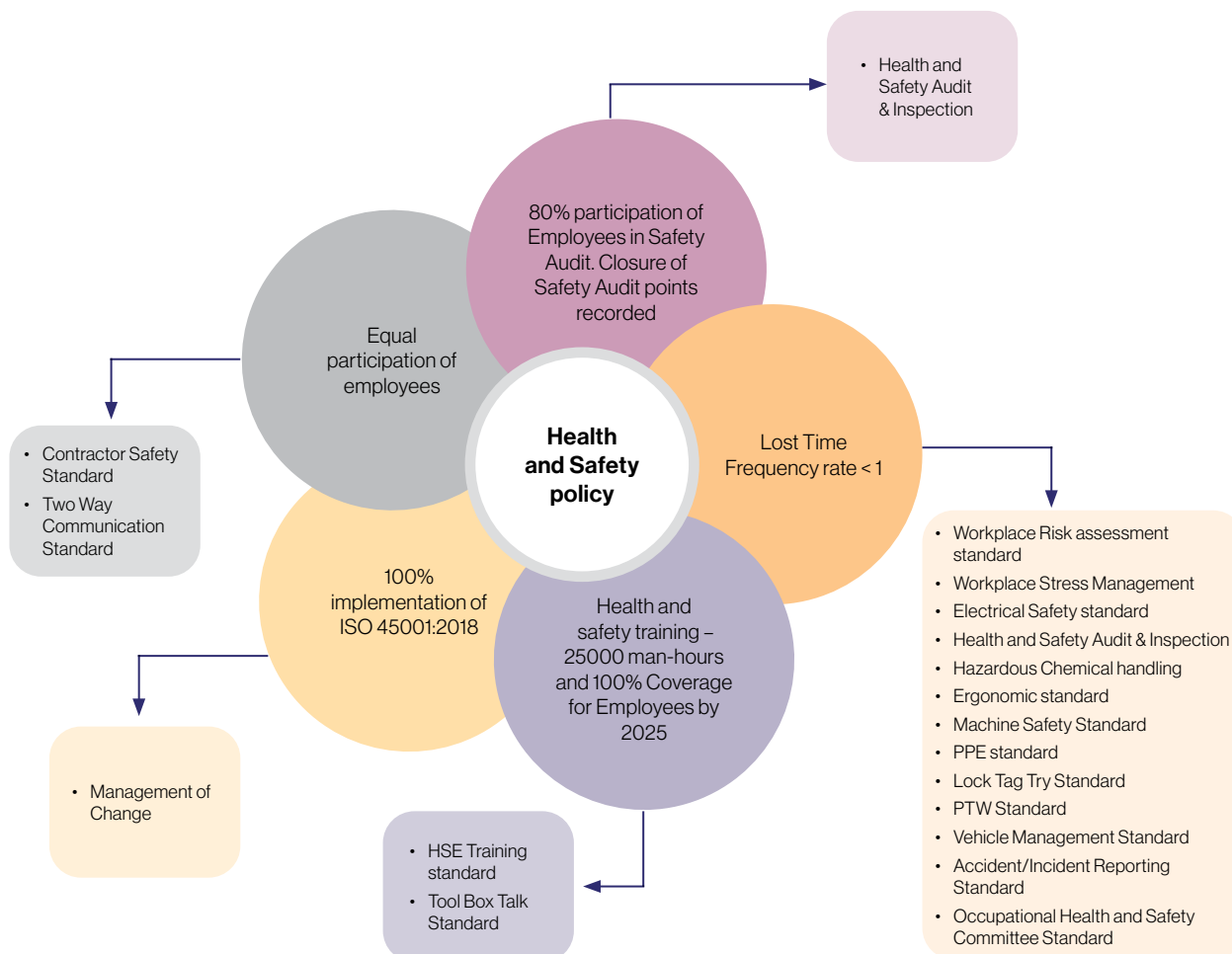


Himadri developed policies to address critical health and safety elements, aligning with global and national standards prevalent in the chemicals sector.

Health and Safety Policy: Himadri's Health and Safety Policy promotes

workplace safety with a zero-tolerance stance on accidents. The policy identifies and mitigates potential hazards. It emphasises physical and mental well-being. It promotes employee resilience and productivity. It makes

safety a shared responsibility. The Company established non-negotiable standards across Occupational Health and Safety (OHS) domains, adhering to EN and ISO Standards.

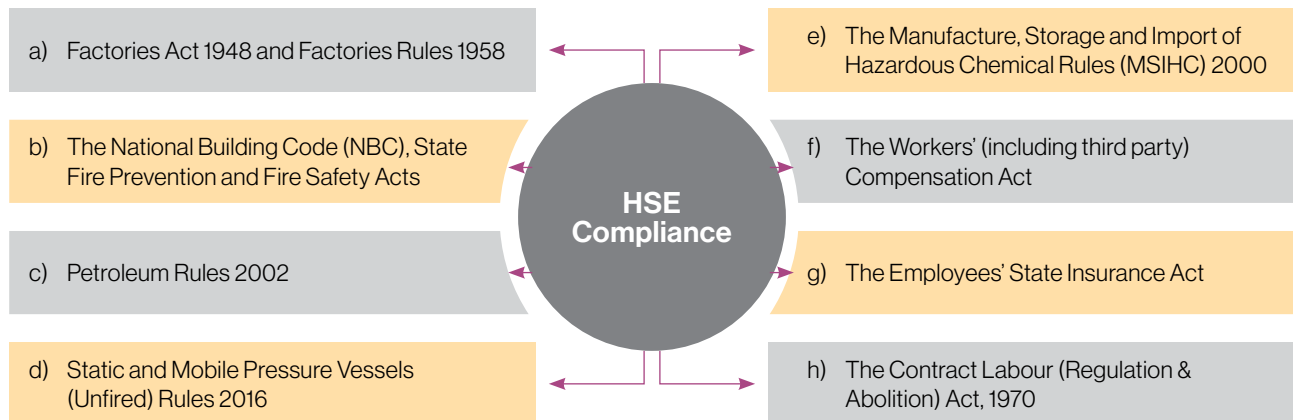


Drug and Alcohol Policy:

Himadri's Drug and Alcohol Policy prohibits the use, possession, or influence of drugs and alcohol on its premises. It enforces this policy through awareness programmes, confidential support resources and a zero-tolerance approach to violations. This promotes resilience among workers, including third-party contractors.



Himadri is fully compliant with all national regulatory guidelines, ensuring operational excellence, legal compliance and stakeholder safety. This approach minimises risks, builds trust and strengthens Himadri's respect.



(Note: We need PESO License because we use propane as fuel.)

Aligning with OH & S management systems

Himadri implemented ISO 45001:2018 for Occupational Health and Safety (OH&S) management systems, providing a comprehensive safety

framework. Himadri adheres to the SA 8000:2014 Management Standard, reflecting a deep commitment to social accountability and ethical practices. These protocols guarantee fair treatment, safe working conditions and

respect for workers' rights, including third-party personnel, covering crucial areas such as the prohibition of child labour, health and safety, fair remuneration and a reliable complaint mechanism.

Management System	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office*
ISO 45001:2018	✓	✓	✓	✓	✓	✓	✗
SA 8000:2014	✓	✓	✓	✓	✓	✓	✓

*Our corporate office is in a leased commercial property and the premise is shared by multiple organisations. Thus, the opportunity to deploy management systems are limited in scope and incognisant in terms of impact in business.

Himadri's philosophy of 'Together, Towards Tomorrow' reflects its mission to 'create a sustainable planet' by addressing environmental concerns and people well-being. As a signatory of the United Nations Global Compact, the Company prioritises health and safety as fundamental to responsible practices. Himadri implements safety protocols, training and monitoring to mitigate workplace hazards, deepening its commitment to long-term



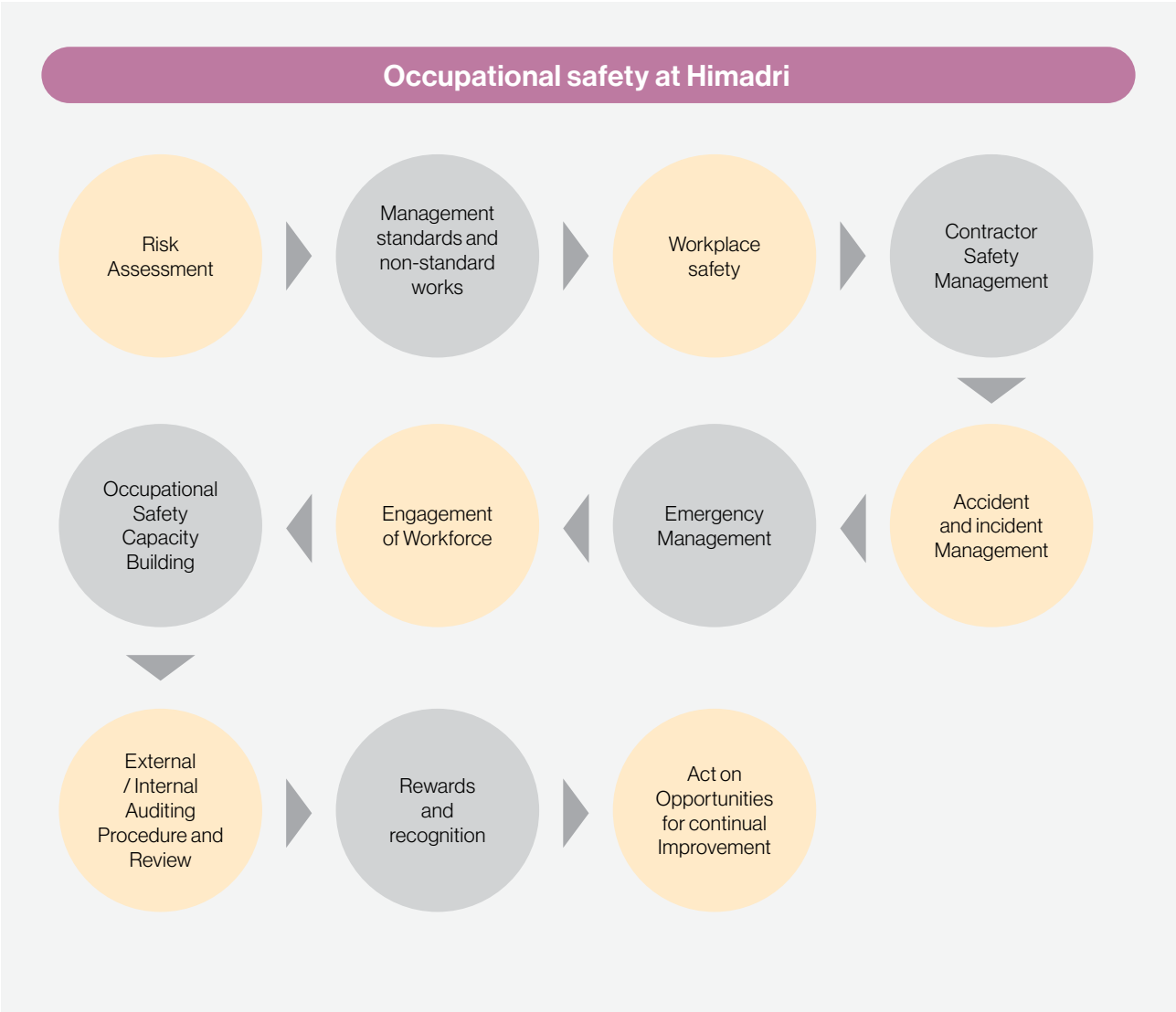
Occupational safety at Himadri

Overview

Himadri's Occupational Safety and Health (OSH) management is grounded in comprehensive risk assessment that identifies potential

safety hazards. This risk profiling empowers Himadri to implement preventive or corrective actions. The Company's OSH framework aligns with industry standards (ISO

45001 and SA 8000), safeguarding employees and third-party contractors. This represents a structured, industry-compliant approach to health and safety management.



Risk management

Overview

Himadri's health and safety risk assessment and mitigation systematically identifies, evaluates and prioritises potential risks. The Company adheres to a risk-based approach in compliance with the ISO 45001:2018 and SA 8000:2014 standards, covering all stakeholders (internal and external). This helps

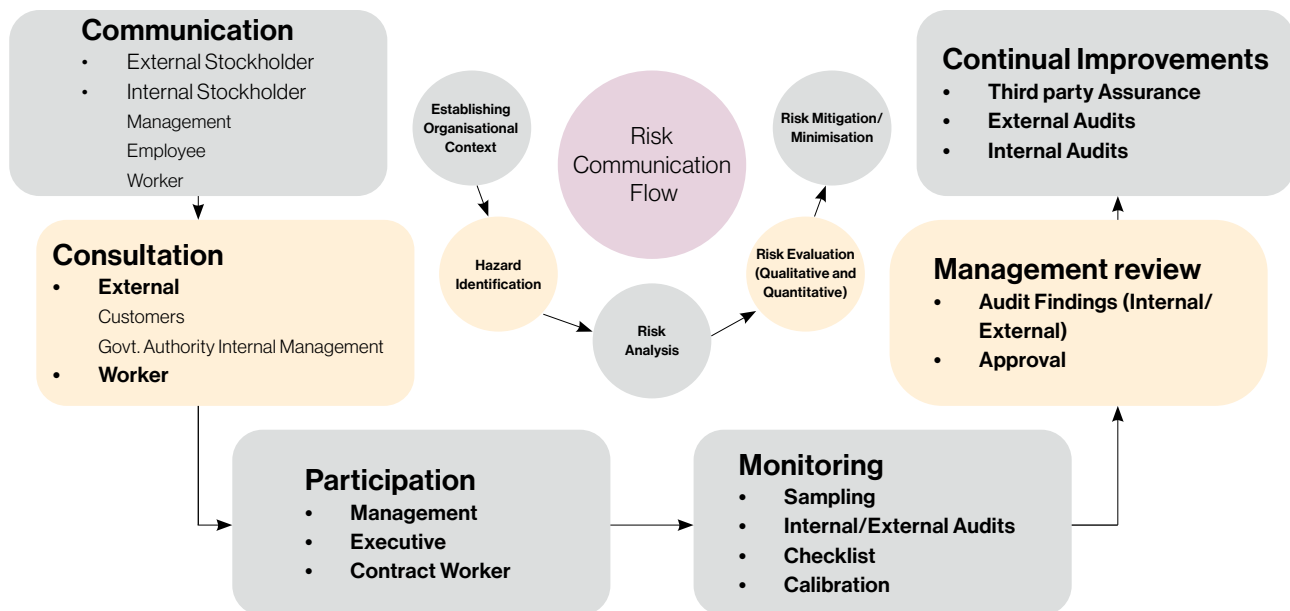
identify workplace risks and implement mitigation measures using systematic tools, reflected in lower Lost Time Injury Frequency Rate.

The Company's risk management is strategic and comprehensive, ensuring that all micro-level activities and relevant sub-activities are covered. Himadri follows five risk management steps: Identification of hazards;

Identification of people who might be harmed and how; Risk evaluation and precaution; Recording of findings; Review and update.

These collaborative activities involve cross-functional departments, workers' representatives as well as health and safety professionals, ensuring a holistic approach.

Risk Communication Flow



Actions under risk assessment

Prioritisation based on risk score:

Each risk is assigned a Risk Priority Number (RPN), which combines severity, probability and control effectiveness. Risks with high RPNs are considered critical and addressed on priority. This approach allows resources to be allocated efficiently, focusing on the most hazardous situations.

Mitigation planning and implementation:

For each high-

priority risk, a detailed mitigation plan is developed. The plan includes strategies such as elimination, substitution, engineering controls, administrative controls, personal protective equipment (PPE) recommendations and rigorous training requirements. Implementation is deadlined with defined responsibilities.

Regular monitoring and review:

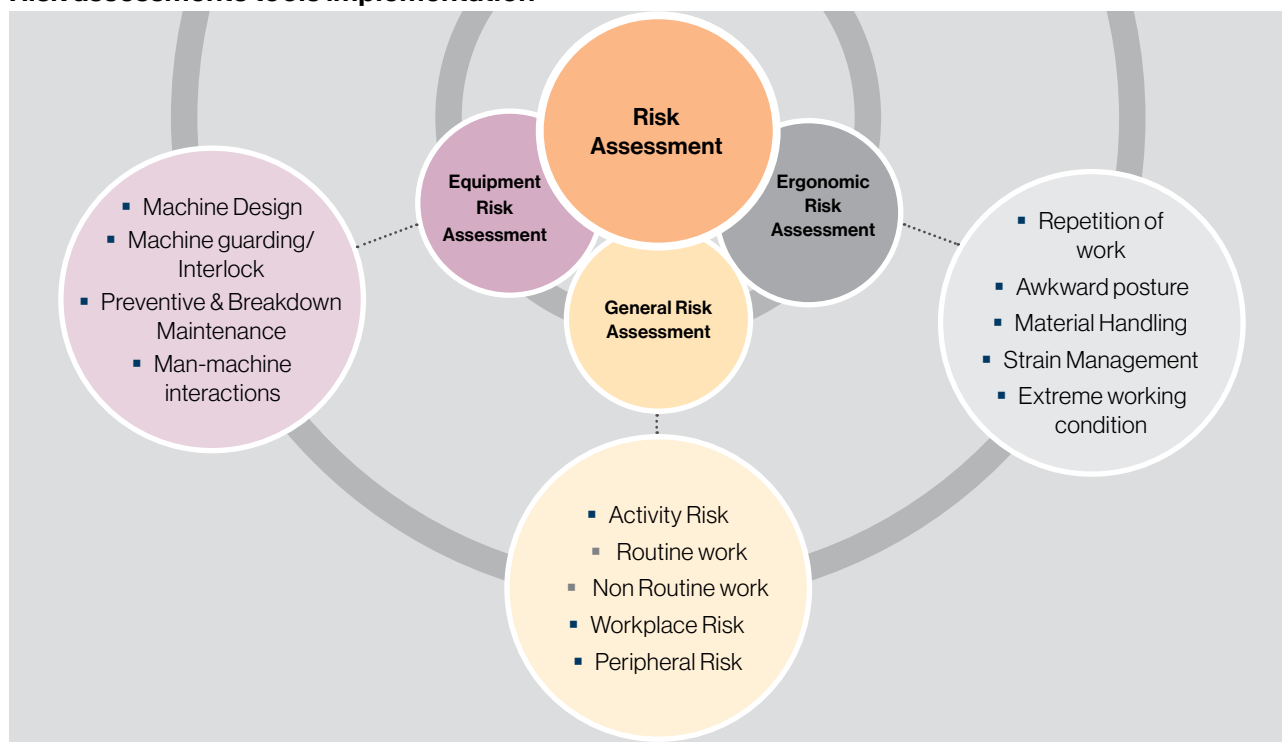
Regular monitoring assesses effectiveness. This includes periodic

safety audits, employee feedback and reporting mechanisms. Risk assessments are updated based on new hazards or changes in operations.

Continuous improvement and documentation:

The approach is dynamic, with documentation updated and lessons learned incorporated.

Risk assessments tools implementation



General risk assessment standard

As per the General Risk Assessment Standard, all activities are risk-assessed before they are initiated. For standard activities, the assessment is conducted by the respective line manager and team (with the support of other functions). For non-standard activities, risk assessment is carried out by respective permit holders using the Permit-to-Work system.

The risks identified through this procedure are categorised into three levels: High, Medium and Low. All high and medium risks are reviewed monthly by the senior management at the ESG Council level.

Himadri focuses on the hierarchy of control: Elimination, Reduction, Isolation and Control of the extent of exposure. Personal protective equipment is provided for free to all employees and workers, including third-party contractors.

Equipment risk assessment

Himadri's machine safety standard ensures the safe operation and inspection of machinery and equipment across plants, R&D centers, warehouses and other facilities. Each equipment undergoes risk assessment to identify potential hazards, including risks to operators, safe access, proper use of PPE, possible

entanglements and environmental factors such as noise and chemical hazards.

The Company developed a comprehensive framework to address all risks arising from machinery or equipment. Supervisors and line managers conduct machine safety risk assessments, followed by the development and implementation of Standard Operating Procedures (SOPs) and Safe Work Instructions (SWIs), authorisation protocols and other related activities such as equipment maintenance, Lockout/Tagout (LOTO) procedures, PPE compliance and work procedures. These responsibilities emphasise a structured approach to machinery safety, ensuring preventive and responsive actions.

Ergonomic risk assessment

Himadri's comprehensive Ergonomic Risk Assessment is conducted for all repetitive tasks using a predefined checklist that addresses the various risks employees may face due to awkward postures and repetitive strain. The Company's guiding principle is 'fitting the job to the employee,' rather than 'fitting the employee to the job.' Repetitive tasks include material

handling, manual lifting and manual load shifting.

These risks are categorised into three categories (Brown, Red and Orange). This assessment addresses issues related to repetitive strain injuries and awkward postures, ensuring preventive control measures to mitigate chronic pain and productivity losses.

The identified risks are controlled through engineering measures, Standard Work Instructions, Standard Operating Procedures and administrative controls. These efforts ensure a systematic approach to manage ergonomic risks, promoting employee well-being and operational efficiency.

KPIs/ objective		Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta
General Risk (GA)	General risk assessment of all listed standard & non-standard activities & closing	✓	✓	✓	✓	✓	✓
Equipment Risk	Equipment risk assessment	✓	✓	✓	✓	✓	✓
	80% of closure of reported equipment risk	✓	✓	✓	✓	✓	✓
Ergonomic Risk	Conducting ergonomic risk assessment	✓	✓	✓	✓	✓	✓
	80% of closure of reported of ergonomic risk	✓	✓	✓	✓	✓	✓

Management of standard and non-standard activities



Overview

At Himadri, all activities are categorised into two broad categories - standard and non-standard activities.

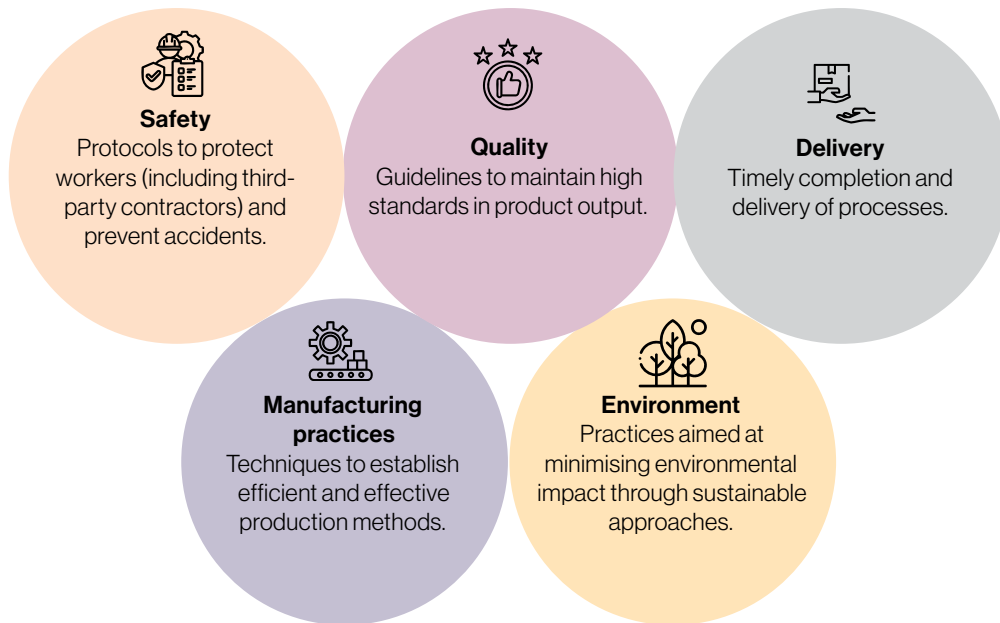
Standard activities

These are divided into repetitive and periodic categories. The process for managing standard and non-standard activities enhances the safety focus. For standard activities, which occur either repetitively or periodically, the process begins with risk assessment to identify and mitigate potential hazards. Detailed

instructions are developed to ensure safe operations and that employees undergo training and validation to confirm their related competence. The process is reviewed annually.

Himadri's Standardised Work Instructions (SWIs) provide a

comprehensive framework that ensures consistency across operations. These SWIs are based on internal standards that are aligned with EN and ISO standards. The key elements of the SWIs include:



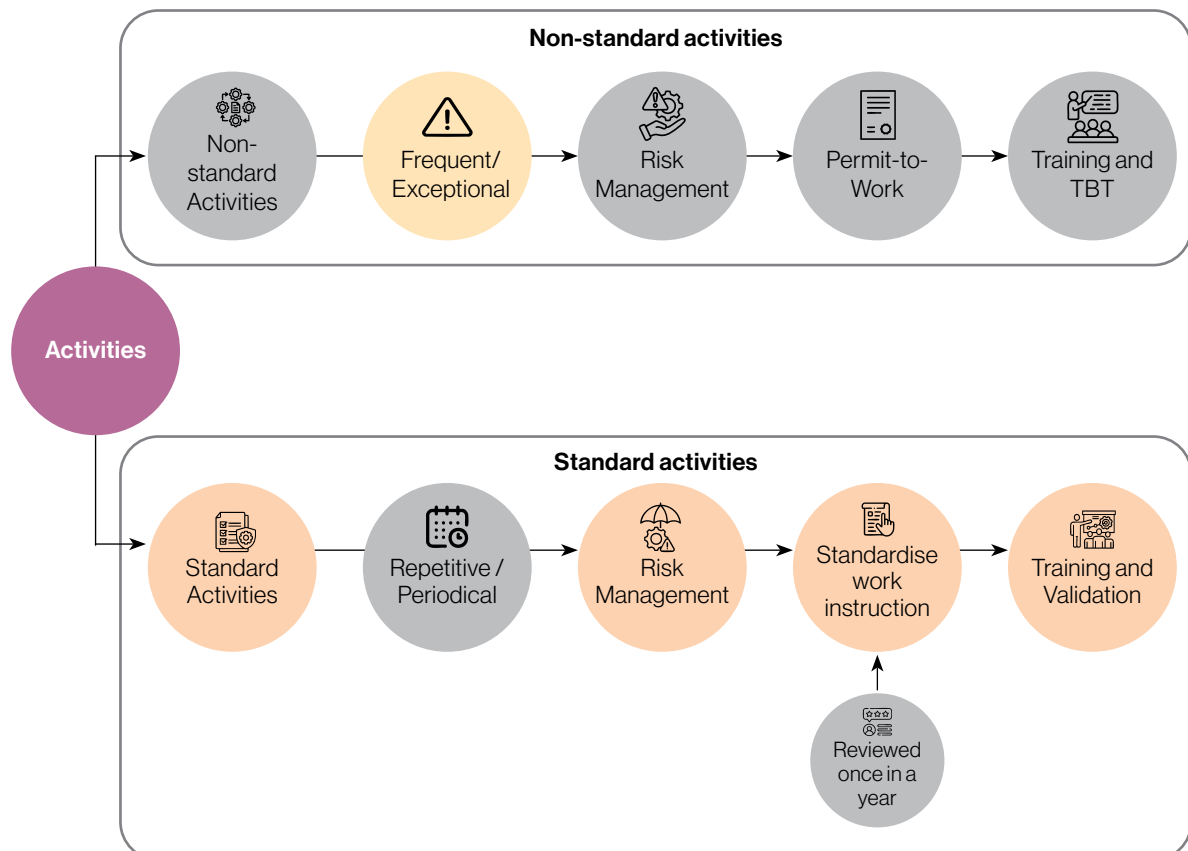
Non-standard (non-routine) activities

Himadri addresses non-routine work through its Permit to Work (PTW) system. This structured process identifies, communicates, mitigates and controls risks in hazardous areas, non-standard situations and potentially dangerous conditions (shutdowns), enhancing frontline worker safety.

In the Company's 24x7 operations, PTW system is mandatory, typically

used in maintenance. Non-standard activities, while frequent, are exceptional and require a customised approach. These activities commence with risk assessment to address specific and unique risks. Before proceeding, PTW ensures safety. Workers are trained and participate in toolbox talks (TBT) to manage associated risks.

There are seven main types of work permits: Hot work permits, General work permits, Confined spaces work permits, Electrical work permits, Height work permits, Excavation permits and Radiography work permits. Each work permit is categorised based on the nature of the job and associated hazards, ensuring appropriate safety measures are implemented.



Workplace safety

Overview

Himadri's robust safety framework protects employees leading to operational excellence. This framework helps create a secure work environment that identifies and mitigates potential risks through rigorous protocols and comprehensive risk assessment. This holistic approach to safety includes:



Clean, bright and spacious

workplace: Himadri prioritises a clean, bright and organised work environment. Through robust housekeeping and 5S (sort, set in order, shine, standardise, sustain), the Company minimises fall, slip and trip hazards. Adequate illumination ensures that workspaces are adequately illuminated. Noise control measures mitigate excessive sound.

Temperature control: Himadri maintains a safe temperature for employee health and productivity.

Guarded machines (360-degree protection): A 360-degree protection approach helps minimise the risk of accidental contact with moving parts, reducing the likelihood of workplace injuries.

Displays and signage: Himadri makes an extensive use of safety displays and signage, communicating critical information about hazards, proper procedures and emergency protocols.

Contractor safety management

Overview

Himadri's commitment to workplace safety extends beyond its direct employees, a comprehensive contractor safety management protocol designed to protect non-employee workers (including third-party contractors) on-site. This protocol is grounded in rigorous standards that address multiple health and safety aspects, ensuring a safe, compliant and efficient work environment for contractors.

The contractor safety management protocol includes standards for contractor safety, workplace risk assessment, workplace stress management, health and safety training, HSE audits and inspections and hazardous chemical handling. Each standard addresses critical safety concerns and enforces safety standards. The protocol ensures that all contractors are trained in safety procedures relevant to their roles and responsibilities, including handling hazardous materials and understanding workplace hazards.

Regular HSE audits and inspections assess and confirm adherence to these standards. These audits help identify potential safety risks, allowing Himadri to promptly address

concerns and implement corrective actions. The Company conducts risk assessments specific to the tasks contractors perform, ensuring that hazards are mitigated.

Himadri ensures that all third-party workers undergo 100%

induction training before their shop floor engagement. This training covers safety protocols, operational procedures and risk mitigation (including actions during emergencies).



Contractor safety management



KPIs/ objective	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta
Implementation of contractor safety management	✓	✓	✓	✓	✓	✓

Occupational health and safety capacity building

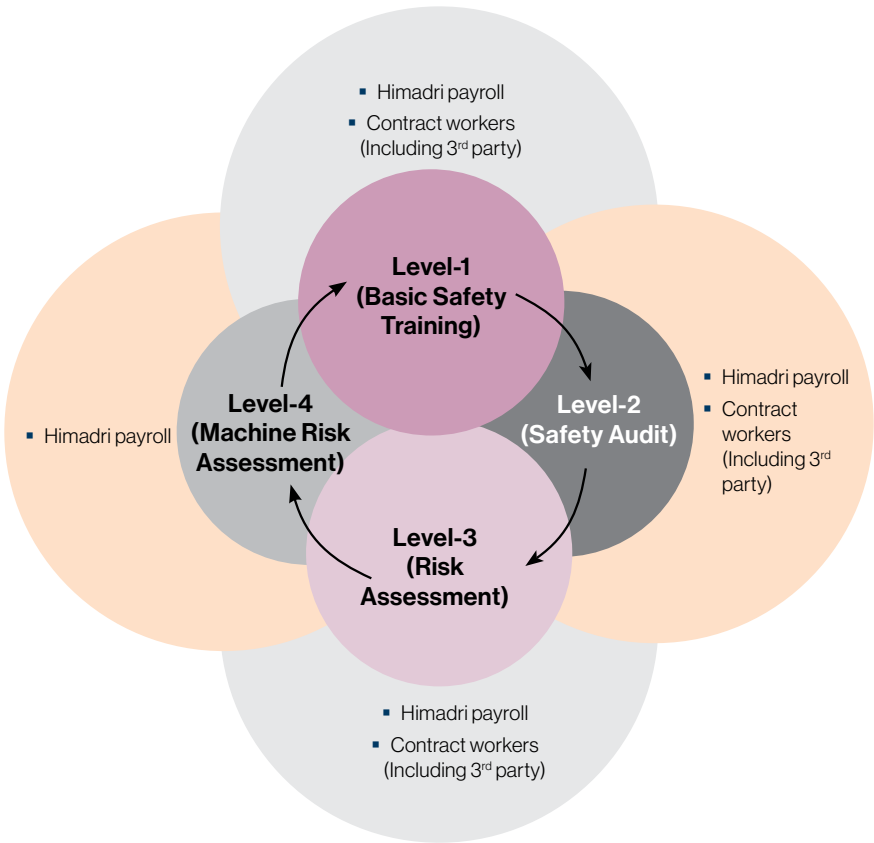
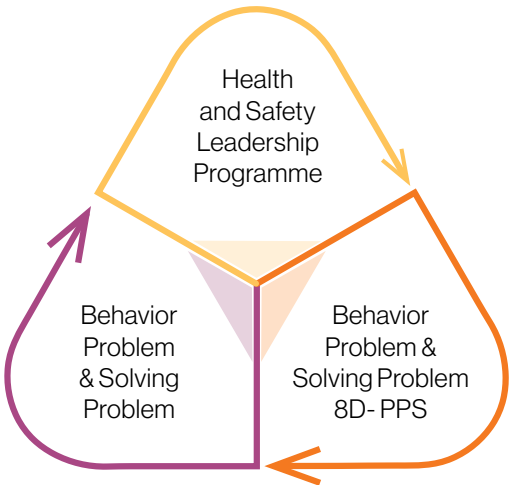
Overview

At Himadri, safety practices are marked by continuous improvement, periodic reviews and updated policies. Engaging workers (including third party) has helped percolate safety awareness across levels. During the year under review, the Company launched a new H&S Leadership

training module, covering health and safety topics. During the reporting financial year, the Company covered all management category employees. Himadri prioritised a new Permit-to-Work standard, training relevant employees and deploying it across divisions, integrating risk management into the system. The Company

adopted the 8D (Eight Disciplines) Practical Problem Solving (PPS) method, a structured tool in accident and incident investigations. This method identifies root causes and implements corrective actions. Management employees received 8D-PPS training to investigate incidents and implement solutions.

During the last financial year, Himadri conducted approximately 12,500 manhours of safety training (classroom sessions, online courses, hands-on drills, interactive workshops and modules on its Utkarsh Learning Management System). This covered employees, workers and third-party contractors, and consumed an average 5.5 hours per person per year.



Training topics		
Training of Health and Safety Policy	Defensive car and bus driving	Machine safety
Training on Drug and Alcohol Policy	Electrical safety	Management of change
New joinee induction training	Safety chemical handling procedure	Vehicle Management Standard
HSE awareness training (Level-1)	SCBA set use training	Accident and incident Reporting
Safety audit with practical (Level-2)	Basics of fire and its prevention/ protection	On PPE standard
Risk assessment (Level-3)	Fire fighting practical drill/training	BRSR Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains
Machine risk assessment (Level-4)	Emergency preparedness	Working at height
Lock-tag-try standard	Hot work safety	Refresher training on ISO 45001:2018 management system
Confined space safety	Manual material lifting safety	
Permit -to-work (PTW)	Hazardous chemical handling	



Engagement of workers

Overview

Himadri's safety engagement programme covers all employees and workers, including third-party

contractors. Employees play a vital role in identifying, reporting and resolving safety concerns, promoting a proactive safety culture. This structured approach empowers

frontline leaders to facilitate communication with workers, third-party contractors, employees and the senior management, strengthening accountability and trust.

Engagement method	Participating group	MTK Plant	Liluah (I & II)	Falta	Sambalpr	Vizag	Korba
Safety committee meeting	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Hazard Identification and Risk Assessment	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Canteen Committee	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Speak up and Grievance Committee	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Tool Box Talk Session	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Town Hall Session	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Workers (including 3 rd party) committee meeting	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Participation in Line PPS	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Health and Safety Training	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Steering Committee and Task Force	Employees	✓	✓	✓	✓	✓	✓
Suggestion Box	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Promotional Events	Employees and workers (including 3 rd party)	✓	✓	✓	✓	✓	✓
Aapka Awaaz Protocol	Employees	✓	✓	✓	✓	✓	✓

Emergency management

Overview

Himadri's onsite emergency plan responds to workplace emergencies, comprising risk assessment covering potential hazards (natural disasters, industrial risks and health emergencies). The emergency response team manages crises, with trained personnel assigned with specific roles. The emergency

management strategy maintains a 24x7, three-shift coverage to ensure continuous protection across all operational facilities. Around 15% of the Company's workforce comprises ERT professionals who undergo regular training. External support is integrated into the fire safety system, comprising a collaboration with local fire departments, emergency services, hospitals and specialised

response teams. The communication plan includes an emergency contact list, established communication channels and updates. The Company established evacuation procedures, comprising designated routes, assembly points and signage, with regular drills to familiarise employees. In FY 23-24, Himadri conducted over 950 training hours in emergency responsiveness and mock drills.

This framework encompasses multiple layers of planning, resource management, training, and collaboration to ensure effective response to emergencies. The details are as follows:

Proactive risk management: Himadri adopts a proactive approach by identifying and assessing potential hazards in its operations. Risk assessment processes cover a wide range of scenarios, including fire, chemical spills, natural disasters, equipment failures and health emergencies. Judicious planning done to mitigate measures addressing identified risks, ensure readiness to manage emergencies effectively.

Comprehensive emergency response framework

The emergency preparedness plan outlines a well-defined response framework:

Roles and responsibilities: Specific roles are assigned to employees including Emergency Controller, Incident Controller, emergency response teams

floor wardens etc ensuring clarity and accountability during an incident.

Evacuation procedures: Detailed evacuation plans are in place, including mapped-out routes, assembly points and procedures for assisting individuals with disabilities with clarity of roles

and proceedings during the time of emergency.

Incident command structure: Himadri follows an incident command structure to streamline communication and decision-making during emergencies.

Employee training and awareness

Recognizing the importance of individual preparedness, Himadri invests significantly in training programmes:

Regular drills: Periodic fire, evacuation and emergency response drills help

employees familiarise themselves with procedures.

Specialised training: First-aid training, fire extinguisher handling, and chemical spill containment workshops equip employees with specific skills.

Awareness campaigns: Posters, emails and toolbox talks regularly reinforce emergency protocols and safety tips.

Resource readiness

At Himadri, we maintain an inventory of emergency supplies and ensures their availability at critical locations:

First-aid kits: Strategically placed first-aid kits are stocked and inspected regularly.

Firefighting equipment: Fire extinguishers, sprinklers and hydrants system are tested and maintained to ensure functionality.

Communication tools: Alarms, public address systems and walkie-talkies

facilitate swift communication during emergencies.

Periodic review and continuous improvement

The emergency preparedness plan is not static; it evolves through regular reviews and updates:

Post-drill evaluations: After every drill or emergency incident, a review

is conducted to identify strengths and areas for improvement.

Risk assessment: Regular audits and risk assessments ensure that the plan remains relevant to changing operational and environmental conditions.

Employee feedback: Inputs from employees involved in drills or incidents are used to refine processes and improve readiness.

Collaboration with external agencies

Himadri actively collaborates with external emergency response agencies:

Local authorities: Partnerships with fire departments, police, and disaster management authorities ensure timely support.

Medical services: Coordination with healthcare providers ensures rapid medical attention during health emergencies.

Community engagement: The organisation shares emergency plans with neighboring communities to foster collective safety.

Business continuity and recovery
Beyond immediate response, Himadri focuses on minimizing operational disruptions through business continuity planning:

Backup systems: Critical systems are backed up to ensure operational continuity in the aftermath of emergencies.

Crisis management team: A dedicated team oversees recovery efforts, restoring normalcy and addressing stakeholder concerns.

Himadri's emergency preparedness reflects its commitment to creating a safe and robust workplace. By combining meticulous planning, employee empowerment, resource allocation and external collaboration, the organisation ensures that it is well-prepared to handle emergencies efficiently. This proactive stance not only protects lives and assets but also builds trust among employees and stakeholders, reinforcing Himadri's reputation as a safety-conscious organisation.

Himadri's fire emergency response equipment includes



Himadri collaborates with local authorities to ensure the safety of its employees.

KPIs/ objective	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta
Implementation of emergency preparedness plan	✓	✓	✓	✓	✓	✓
Regular mock drill	✓	✓	✓	✓	✓	✓

Accident and incident management

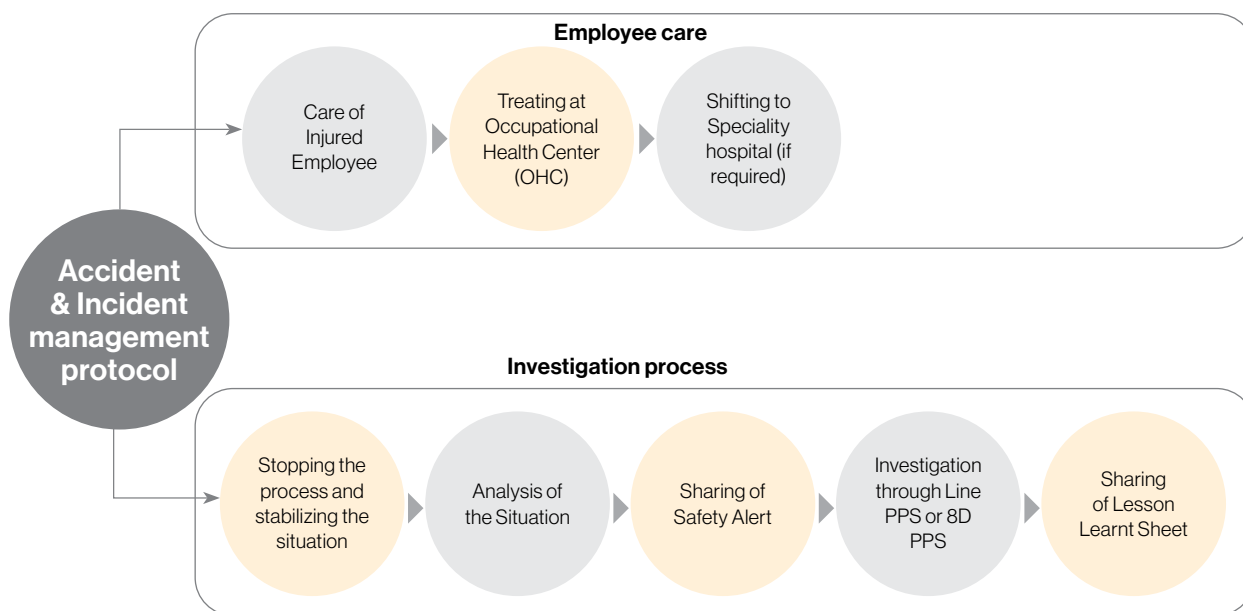
Overview

Himadri addresses the timely reporting of incidents (fires, explosions, material spills and other chemical releases). Himadri's internal accident and incident reporting standards adopt stringent definitions for Lost Time Injuries (LTIs) and severe accidents compared to regulatory bodies. All manufacturing plants are required

to report medically treated Injuries (MTIs), extending investigations to include all Dangerous Occurrences (DOs) and MTIs.

Himadri investigates every accident and incident in its manufacturing plants and offices. First-aid cases and low-severity DOs are addressed through the Line Practical Problem Solving tool, while MTIs, RSLs, LTIs and high-

severity DOs involving process-related incidents are managed using the 8D Practical Problem Solving (PPS) tool. The Company employs an internally-developed incident reporting tool to communicate incidents to stakeholders across its manufacturing sites. Himadri targeted to reach a Lost Time Injury Frequency Rate (LTIFR) of below 1.0.



Himadri introduced a tracking sheet for logging injuries and incidents, with corrective and preventive actions shared across sites via a Lesson Learning Sheet (LLS). This helped mitigate similar risks across operations. The Company developed a skilled team of 80 management employees trained in 8D Practical Problem Solving to investigate accidents and implement preventive measures.

The Company's safety performance over recent years illustrates sustained improvements in health and safety

outcomes. From FY 21-22 to FY 23-24, Himadri has achieved measurable progress in reducing workplace incidents and promoting a safer environment:

Person-days lost due to work-related injuries, fatalities and ill health:

Himadri reduced days lost from 665 in FY 21-22 to 401 in FY 22-23 to 277 in FY 23-24.

Number of work-related accidents:

The number of reportable accidents declined from 22 incidents in FY 21-22

to 14 in FY 22-23 and to as low as of 7 in FY 23-24.

Lost time injury frequency rate

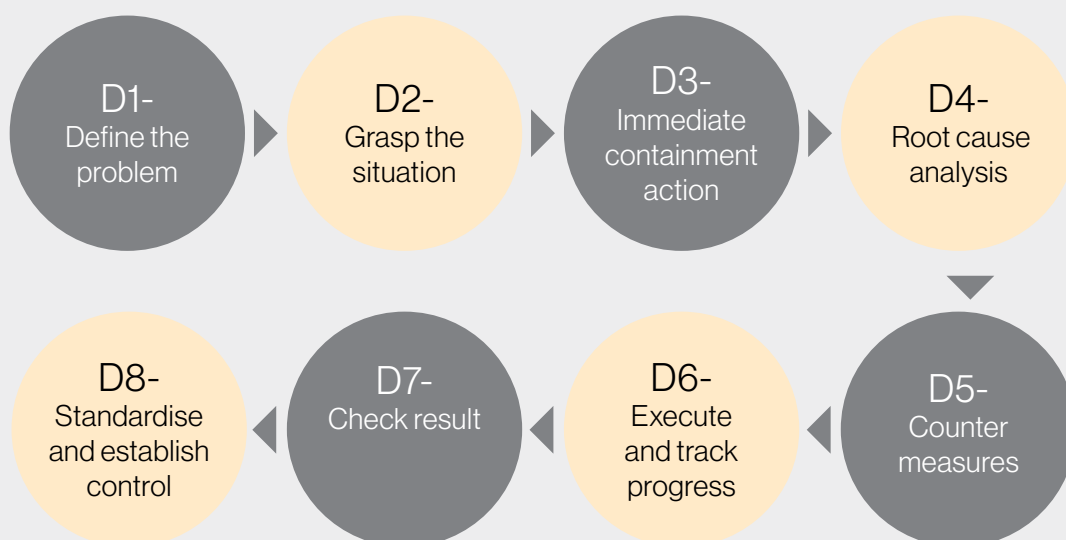
(LTIFR): LTIFR declined from 4.19 in FY 21-22 to 2.27 in FY 22-23 to 1.18 in FY 23-24.

Lost time injury severity rate (LTISR):

LTISR declined from 126.59 in FY 21-22 to 65.15 in FY 22-23 to 46.66 in FY 23-24.

Himadri collaborates with local authorities to ensure the safety of its employees.

8 disciplines: Practical problem solving



KPIs/ objective	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta
8 Disciplines Practical Problem Solving (8D-PPS)	✓	✓	✓	✓	✓	✓
Implementation of management action plan in the event of Accident/Incident	✓	✓	✓	✓	✓	✓

Reward and recognition system

Overview

Himadri's reward and recognition programme promotes safety and motivation through recognition and reward. The annual National Safety Day and National Fire Week celebrations serve as educational and motivational platforms, engaging employees at all levels. National Safety Day, for instance, featured workshops, training sessions and activities, reinforcing safety protocols, raising awareness and empowering employees to actively contribute to

a safer work environment. During National Fire Week, employees participated in fire drills, emergency response training and awareness programmes.

The recognition aspect of these events extends beyond participation; it rewards employees who exhibit exceptional dedication to health and safety. These recognitions are not merely symbolic but provide tangible rewards for exemplary safety behaviour. By aligning recognition with health and safety achievements, the

Company cultivates a culture in which employees feel appreciated for their contributions.

The Safety Ambassador of the Month Award celebrates employee safety commitment. Managers or supervisors may nominate individuals from their division, with nominations reviewed and approved by relevant leaders, including the nominee's manager, head of department, plant head, business unit head, or Director.



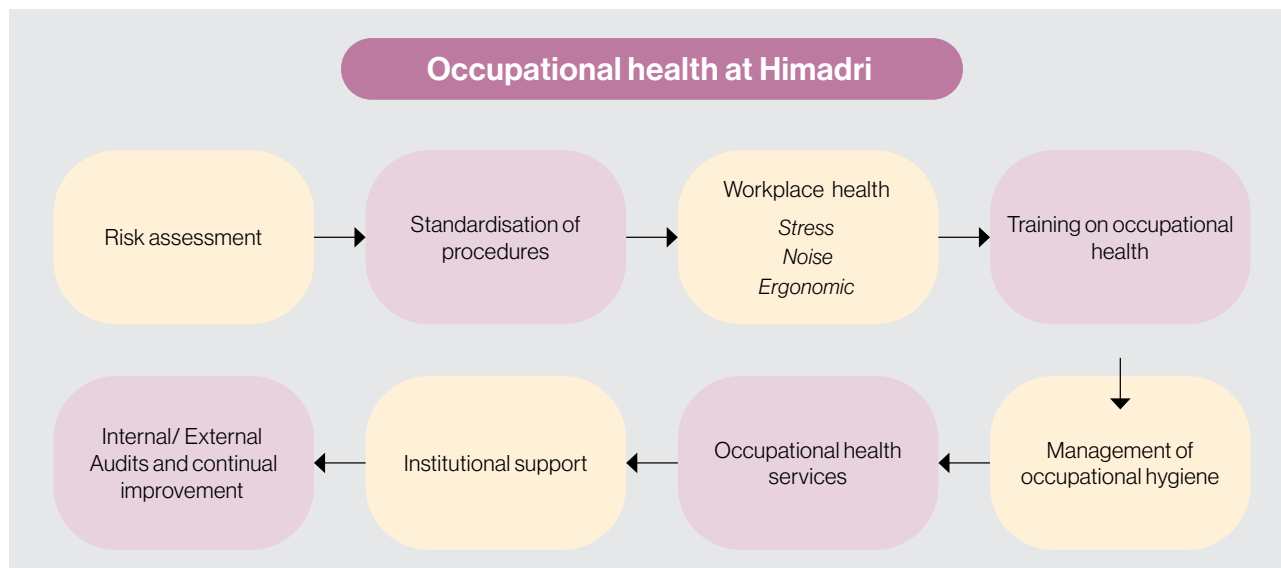
Occupational health at Himadri

Himadri's occupational health strategy is structured around comprehensive safety initiatives. This encompasses risk assessment, standardisation of procedures, workplace health promotion, occupational health training, occupational hygiene management,

occupational health services, rehabilitation and institutional support for work-related injuries / illnesses and audits (internal and external).

The focus is on identifying potential hazards, assessing risks, establishing safety protocols and supporting well-

being (physical and mental). Himadri emphasises hygiene standards, offers medical support and provides support (rehabilitation and institutional). This holistic approach underlines Himadri's dedication to sustain a safe and healthy work environment.



Occupation health: A risk assessment

Risk assessment is key to occupational health at Himadri, ensuring the identification, evaluation and mitigation of workplace health hazards to protect employee safety and well-being. This process begins with identifying potential hazards, assessing their likelihood and severity and implementing control measures to reduce risks. Himadri's

general risk assessment comprises identifying, capturing and recording occupational health risks.

Risks are categorised into high, medium and low levels based on the likelihood of prolonged exposure. High and medium risks are reviewed monthly by the senior management in the ESG Council level

to ensure proactive oversight. Himadri prioritises controls, including elimination, reduction, isolation and exposure control. Personal protective equipment is provided at no cost to all employees and contractors, reinforcing the Company's health-conscious environment.

Standardisation of procedures

Himadri upholds occupational health standards, implementing practices that ensure workplace safety and employee well-being. These standards serve as guidelines that ensure a safe, healthy and productive work environment, aligned with national and international regulations.

Himadri practices regular risk assessment, a key standard that helps identify potential workplace health hazards. By evaluating the likelihood and impact of hazards, Himadri addresses and mitigates risks, prioritising improvements in areas with the highest potential risks.

Himadri emphasises workplace health programmes focused on aspects like stress management, noise control and ergonomics. These programmes enhance employees' physical and mental health, increasing morale and reducing absenteeism. Ergonomic adjustments prevent repetitive strain injuries, while stress management resources provide employees essential support.

Occupational health services are central to Himadri, offering employees access to medical support, routine health checks and wellness programmes. These

services monitor employees' health and lead to early intervention.

Himadri provides employees with training and education on occupational health. Regular training ensures that the staff is informed of health and safety standards, equipped to handle workplace risks.

By implementing occupational health standards, Himadri promotes a safe, healthy and supportive workplace. This not only protects employees from potential hazards but also promotes long-term well-being.

Workplace health management

Overview

Himadri prioritises workplace health through comprehensive programmes that focus on stress management,

noise control and ergonomic practices. These areas are essential in creating a safe, comfortable and productive work environment for employees. By addressing these

key aspects of workplace health, Himadri ensures that employees are supported in their well-being, which contributes to overall job satisfaction and productivity.

Workplace stress management

Himadri implemented standards for effective workplace stress management, comprising the following:



Identify work related stresses > Assessment of impact > Categorisation of impact > Measure > Monitoring and improvement

Identify work-related stresses:

The initial step involves recognising potential sources of stress, which could include workload, workplace culture, role ambiguity, or ergonomic issues. Identifying these stressors could be essential to mitigate impact on employees' health and well-being.

Assessment of impact: Once work-related stresses are identified, their impact on employees is assessed (physical, mental and emotional). The assessment helps determine which stressors are most detrimental and require addressal.

Categorisation of impact: After assessing impact, the stressors are categorised based on their severity

and influence on different groups of employees. This classification assists in prioritising actions to mitigate high-impact stressors and understanding specific challenges faced by employee segments.

Measure: Specific metrics quantify stress levels and their effect on employees. Measurements may include surveys, feedback forms, or physiological assessments, establishing a baseline and enabling tracking.

Short breaks are encouraged throughout the day, especially for employees in high-risk or non-routine jobs. Access to Employee Assistance Programmes provides counselling and support for stress or other health

concerns. Mindfulness and stress-reduction activities (yoga, meditation, or breathing exercises) are promoted. Workshops on time management, stress-reduction techniques and resilience equip employees with strategies for handling pressure. Achievements are recognised and milestones celebrated. Improvements may include revisiting policies, enhancing communication channels and introducing wellness programmes.

This approach aligns with international occupational health standards, demonstrating a commitment to employee well-being and sustainable productivity.

Management of noise exposure

Exposure to high levels of industrial noise can lead to a range of health issues, including hearing loss, tinnitus, stress-related illnesses and a detrimental impact on the health and productivity of workers (including third-party workers). This makes it essential to monitor and control noise levels in the workplace to ensure compliance with occupational safety regulations.

To mitigate these risks, it is crucial to implement industrial noise monitoring systems that accurately measure and assess noise levels in the workplace, identify and address potential hazards and ensure compliance with occupational safety regulations. By doing so, potential areas of concern can be identified, and proactive measures can be taken to reduce noise levels and protect the health and well-being of employees.

At Himadri, noise monitoring protocols comprise Fortnightly Noise Monitoring (internal) and Quarterly Noise Monitoring (external), documented with necessary actions, including the implementation of engineering controls (acoustic hoods, preventive maintenance protocols and PPE standards). Himadri established a systematic protocol for medical checks and supervision, including audiometric monitoring to assess stressors related to noise exposure.

The implementation comprised the following:

Assessment: To understand noise levels and address employee concerns.

Monitoring systems: Appropriate noise monitoring technologies customised around specific workplace needs.

Analyse data: Recorded noise levels are compared with safety standards (OHSAS permissible exposure limits).

Implement control measures: Efforts to reduce noise at source. Employees may be rotated, or shift schedules altered for high-noise tasks. Access to appropriate hearing protection, such as earplugs or earmuffs, are provided.

We implemented SOPs for industrial noise monitoring while reconciling the environment function.

Ergonomics: Advisable ergonomic practices are essential to prevent physical discomfort and long-term injuries, particularly for employees in roles that involve repetitive motions or prolonged sedentary work. Himadri promotes ergonomic risk assessments to optimise workstations and equipment. Employees receive training on good posture, proper lifting techniques and other ergonomic practices to reduce musculoskeletal risks.

Himadri ensures that workplace health is not just about safety but also about improving employee work-life balance. This ensures that employees feel valued and empowered. Further details include Ergonomic Risk Assessment, provided in the Risk Assessment section.



Management of occupational hygiene

Adoption of WASH (water access, sanitation and hygiene)

Overview

Himadri implemented the WASH (water access, sanitation and hygiene) protocol, ensuring that all employees and non-employee workers (including third-party contractors) have access to clean water, proper sanitation and hygiene resources. This initiative includes a comprehensive risk

assessment to mitigate potential health-related workplace risks, promoting well-being. In alignment with SA 8000 protocols, Himadri established a complaint mechanism, enabling employees to confidentially report WASH-related issues. This holistic approach emphasises Himadri's commitment to create

a safe, healthy and ethical work environment.

The WASH programme provides workers (including third-party contractors) with access to clean and safe water, adequate sanitation facilities and proper hygiene practices, all of which are essential for promoting health and preventing disease.

Water access: Himadri ensures that all employees, particularly those working in industrial and production settings, enjoy a continuous drinking water access. Regular water testing addresses health and safety standards; the infrastructure is maintained to avoid contamination.

Sanitation: Himadri invested in clean, modern sanitation facilities which are regularly cleaned to promote hygiene

and prevent disease. Adequate hand washing and waste disposal enhance working environment integrity.

Hygiene: Himadri promotes hygienic practices through awareness campaigns and training programmes. These programmes educate workers (including third-party contractors) on the importance of personal hygiene (hand washing and cleanliness), especially in

areas where workers may be exposed to materials that warrant strict hygiene.

Himadri's 5S methodology and housekeeping aligns with UNGC WASH principles and mandatory SA 8000:2014. These protocols mitigate workplace health risks, ensuring a clean, organised and hygienic environment that enhances employee safety and well-being.

Training on occupational health

Himadri's approach to occupational health training is comprehensive and proactive, designed to equip employees with skills and knowledge.

Recognising that a well-informed workforce is a safer and healthier workforce, Himadri implemented a training programme across a

spectrum of occupational health topics (comprising the following):

First-aid training

Himadri's first-aid training represents the foundation of its occupational health programme. The training is practical and hands-on, covering topics such as:

Basic life support: Employees learn the fundamentals of CPR and open airways, ensuring effective intervention in life-threatening situations.

Handling common workplace injuries: Training provides guidance on managing cuts, burns, fractures and other injuries.

Emergency response procedures: Employees are trained to respond systematically to medical emergencies, when to call for assistance and how to

support the injured until professional help arrives.

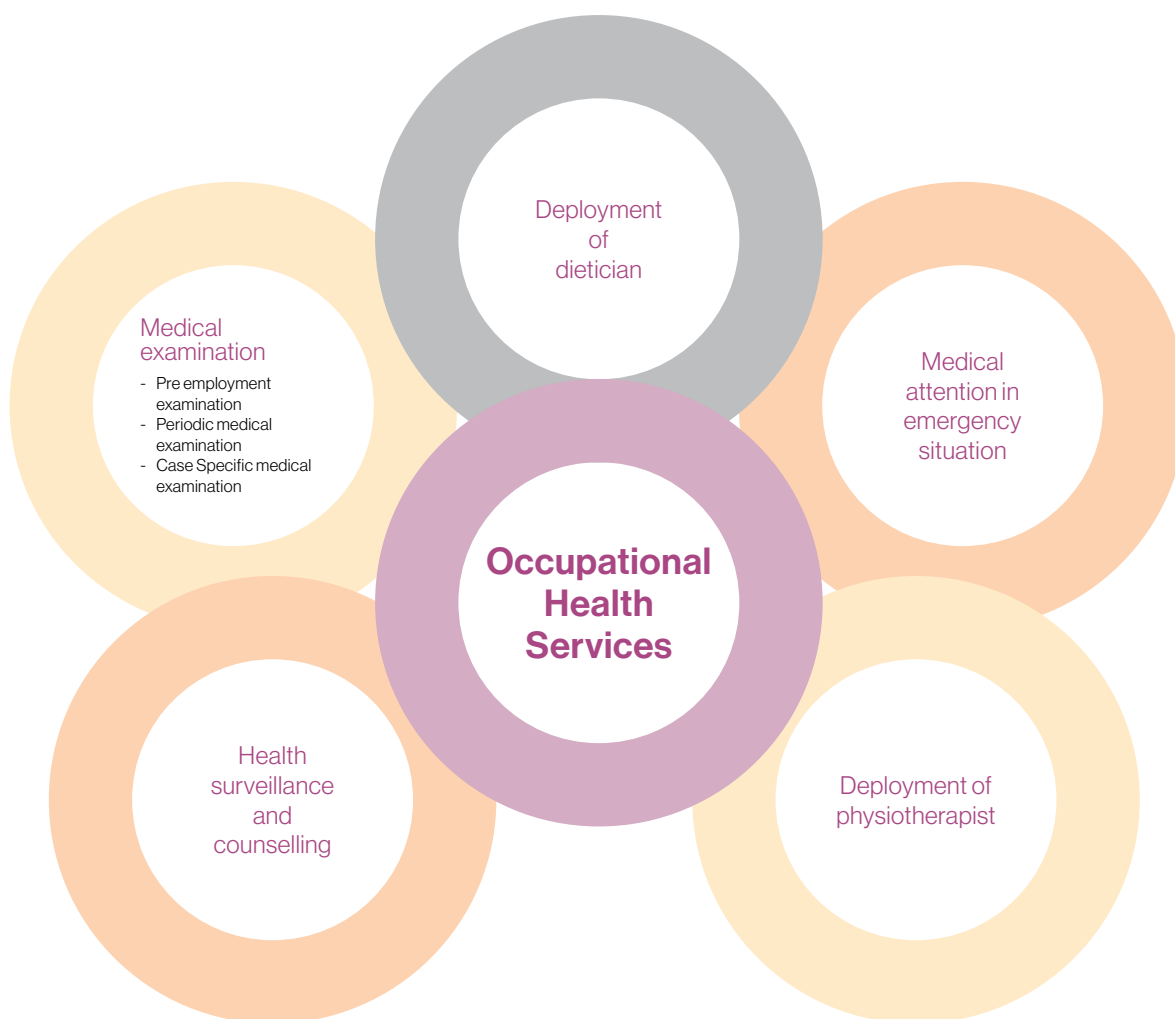
Health and well-being training topics

Beyond first aid, Himadri's occupational health training includes modules that address physical and mental well-being. The training topics address the needs of industrial workers, aiming to mitigate occupational health risks and promote safety cum wellness. Key training modules include: Ergonomics, noise and hearing protection, workplace stress management, health and lifestyle workshops, mental health awareness, and substance abuse awareness and prevention.

Specialised occupational health training

Himadri also provides specialised training for specific occupational health risks, covering the following: handling hazardous materials, heat stress prevention, preventive measures for respiratory health, training on occupational hygiene and training on healthy food habits.

This approach is not one-off; the Company embraces continuous learning that updates health and safety practices. Refresher sessions ensure that employees stay up-to-date with best practices; feedback helps improve training content.



Overview

Himadri's occupational health services provide comprehensive

healthcare that supports employees, including third-party workers. These services focus on workplace health, injury prevention and well-being.

Medical examination

Pre-employment examination: Before any employee or worker (including third-party personnel) joins, he or she undergoes a medical evaluation to assess physical fitness, which helps identify health conditions that could need attention or ensure that individuals are fit for their duties.

Periodic medical examination:

Himadri conducts regular employee health checks. This practice can detect potential health issues early.

Case-specific medical examination:

In certain situations, employees may require specialised evaluations due to specific job risks or unforeseen health conditions. Himadri established modern facilities to address case-specific health concerns.

Medical attention in emergency situations:

Himadri's occupational health framework prioritises quick and effective emergency responses. On-site first aid treatment is readily available to handle any urgent medical situations. Providing immediate care minimises injury severity and supports prompt recovery.

Health surveillance and counselling:

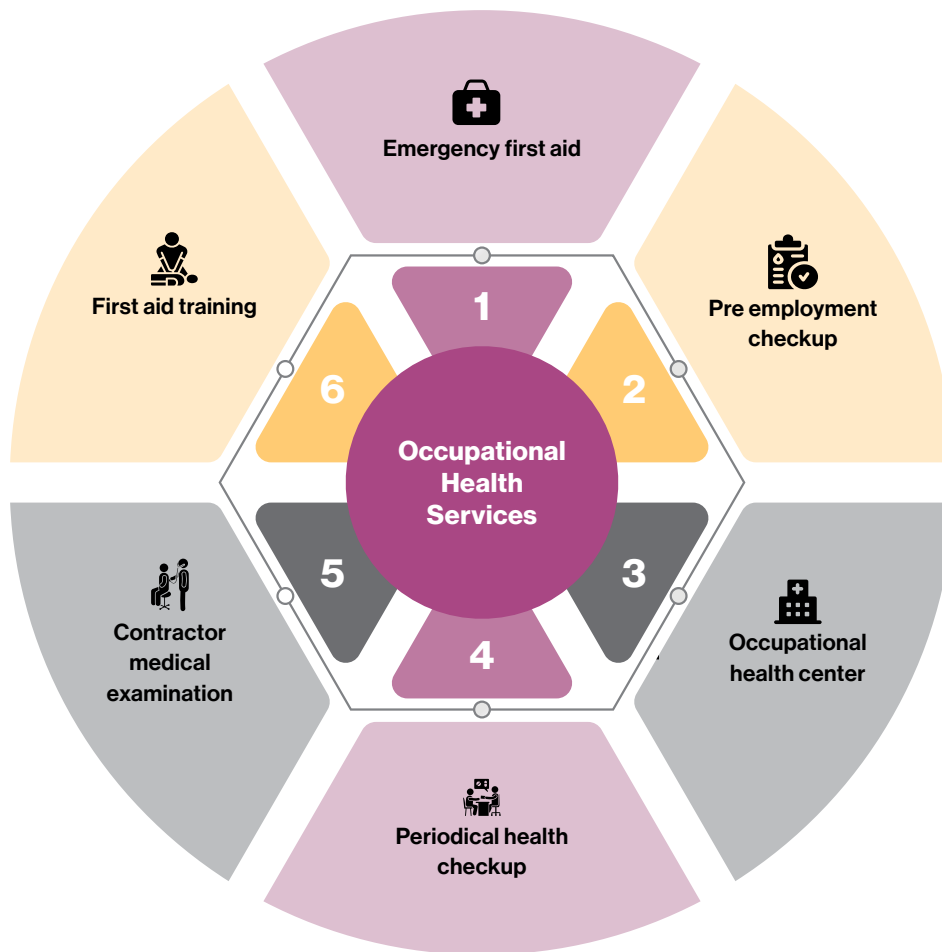
Continuous health monitoring helps identify patterns or potential risks that could affect worker health. Plant doctor's counselling assists employees in managing stress, handling health conditions and navigating through challenges (personal and professional). This holistic approach ensures a supportive work environment that values both physical and mental health.

Deployment of physiotherapists:

To enhance employee wellness, Himadri employs qualified physiotherapists who specialise in treating physical ailments, injuries, or discomfort arising from work-related activities. Physiotherapy sessions focus on rehabilitation, pain relief, mobility improvement and prevention of chronic issues. This benefits employees and workers (including third-party personnel) affected by with repetitive stress injuries, physical strain, or accidents recovery.

Deployment of dietitians:

Himadri employs dietitians to provide personalised guidance to its workforce. Dietitians help employees make healthier food choices, plan balanced meals and manage nutrition-related health conditions that reduce chronic disease risks and support well-being.



Himadri's occupational health management extends beyond basic healthcare, focusing on robust rehabilitation programmes and institutional support systems. This comprehensive approach ensures a healthy work environment that facilitates recovery, health improvement and workforce well-being (detailed overview follows):

Rehabilitation programmes

Himadri's rehabilitation services assist workers recovering from physical injuries, chronic pain, or occupational illnesses. The goal is to support employees to full recovery. Key components include:

Physical therapy and physiotherapy:

Himadri deploys qualified physiotherapists to help employees regain strength, mobility and function following injuries.

Occupational therapy: This therapy helps employees perform their job roles safely and efficiently after experiencing injuries or developing

physical limitations. Occupational therapists work with the employee and management to redesign tasks or adjust workspaces, ensuring a smooth return to work.

Customised return-to-work plans:

Himadri implements personalised return-to-work programmes that take into account specific health needs and work capabilities of the affected employee, which could include gradual reintegration, modified workloads, or flexible work hours.

Mental health and counselling services:

Himadri's occupational health support extends to mental health care, acknowledging that workplace injuries and stress can have significant psychological impacts. The Company provides comprehensive psychological support through professional counsellors, stress management workshops, institutional support systems (Health and Safety Committees, collaboration with healthcare providers, employee assistance programmes and wellness programmes).

Impact and goals of rehabilitation and institutional support

Himadri's rehabilitation and institutional support initiatives aim to ensure that employees recover from injuries. By offering comprehensive healthcare, Himadri demonstrates

its commitment to a productively engaged workforce. This integrated approach not only protects employees from occupational risks but also contributes to a resilient,

healthy and committed work environment.

Internal/External Audits and continual improvement

Overview

Himadri's rigorous approach to health and safety is marked by quarterly audits that cover key ESG areas.

These audits are led by qualified internal auditors and members of the Health, Safety and Environment team. Regular evaluations are conducted across the Company's manufacturing

sites, with a focus on Safety Audits, Risk Assessment, Health and Safety Training and KPI-related action plans that aim to:

- Ensure an alignment with Himadri's internal sustainability goals and policies,
- Identify opportunities for improvement in resource efficiency and waste management,
- Maintain compliance with regulatory standards and corporate expectations and
- Promote continuous learning and development for teams managing sustainability efforts.

In addition to quarterly internal audits, Himadri conducts annual external audits and third-party assessments on key statutory provisions, including IS 14489, which addresses Fire and Electrical Safety requirements. This layered audit structure

helps the Company adhere to high Health and Safety management standards.

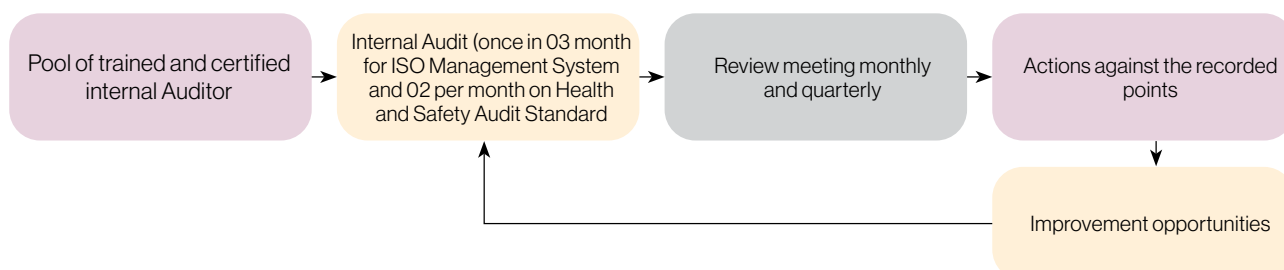
Audit findings are reported to the ESG Council and reviewed by senior management, with regular updates provided to the ESG Committee at the Board level. This reporting structure ensures that sustainability insights are integrated into decision-making and that progress is consistently tracked.

Himadri undergoes third-party assurance for critical health & safety metrics. Independent verification bodies, including TÜV-SÜD and other globally accredited agencies, assess the Company's sustainability performance. This external verification confirms that Himadri's

practices align with global best standards and sustainability frameworks.

By integrating internal audits, external reviews and third-party assurance, Himadri has established a comprehensive framework that promotes transparency, accountability and improvement. This approach empowers the Company to communicate advancements towards health and safety Management.

As a UNGC signatory, Himadri aligns initiatives with internationally recognised best practices, ensuring that its sustainability reporting meets global standards and contributes to broad health and safety objective.



Audit coverage

Material topics	External Audit	External	
		Audit	Assurance/ Verification
ISO 45001:2018 Compliance	✓	✓	✓
SA 8000:2014 Compliance	✓	✓	✓
Statutory Audit as per IS 14489	✓	✓	✓
Fire Safety Audit	✓	✓	✓
Electrical Safety Audit	✓	✓	✓

Himadri established multiple channels for workers to report work-related hazards. A key tool for this purpose is the Safety Audit Tool, used by employees to enhance workplace safety. Each week, all employees participate in workplace audits and promptly escalate any identified issues to the relevant department for correction. To simplify reporting, Himadri introduced a QR code-based reporting system, enabling

employees to easily raise work-related hazard reports.

In FY 23-24, over 65% of Himadri's workforce performed routine safety audits each month. This initiative generated an average of more than six actionable safety improvement opportunities per person, with contributions from over 2,033 employees, leading to substantial enhancements in worker safety. The

audit programme involves employees at all levels—from top management and HSE staff to line managers and frontline workers—ensuring a collaborative approach to maintaining safety standards.

Himadri plans to extend this audit programme to contractual and temporary employees, strengthening its commitment to workplace safety and hazards prevention.

Health and safety related digital initiatives

Overview

Digitalisation is integral to Himadri's health and safety commitment,

integrating advanced technologies to streamline safety processes, strengthen compliance and prioritises

employee well-being. The Company's key initiatives comprise the following:

QR code-based approach: Himadri's QR code-enabled mobile application empowers employees to conduct safety audits, report hazards and submit safety concerns from smartphones. This application supports daily compliance with Tool Box Talk protocols and facilitates root cause analysis for accidents, engaging all relevant departments and individuals. Employees can access digital safety checklists and receive real-time updates on safety protocols and corrective status.

Online training platforms: Himadri's e-learning modules cover health and safety topics, allowing employees to conveniently complete their training. These modules ensure an alignment with the Health and Safety

Policy, highlighting the leadership's commitment to workplace safety. The platform offers training schedules, tracks progress and issues certifications to ensure that all employees remain up-to-date with best practices.

Internal platform: Himadri Utkarsh Portal (Link - <https://himadriutkarsh.in/index.php/login>)

External platforms: EcoVadis and the British Safety Council Platform

Incident reporting, analysis and management: Himadri's user-friendly digital platform addresses logging, investigation and incidents management. This software streamlines incident reporting, tracks investigations

and generates reports, creating safety trends leading to corrective actions.

Daily safety reporting: Himadri's daily safety activities involves departmental heads and other owners, mitigating workplace hazards and risks through joint visits and inspections. This system monitors daily safety audits, tracks training sessions, documents Tool Box Talk details, maintains Permit to Work records, oversees maintenance, ensures tanker safety and logs corrective actions.

Through these digital tools, Himadri promotes a technology-driven safety culture.

Summary :Driving towards safety at Himadri

Himadri, a company prioritizing driver safety attributed to driver care & safety in its fleet of raw material tankers. Recognizing from risked base mapping, management established a team to explore solutions, which led to the discovery of Driver Fatigue Management Systems (DFMS). This technology could monitor drivers in real-time and alert them to signs of fatigue. After gaining unanimous support

from stakeholders through a well-prepared proposal, Himadri chose a suitable vendor and conducted a pilot program, installing DFMS in 12 tankers. Initial driver skepticism regarding trust and privacy was alleviated through workshops that emphasized safety benefits. The implementation of DFMS resulted in immediate positive impacts, significantly reducing accidents and providing valuable data for optimizing

routes and schedules, thereby enhancing operational efficiency and reducing fuel costs. Moreover, safety became ingrained in Himadri's culture, empowering drivers and establishing the company as a leader in fleet safety. Looking ahead, Himadri plans to extend DFMS coverage to its entire tanker fleet, setting new industry safety standards.



Ensuring safety and efficiency: Himadri's journey with a mobile application for finished goods tanker safety

Overview Himadri's in-house mobile application manages safety checklists for finished goods tankers. Covering	116 finished goods and 74 raw material tankers, this application ensures an audit frequency every two months, reinforcing the safe and efficient transportation of hazardous	chemicals, enhancing operational efficiency and safeguarding finished products handling.
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Himadri's in-house mobile application manages safety checklists for finished goods tankers. Covering 116 finished goods and 74 raw material tankers, this application ensures an audit frequency every two months, reinforcing the safe and efficient transportation of hazardous chemicals, enhancing operational efficiency and safeguarding finished products handling.

The challenge: Previously, Himadri relied on a manual safety checklist system, resulting in dispatch delays, compliance issues and safety risks.

The response: The leadership team initiated an in-house mobile application to digitise the entire safety checklist process. This new, streamlined approach ensures that each tanker meets the highest safety standard before leaving for the customer.

Developing the application: Himadri's Process, Health & Safety and Logistics departments collaborated to design a mobile application tailored to the Company's specific needs. Built on Microsoft Power Applications, the app is designed to be user-friendly and effective in real-time operational settings.

Key application features



Training and rollout: Himadri provided training for drivers, safety inspectors and logistics coordinators. Training sessions familiarised users with the new system and reinforced the importance of each checklist step. Following a successful pilot phase with select tankers, the application was deployed.

Delivering to the customer: The mobile app accelerated Himadri's

delivery by reducing safety check times, leading to quicker dispatches and faster order fulfilment. Customers now receive digital safety check records, enhancing transparency, trust and satisfaction.

Continuous improvement: Himadri enhances the mobile app, based on user feedback and industry regulations. The app is integrated with the Company's logistics management system to

improve coordination and explore digital solutions for other areas.

Conclusion: By developing and deploying this mobile application for tanker safety checklists, Himadri strengthened its operational efficiency, safety protocols and customer satisfaction.

10 core safety rules

Himadri's safety rules emphasise personal accountability, adherence to protocols and proactive risk management. These rules include:

Mandatory personal protective equipment (PPE): All employees must wear PPE.

Authorised machinery and vehicle operation: Only trained and authorised personnel may operate machinery or vehicles.

Machine guarding and safety devices: Tampering with machine guarding or safety devices is prohibited.

Lock, Tag & Try procedure: Employees must lock, tag and verify

machinery de-energisation before maintenance or interventions.

Permit-to-work for high-risk activities: High-risk tasks require a daily permit to ensure comprehensive oversight.

Fall protection: Workers must secure fall protection gear when working at heights.

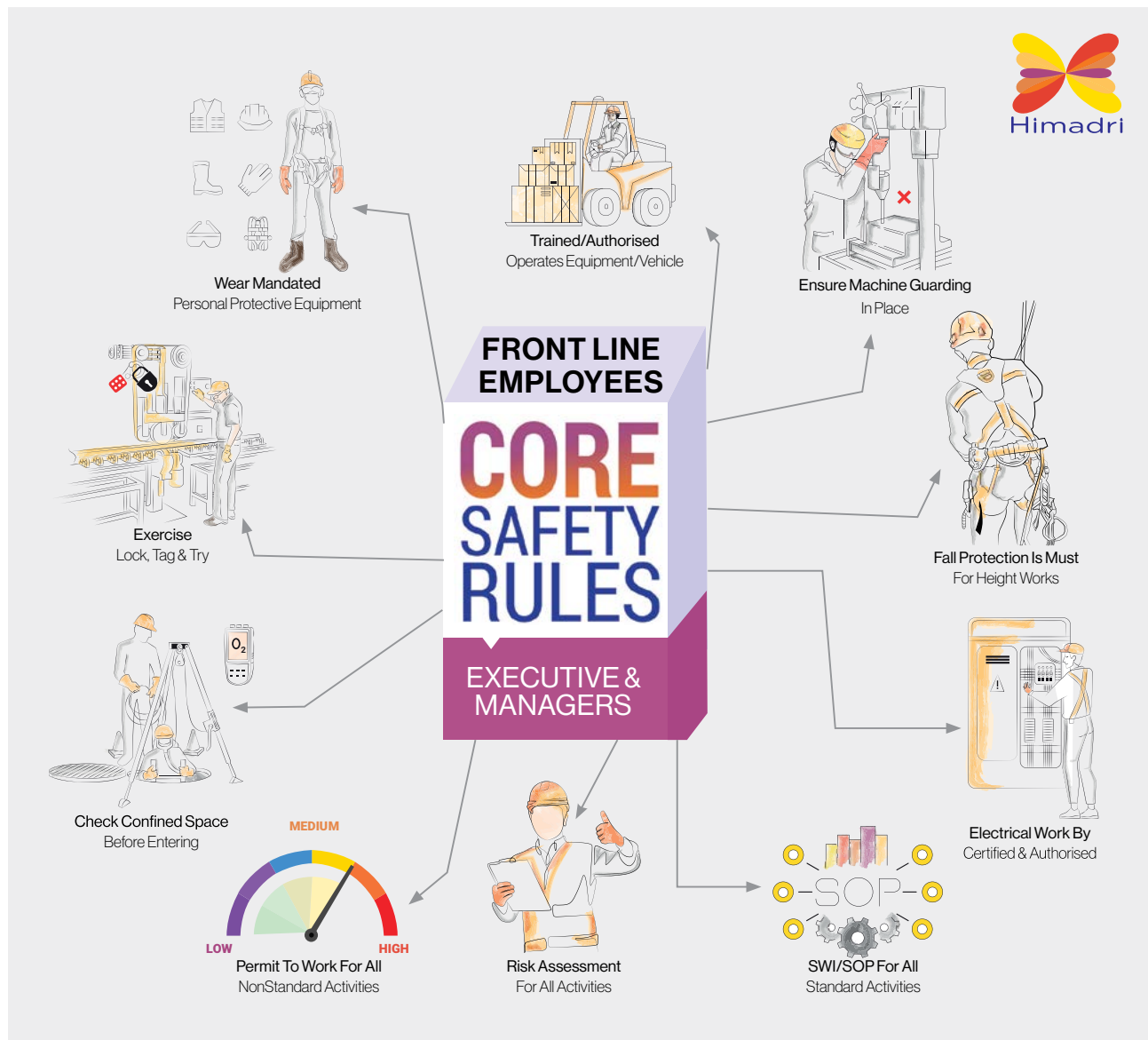
Confined space safety: Breathing and escape equipment must be checked prior to entry into confined spaces.

Pre-job risk assessments: Risk assessments are required before jobs.

Electrical work authorisation: Only certified and authorised personnel are permitted to perform electrical tasks.

These guidelines aim to minimise risks, safeguard personnel and prevent accidents by creating a proactive safety culture. The Lock, Tag & Try process ensures safe shutdown and de-energisation, while the daily permit-to-work system strengthens the oversight of high-risk activities.

Standard operating procedures enhance task safety, reduce errors and ensure operational consistency. Himadri's safety rules emphasise personal responsibility, risk assessment and strict compliance, minimising workplace hazards and embedding safety through the organisation.



Reduced lost time incident frequency rate (LTIFR) trend

Overview

Himadri was challenged by high lost time incident frequency rate (LTIFR) - 22 lost time injury (LTI) cases in FY 21-22, which resulted in an LTIFR of 4.19. Himadri's leadership initiated a health and safety programme aligned with its Health and Safety Policy.

Initial steps: Problem identification

A detailed review of past incidents highlighted that several factors — insufficient safety training, outdated equipment / procedures and inadequate real-time monitoring contributed to a high LTIFR, highlighting the need for enhanced safety measures and systemic improvements.

Key actions: A multifaceted approach

1. Safety audit and risk assessment

Himadri implemented a proactive approach to safety audits and workplace risk assessments, with a focus on risks with

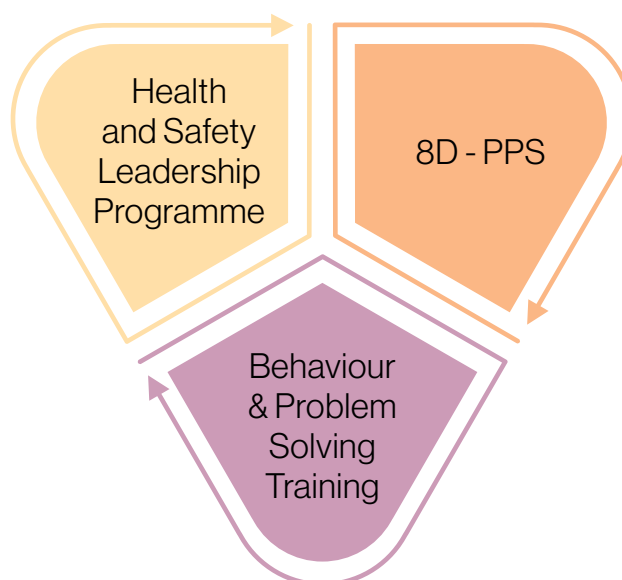
a Risk Priority Number (RPN) of above 32 (substantial risk). Himadri prioritised these high-RPN areas to ensure effective control and mitigation strategies. Safety audits aligned with internal standards assessed these risk zones to identify hazards and strengthen safety. This approach integrated continuous monitoring, assessment and improvement protocols aimed at safeguarding employees and contractors, including third-party workers. Detailed action plans, safety training and regular follow-ups — known as Safety Improvement Opportunities and Preventive Actions (SIOPA) within Himadri — helped manage risks and enhance workplace security. In FY 23-24, some 465 risks were identified, with an 86.8% closure

rate on risk actions and 4,378 safety audit points - a 62% closure rate on SIOPA actions.

2. Enhanced safety training

Himadri launched an extensive safety training initiative designed for all employees and contract workers (including third-party personnel). The programme addressed specific risks associated with different roles. The training was interactive, incorporating simulations and practical exercises. Over 12,500 training hours were completed, covering Levels 1 to 5, shop floor drills and specialised training modules. The mandatory topics included the following:

- **Level 1:** Basic safety
- **Level 2:** Safety audit
- **Level 3:** Risk assessment
- **Level 4:** Machine risk assessment
- **Level 5:** Health and safety leadership programme



3. Continuous monitoring and improvement

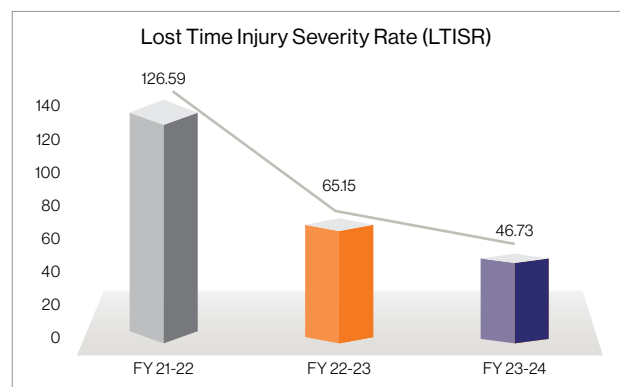
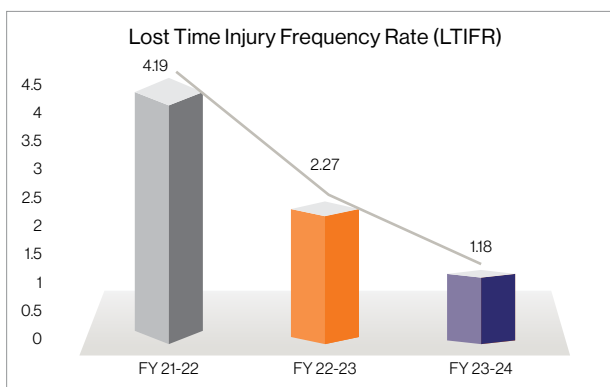
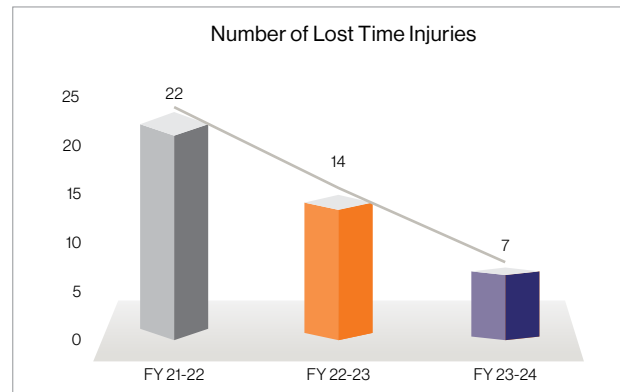
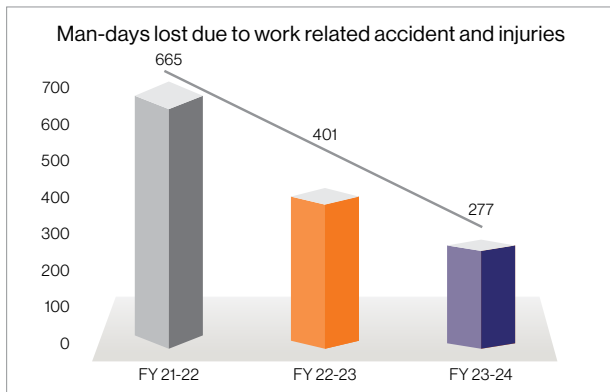
Himadri's robust monitoring system comprised safety audits, risk assessments, employee feedback sessions and accident cum incident data analyses. The Safety Committee convened monthly to evaluate safety performance and recommend enhancements.

A significant reduction in LTIFR

Within a year of these measures, Himadri achieved a remarkable 64% reduction in LTIFR. LTIFR continued to decline, reaching 2.27 in FY 22-23 and 1.8 in FY 23-24.

A lasting commitment to safety

Himadri's LTIFR reduction integrated an investment in training, equipment, technology and safety, creating a safer environment for all.



The way forward

Implementation of AI-Driven based safety software at Himadri

Himadri is moving forward with the implementation of an AI-powered software application focused on enhancing workplace safety. This system will streamline the process of assessing workplace risks, tracking safety audits, monitoring audit status and providing in-depth insights into safety training programmes.

The software will be powered by advanced AI algorithms to proactively identify potential risks within the workplace. It will assess hazards, analyze data from past incidents and continuously track the effectiveness of ongoing safety measures. Additionally, the software's audit tracking module will enable real-time monitoring of safety audits and compliance statuses ensuring that safety protocols are adhered to consistently.

One of the critical features of the application is its capability to deliver detailed insights into safety training. Through the training module, management can track employees' training

progress, identify gaps and schedule necessary updates thus ensure a culture of continuous safety education.

Future enhancements for workplace safety at Himadri

- 1. Adoption of modern technology:** Implementing the latest technological solutions to monitor and manage safety risks, particularly in high-risk areas involving equipment and machinery.
- 2. Smart monitoring systems:** Using real-time monitoring tools to keep track of equipment health and proactively identify potential hazards before they escalate.
- 3. Advanced safety features:** Integrating advanced safety mechanisms in machinery, including emergency shutdown features, automatic alarms and real-time fault detection systems.
- 4. Automated safety audits:** Powered by AI to conduct continuous safety audits, ensuring compliance with standards and identifying gaps in safety protocols.

5. Predictive maintenance: Implementing predictive analytics to foresee equipment failures and perform timely maintenance, reducing accident risks and operational downtimes.

6. Enhanced employee training: Utilizing technology to provide immersive safety training like VR simulations for hands-on experience in managing equipment safely.

7. Data-driven decision making: Collecting and analyzing data on safety incidents and equipment usage to drive continuous improvements in workplace safety policies.

More emphasised approach in Audits and Occupational Health

In the future, Himadri is ready to act proactively towards workplace safety that places audits and occupational health at its core. The plan is to implement detailed, regular audits (Internal and External) designed to capture every aspect of the work environment, from equipment conditions to procedural

adherence, as well as employee practices and safety compliance. These audits will be conducted using advanced tools and methodologies.

In addition to the structural improvements, Himadri will adopt a targeted approach in occupational health, recognizing that each role and department may face unique challenges. By focusing on the specific health and wellness needs of employees in different roles, Himadri can provide tailored interventions, training and preventive measures. The goal is not only to prevent injuries and occupational illnesses but also to promote long-term health and productivity.

This approach represents a strategic shift towards data-driven safety management, where each audit and occupational health initiative supports a safer and more resilient workplace. Through these enhancements Himadri is setting a standard for a work environment where health, safety and well-being are deeply embedded in the organisation's operational philosophy.



Soumyodeep Bhattacharya
Executive Vice President

I am honored to reaffirm our commitment to health and safety, a foundational pillar of our sustainability journey. At Himadri, we view health and safety not merely as compliance requirements but as a vital part of our culture, reflecting our dedication to the well-being of our employees, contractors, and communities.

Our vision for "Zero Accident/Incident" embodies our proactive approach to creating a safe and supportive work environment. This strategy is built on the pillars of learning, culture, commitment, and communication, driving safety awareness and accountability at every level of the organisation. Through these initiatives, we aim to ensure that every individual returns home safely each day.

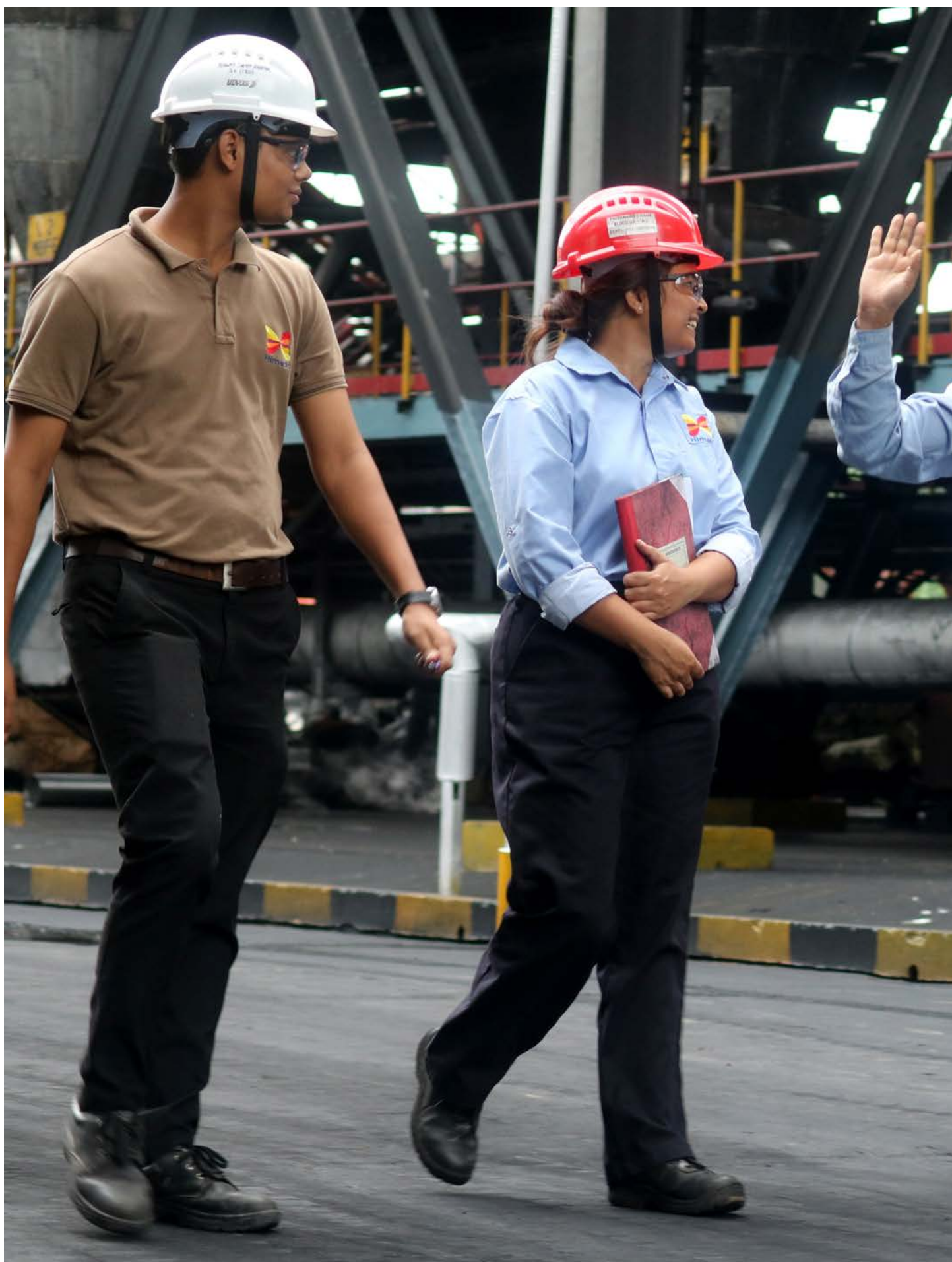
In FY 23-24, we marked significant achievements, including a sharp reduction in Lost Time Injury Frequency Rate (LTIFR) to 1.18, reflecting a consistent decline over three years. We invested significantly in capacity-building training, implemented digital tools for safety audits and incident reporting, and aligned with global standards like ISO 45001:2018 and SA 8000:2014 to enhance our governance practices.

Health and safety extend beyond operational boundaries. Our occupational health initiatives, such as comprehensive medical assessments,

stress management programmes, and rehabilitation services, promote both physical and mental well-being. Our commitment to digital innovation, including AI-enabled safety solutions, highlights our pursuit of excellence in risk management.

Himadri's health and safety initiatives are integral to our broader sustainability goals, aligning with international frameworks like the UN Sustainable Development Goals and the United Nations Global Compact. These efforts reflect our commitment to a sustainable future where safety, productivity, and care go hand in hand.

I thank our stakeholders for their continued trust and collaboration. Together, we are building a safer, healthier, and more resilient future.





Promoting a culture of human resource development: Ensuring Respect, dignity and fair treatment

People and talent

To enhance value creation in a sustainable manner over the long-term and make the world a better place, as articulated in the 'Together, Towards Tomorrow'

philosophy, talent management is critical. Himadri values its employees and treats them with respect. By deepening relationships across its business and its industry, the Company enhances life quality.

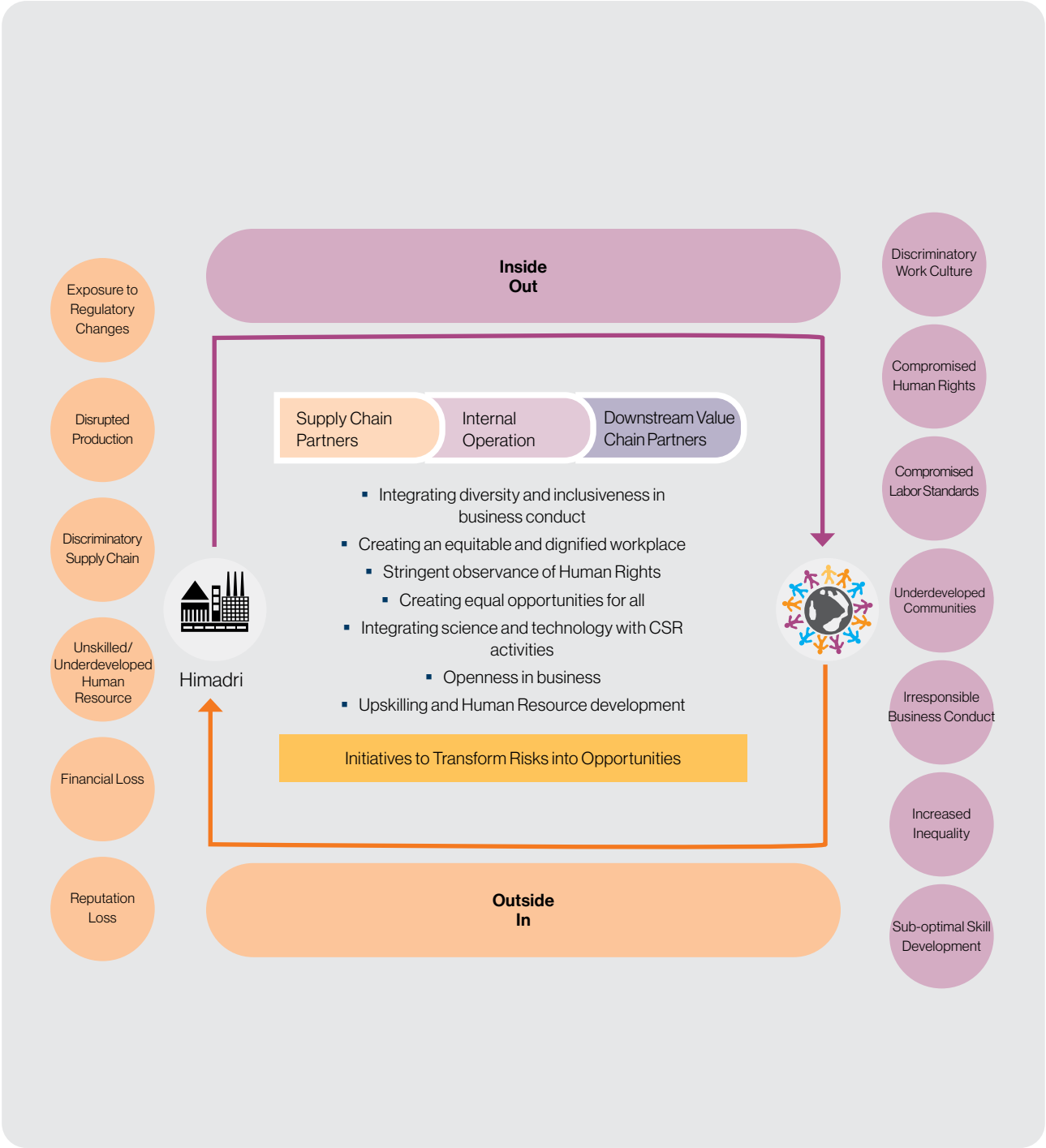
The human resource function serves as the foundation of the Company's commitment to a sustainable, ethical and inclusive workplace. The Company is dedicated to nurture a respectful, diverse and safe environment, recognising that these values are essential for empowering its workforce and enhancing value for the organisation and communities. The human resource team embeds sustainability, ethics and inclusivity into its workplace, ensuring that all stakeholders benefit.

Central to this commitment is Himadri's ethical framework, which emphasises responsibility, human rights and dignity. The Company prioritises a respectful and equitable environment. By implementing stringent measures against violations and holding partners

accountable, it promotes integrity and responsibility.

Himadri's comprehensive risk assessment identifies, evaluates and addresses risks associated with its people-centric policies. This approach reflects an understanding of the double materiality principle, encompassing the Company's operations and extending across its value chain. A robust risk-opportunity analysis ensures that material matters are addressed with diligence around the highest standards of integrity, fairness and respect.

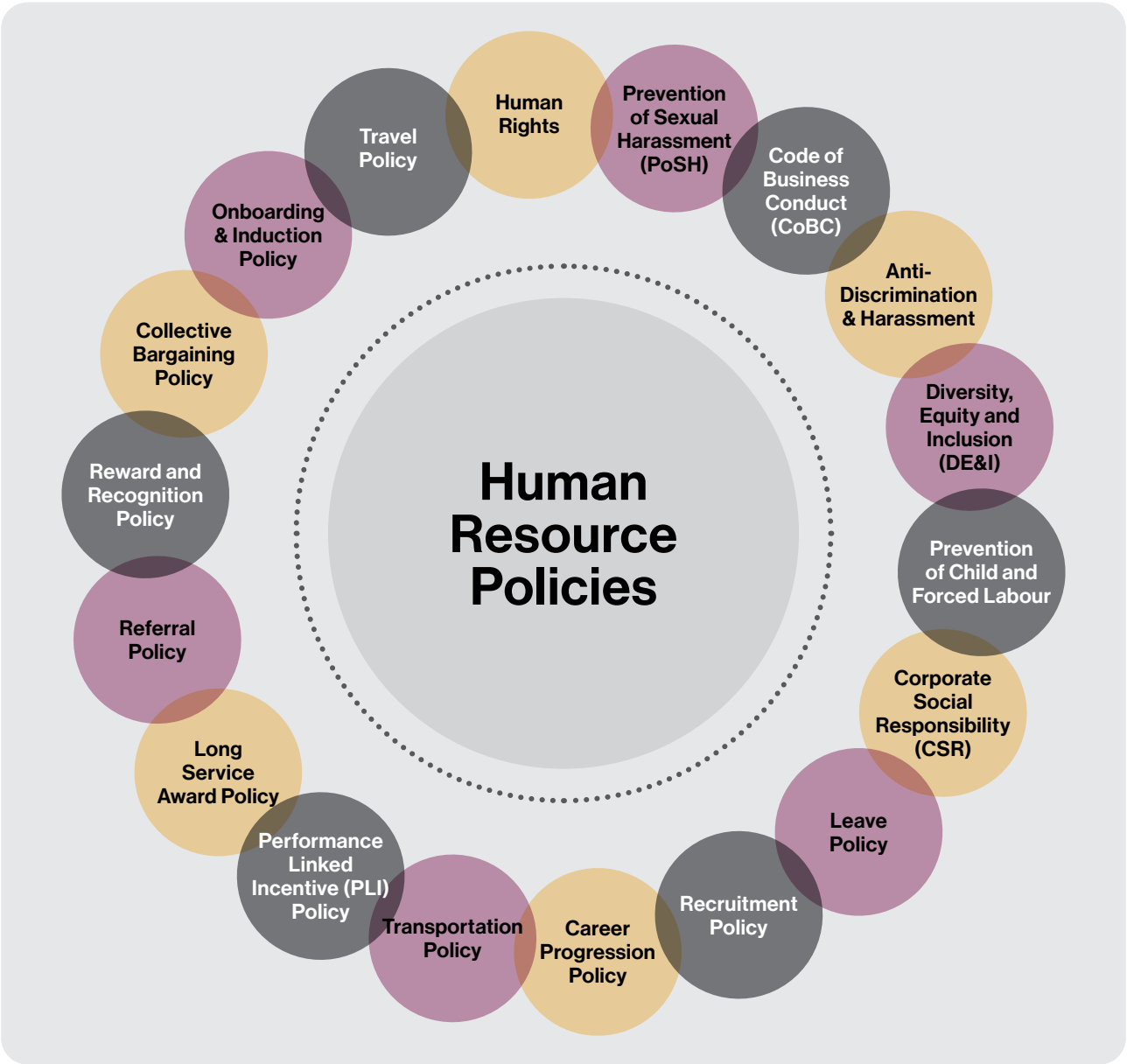
Through these efforts, Himadri aims to cultivate an environment where everyone, regardless of background or role, feels valued and is provided the opportunity to grow. This advances individual and collective success.



Himadri has developed a comprehensive framework of policies to address human rights and labour standards within the speciality

chemicals sector. These policies support global and national goals for responsible business conduct, reflecting the Company's commitment

to the highest integrity and social responsibility standards.
Himadri's human resource policies and related structures are provided:



Human Rights Policy: Aligned with United Nations Global Compact (UNGC) and International Labour Organisation (ILO) standards, this policy demonstrates Himadri's commitment to safeguard human rights, enhance dignity, fair treatment and employee well-being.

Prevention of Sexual Harassment (PoSH) Policy: This policy establishes a safe and respectful work environment by addressing and preventing workplace harassment. It aligns with the national legislation on workplace safety and equality, nurturing a culture of respect and inclusivity.

Code of Business Conduct (CoBC): This code ensures that all business activities reflect Himadri's core values and sustainability goals, enhancing transparency and accountability.

Anti-Discrimination & Harassment Policy: This policy ensures a workplace free of discrimination and equal opportunities for all employees.

Diversity, Equity and Inclusion (DE&I) Policy: Himadri's DE&I initiatives promote diverse perspectives, ensuring equity in hiring, advancement and opportunities. This policy aligns with UNGC and ILO standards to strengthen workforce engagement and inclusivity.

Prevention of Child and Forced Labour Policy: Reflecting and ILO standards, national legislation and the Company's ethical commitments, this policy prohibits child or forced labour, ensuring fair practices and compliance with international human rights standards.

Corporate Social Responsibility (CSR) Policy: Aligned with UNGC principles, Himadri's CSR policy focuses on impactful social and environmental

initiatives. It prioritises sustainable development, STEM education and community engagement.

Leave Policy: Compliant with SA 8000:2014 guidelines on fair labour standards, this policy ensures employees have access to essential leave benefits, promoting work-life balance and employee well-being.

Recruitment Policy: Emphasising DE&I and fair hiring, this policy promotes unbiased recruitment aligned with the principles of the Global Diversity, Equity and Inclusion Alliance.

Career Progression Policy: Himadri's career advancement policy supports professional growth equitably, creating long-term talent retention and satisfaction.

Performance Linked Incentive (PLI) Policy: Aligned with DE&I commitments, this policy ensures performance rewards are transparent, fair and tied to measurable achievements, driving employee motivation.

Long Service Award Policy: This policy recognises and celebrates employee loyalty, promoting a culture of inclusion and positive reinforcement.

Referral Policy: Himadri's referral programme supports the hiring of diverse and qualified candidates, contributing to a robust and inclusive workforce.

Reward and Recognition Policy: This policy promotes a culture of appreciation, celebrating contributions at both individual and team levels while reinforcing workplace inclusivity.

Each One Reach One Initiative: Himadri values employees. The

Company believes that care and empathy should transcend hierarchical gradations, positions, or designations. Recognising that 'family' is a commonly voiced sentiment in organisations, this initiative reflects a bond between employees and the employer, deepening unity and shared purpose.

Onboarding & Induction Policy: Himadri provides guidelines for a warm welcome and onboarding of a new employee. It ensures that the new employee feels welcomed and settled in the new environment with all relevant information related to the Company and functions. The policy details the joining process and formalities to be completed by the onboarding team as well as the new joiners on Day 1. It also outlines the induction process to ensure the new joiners are made familiar with the culture, values and Company policies. The purpose of this policy is to familiarise new employees with all the aspects of the Company. At the end of the induction process it is expected of the new employee to know all the departments/ sites, their functionalities as well as general logistics surrounding the respective operations.

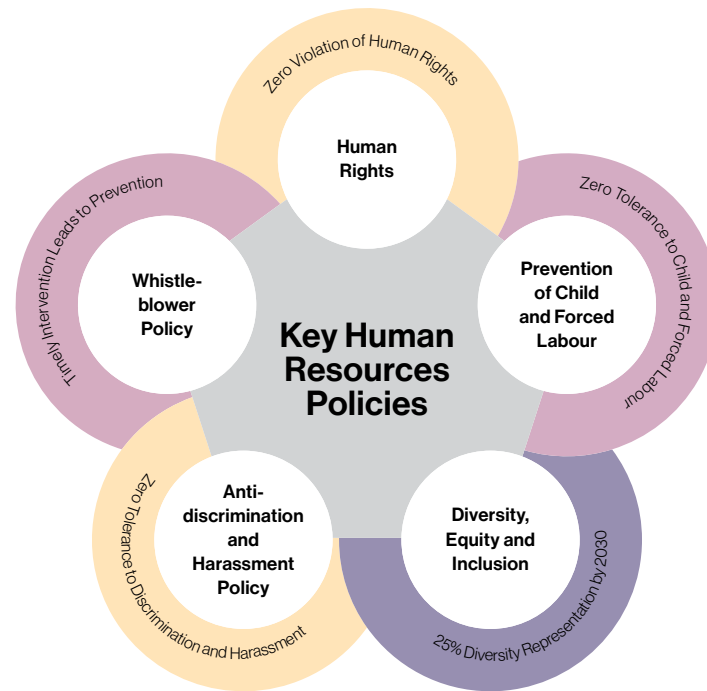
Collective Bargaining Policy: Himadri recognises the importance of effective employee representation and collective bargaining in the workplace. While Company does not have recognised labor unions, it has established an "employee core committee" to facilitate dialogue and collective bargaining on labour related matters.

Travel Policy: Himadri ensures comprehensive and all-encompassing allowances and benefits so as to comfort the employee adequately while traveling within India for official work on short / long duration business trips, work assignment etc.

Himadri's frameworks for human resource policies reinforce ethical business practices, legal compliance and reputation. These frameworks

address critical areas, including child and forced labour, human rights, diversity, equity and inclusion (DE&I) and whistle-blower mechanisms. Below is a

detailed overview of how these policies function and benefit the organisation:



Himadri's ISO management systems ensure the implementation and oversight of policies and frameworks. These systems facilitate continuous improvement. By applying these standards across sites, including

manufacturing and offices, the Company reinforces its people-centric approach, sustainability, compliance and operational excellence. Himadri's SA 8000:2014 standard compliance emphasises a commitment

to the highest standards of labour and human rights. This reflects the Company's dedication to ethical practices, social responsibility and positive impact.

Management systems	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta
ISO 26000	✓	✓	✓	✓	✓	✓
SA 8000:2014	✓	✓	✓	✓	✓	✓

This holistic approach enables that Himadri surpasses objectives, creates long-term growth and generates a positive impact on the environment, stakeholders and communities.



Himadri's philosophy (Together, Towards Tomorrow) articulates a mission to 'create a sustainable planet

for all, providing care and enrichment for the lives of all people and the planet.' The Company is implementing initiatives

to promote diversity within an equitable and inclusive workplace, aligning these efforts with business strategy.



Human rights: A non-negotiable standards

Himadri is committed to protect the dignity of every individual by respecting human rights in its operations and business relationships. The Company values people and treats them with respect, integrating human rights considerations into processes and decisions. Himadri aims to proactively identify the potential impacts of its activities on human rights and take steps to mitigate adverse effects.

Commitment to human rights

Himadri is committed to promote human rights across operations. For years, the Company has engaged with non-governmental organisations, international bodies, industry peers and multi-stakeholder initiatives to gain diverse perspectives, create a dialogue and address human rights challenges. As a signatory of the United Nations Global Compact (UNGC), Himadri's commitment to human rights serves as a guiding principle.

Policies and governance

Himadri's Code of Business Conduct (CoBC) and Human Rights Policy reflect its dedication to adhering to internationally recognised human rights standards within its operations and value chain. The Company promotes respect and integrity, strengthening relationships and creating positive community impacts. Himadri views its commitment to human rights as an ongoing journey, relying on a systematic, risk-based approach supported by monitoring and management systems. Regular reviews of due diligence mechanisms ensure continuous improvement, with the Sustainability

Committee at the Board overseeing human rights risk management and the ESG Council driving actionable initiatives such as capacity building and external audits.

Operational and supply chain standards

Himadri avoids contributions to human rights violations. The Company expects business partners to respect human rights. Himadri's risk-based approach integrates criteria for identifying actual and potential human rights impacts into supplier assessments and global monitoring systems. These systems address labour and social standards, environmental protection, safety, health and product stewardship.

Compliance with legal and ethical standards is fundamental to Himadri's operations. This includes adherence to fair competition, anti-corruption, anti-money laundering and human rights regulations. Himadri works with suppliers to establish and uphold comparable standards of human rights throughout its supply chain. Violations are addressed promptly; steps are taken to prevent recurrence.

Code of Business Conduct

Himadri's Code of Business Conduct (CoBC) outlines key principles and standards applicable across its operations. As an integral part of employment contracts, it ensures all employees understand their responsibilities. Violations of the CoBC are taken seriously, with potential consequences for both the individual and the organisation. A Supplier Code of Conduct further extends these standards to business partners,

establishing binding requirements to ensure alignment with Himadri's ethical practices.

Human Rights Policy

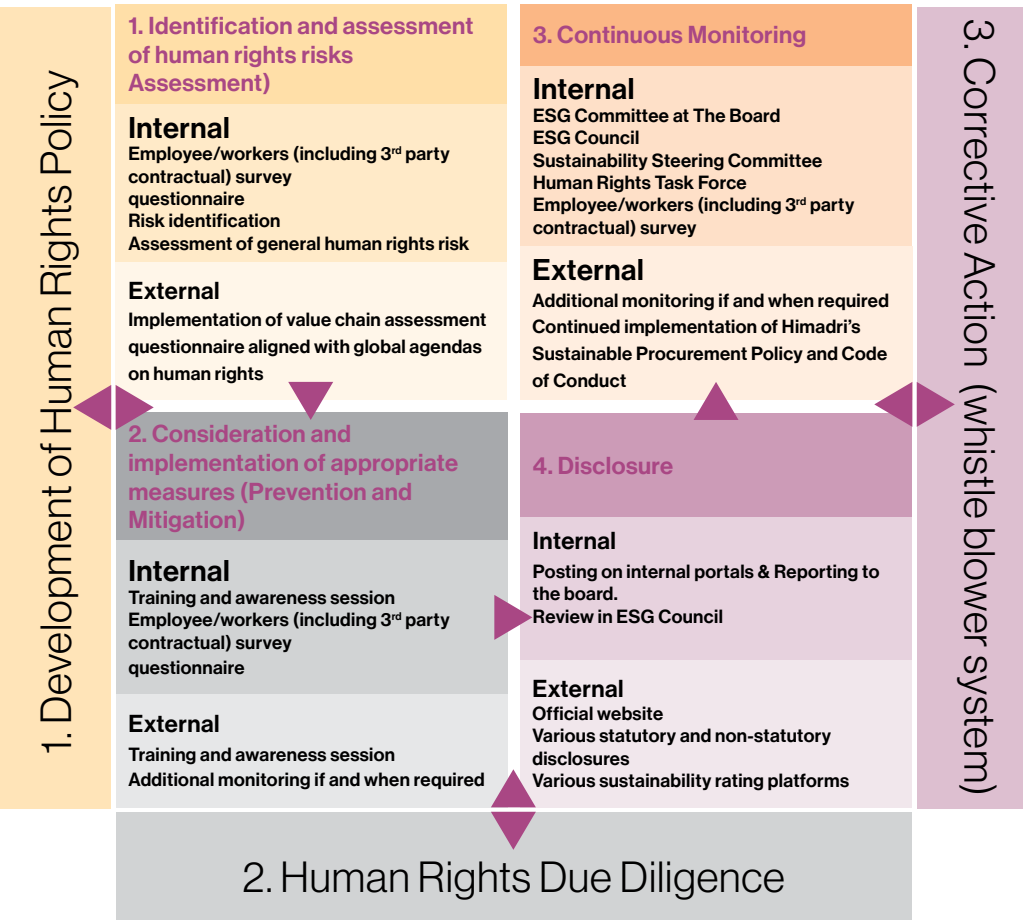
Himadri's Human Rights Policy reaffirms its commitment to respecting human rights and sets clear expectations for employees, leaders, suppliers and business partners. The policy emphasises responsible and ethical relationships, promoting labour rights, non-discrimination, environmental responsibility and anti-corruption practices. Himadri's participation in global organisations dedicated to ethical business practices, including the UN Global Compact, emphasises its dedication to sustainable impacts.

Stakeholder engagement and responsible practices

Himadri prioritises stakeholder dialogue to develop a mutual understanding and consultation. The Company integrates the Responsible Care principles and other initiatives to drive environmental protection, health and safety improvements.

Human rights considerations are also embedded in agreements with contractors and security personnel. Himadri ensures that its hired security staff are unarmed and trained to handle tasks such as managing on-premise traffic and resolving external conflicts when needed, reinforcing its commitment to non-violence and ethical practices.

Through its policies, practices and proactive measures, Himadri demonstrates its dedication to human rights, social responsibility and sustainable business operations.



To achieve a comprehensive sustainability vision that encompasses environmental protection and overall social well-being, Himadri believes it is crucial that its suppliers align with this

commitment. The Company expects all suppliers to adhere to Himadri's Sustainable Procurement Policy, which is designed in line with international human rights standards. Himadri is

dedicated to supporting its suppliers in addressing challenges and improving the business-as-usual scenario together.



Promoting awareness of human rights remains a key focus for Himadri. Relevant information is shared across the Company's operating divisions. In addition, mandatory training is made available through the Learning Management System (LMS), ensuring that personnel at all locations are

sensitised to human rights topics. The issue of human rights is further integrated into the Company's existing compliance training programme.

Himadri has formalised and widely published its grievance mechanisms, which include a standardised hotline

and reporting system. Relevant personnel are trained to ensure that all complaints are reviewed and escalated when necessary. If a complaint is justified, appropriate measures are promptly taken. No reports of human rights violations have been received during the current reporting year.

Management systems	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta
Training on Global guidelines on Human Rights	✓	✓	✓	✓	✓	✓
Training on BRSR Principle 5 (Human Rights)	✓	✓	✓	✓	✓	✓

Human Rights Training percentage

Category	FY 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)			FY 21-22 (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)	Total (E)	No. of employees/workers covered (F)	% (F/E)
Employees									
Permanent	791	791	100.00	700	678	96.86	751	532	70.84
Other than permanent	94	94	100.00	52	20	38.46	70	24	34.29
Total Employees	885	885	100.00	752	698	92.82	821	556	67.72
Workers									
Permanent	129	129	100.00	195	194	99.49	157	134	85.35
Other than permanent	1,016	1,016	100.00	1,161	812	69.94	821	550	66.99
Total Workers	1,145	1,145	100.00	1,356	1,006	74.19	978	684	69.94

Creating a non-discriminatory and safe workplace

At Himadri, the Company believes that every employee deserves a workplace that is inclusive, respectful and free from discrimination or harassment. This commitment reflects the Company's

core values of equality, dignity and fairness, which are essential to support a thriving organisational culture.

Commitment to a safe and inclusive workplace

Himadri is dedicated to creating a workplace where individuals feel

respected, valued and empowered, regardless of race, gender, age, religion, ethnicity, disability, sexual orientation, or any other characteristic. Harassment and discrimination in any form undermine the Company's values and will not be tolerated.

Policies to uphold non-discrimination and anti-harassment

Equal opportunity recruitment

- Recruitment, promotions, compensation and all employment decisions are made solely based on qualifications, merit and performance.
- The Company actively discourages biases that may affect hiring or career progression.

Comprehensive anti-discrimination and anti-harassment Policy

- Himadri has a robust policy outlining prohibited behaviours, such as verbal abuse, inappropriate jokes, unwelcome advances and any other actions that create a hostile work environment.
- This policy is clearly communicated during onboarding and reinforced through regular training programmes.

Implementation of diversity, equity and inclusion (DEI) Policy

- Himadri has a comprehensive policy in place to promote workplace diversity, equity and inclusion. Employees are encouraged to participate in cultural exchange programmes.
- The policy also outlines regular training and workshops to further the Company's philosophy by addressing both conscious and unconscious biases.

Training and awareness programmes

- Mandatory training:** All employees undergo regular training to recognise and prevent discrimination and harassment.
- Leadership education:** Managers and supervisors receive additional training to handle complaints effectively and support inclusive teams.
- Awareness campaigns:** Initiatives such as workshops, posters and discussions are conducted to ensure every employee understands the importance of a respectful workplace.

Reporting mechanisms

Whistle-blower and grievance mechanisms

- Employees can report incidents confidentially through a toll-free number, email, or an internal portal.
- External stakeholders, such as contractors or suppliers, are

also encouraged to report non-compliance.

Dedicated response team

- A team comprising the Chief Human Resources Officer, Chief Sustainability Officer and Company

Secretary handles complaints with sensitivity and impartiality.

Zero retaliation Policy

- Employees who report incidents are protected against retaliation, ensuring their safety and confidence in the system.

Action and accountability

- Immediate response:** Each complaint is investigated promptly and thoroughly to determine appropriate actions.

- Consequences for violations:** Disciplinary measures, including termination, are applied to offenders based on the severity of the issue.

- Monitoring and improvement:** Regular audits and feedback loops help identify areas for improvement and maintain a harassment-free environment.

Building a culture of respect

Himadri actively promotes an organisational culture where differences are celebrated and inclusivity is embedded in day-to-day operations. Employees are encouraged to engage in dialogues that reinforce empathy and mutual respect.

Himadri is committed to creating a safe, respectful and inclusive workplace, with a strong focus on the Prevention of Sexual Harassment (POSH) Policy. This policy strictly prohibits any form of

harassment and creates a supportive environment where all employees feel respected and protected. Aligned with national guidelines, the POSH Policy establishes a clear framework for addressing and preventing workplace harassment through awareness programmes, regular training sessions and a zero-tolerance approach.

To ensure effective implementation, Himadri has an Internal Complaints Committee (ICC) in place, which

handles reports of misconduct with confidentiality and impartiality. This committee, along with preventive mechanisms, educates employees on identifying and addressing harassment, promoting a culture of respect and accountability. Himadri's proactive approach to POSH reflects its commitment to employee well-being and aligns with broader sustainability and social responsibility objectives.

Management systems	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Representation in ICC	✓	✓	✓	✓	✓	✓	✓
Training on POSH	✓	✓	✓	✓	✓	✓	✓

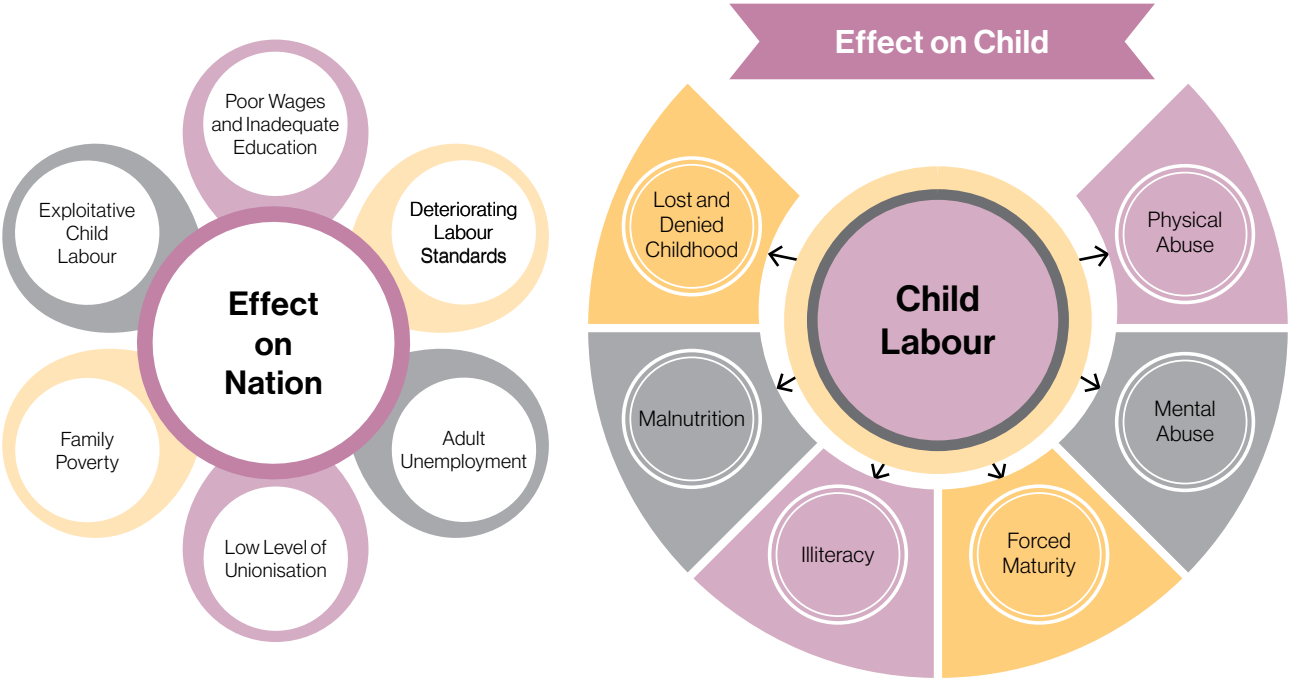
key Performance Indicators	FY 22-23	FY 23-24
Complaints on sexual harassment, discrimination at workplace, wages, other human rights related issues	Nil	Nil
Complaints filed under POSH	Nil	Nil
Assessment of plant/ offices on sexual harassment, discrimination at workplace, wages, other human rights related issues	100%	100%
Assessment of value chain partners on sexual harassment, discrimination at workplace, wages, child labour/ forced labour other human rights related issues	82%	84%
Training on discrimination and harassment	99.8%	99.8%

Prevention of child and forced labour: Himadri's position on global alliance

Himadri places high importance on creating a safe, fair and ethical work environment. As a responsible

corporate entity, Himadri has implemented comprehensive policies and practices to prevent child labour

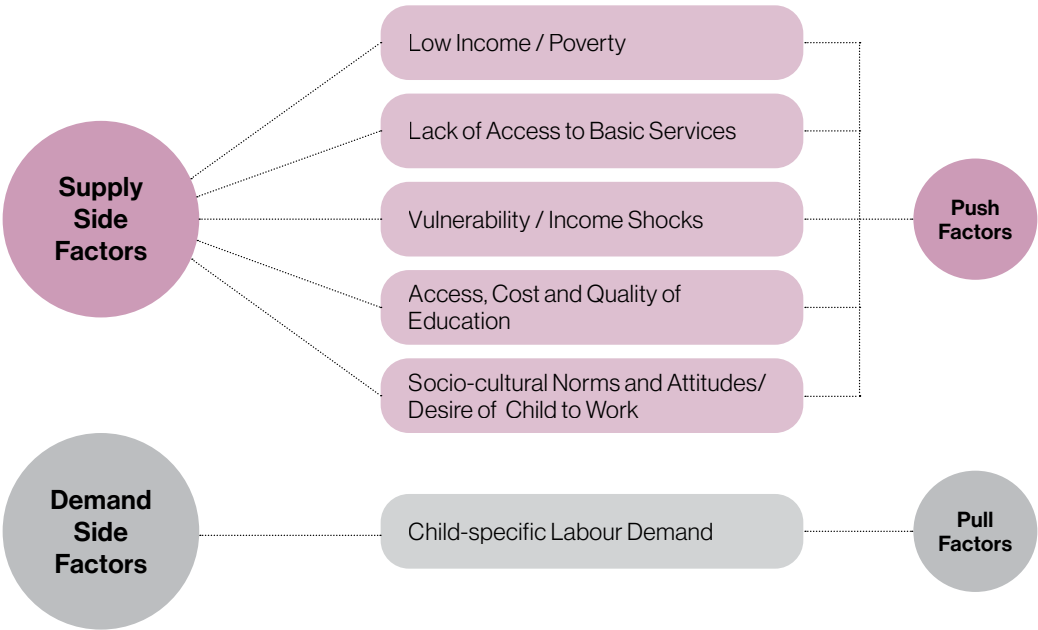
and forced labour throughout its operations and supply chain.



Himadri's commitment to eradicating any form of child or forced labour is in alignment with both Indian and international labour laws, including the United Nations Global Compact

(UNGC) principles and the International Labour Organisation (ILO) conventions. The Company not only recognises its own operations but also those of its value chain partners which are

susceptible to this risk. Below is a detailed overview of the measures Himadri undertakes:



1. Strict policy against child and forced labour:

Himadri enforces a zero-tolerance policy towards child labour and forced labour across business functions. This policy applies to both direct operations and the entire supply chain, including suppliers, contractors and vendors. The Company's Code of Conduct prohibits the employment of individuals under the legal working age and any form of coerced, bonded, or involuntary labour. Himadri's Prevention of Child and Forced Labour policy ensures legalised recruitment practices, including for third-party contractors. The process is designed to proactively identify signs of child labour at the time of hiring by verifying Government of India-issued photo ID cards (such as Aadhar, PAN, Voter Card and others) and validating these IDs with local labour inspectors and regulators. This commitment is reinforced through regular training sessions to ensure that every employee, partner and stakeholder understands the seriousness of these standards.

2. Supplier and vendor compliance:

Himadri's responsible sourcing programme mandates that all suppliers and partners comply with the Company's labour standards, which include stringent prohibitions on child and forced labour. All vendors must sign a Supplier Code of Conduct that mandates adherence to ethical labour practices in alignment with international labour laws. Through rigorous screening and periodic audits, the Company ensures that its partners share its

commitment to preventing child and forced labour.

3. Day-to-day operational protocol:

Himadri maintains a robust framework to ensure responsible and compliant workforce management. The Company employs two types of workers: permanent employees on the payroll and third-party contractual workers. For payroll employees, an ID is issued after a thorough due diligence process during recruitment, reinforcing the Company's commitment to a secure and organised work environment. For third-party contractual workers, work permits are issued based on the specific nature and duration of their engagement, allowing for controlled access to operational sites. Himadri's gate entry protocol is designed to prevent child labour by strictly prohibiting the entry of individuals under 18 years into operational units, in accordance with the Child Labour (Prohibition and Regulation) Act of 1986. Children are permitted on-site when accompanied by a parent and invited to Company-organised events. By implementing this structured protocol, Himadri upholds compliance with child labour laws and strengthens its commitment to ethical operations, ensuring a safe, respectful and compliant workplace.

4. Regular audits and inspections:

Himadri's compliance team conducts regular audits and site inspections to monitor adherence to labour policies. These inspections are carried out at both the Company's facilities and suppliers' operations to identify and mitigate non-compliance

risks. If violations are detected, then immediate corrective action is taken, including the discontinuation of business relationships with non-compliant partners.

5. Training and awareness programmes:

Himadri organises training sessions for employees and supply chain partners to raise awareness about the legal and ethical implications of child and forced labour. These programmes educate stakeholders on identifying signs of forced labour and the reporting mechanisms in place, ensuring that all personnel are equipped to uphold the Company's standards in their day-to-day roles.

6. Transparent grievance mechanism:

Himadri has a transparent and secure grievance mechanism that allows employees, suppliers and contractors to report unethical practices, including suspected cases of child and forced labour. The reporting channels are confidential and each grievance is addressed by a dedicated ethics committee that ensures prompt investigation and resolution.

7. Engagement with global standards and benchmarks:

As a signatory of the United Nations Global Compact (UNGC), Himadri aligns its anti-child labour and forced labour policies with the ten principles of the UNGC, which include respect for human rights and labour standards. This alignment strengthens the Company's commitment to social responsibility on a global scale.

KPIs/Objectives	Mahistikry	Liluah (1&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Zero incident of child and forced labour	✓	✓	✓	✓	✓	✓	✓
Representation in labour and human rights task force	✓	✓	✓	✓	✓	✓	✓
Training on eradication of child and forced labour	✓	✓	✓	✓	✓	✓	✓

Training on
Eradication of Child
and Forced Labour

FY 22-23
99.8%

FY 23-24
99.8%

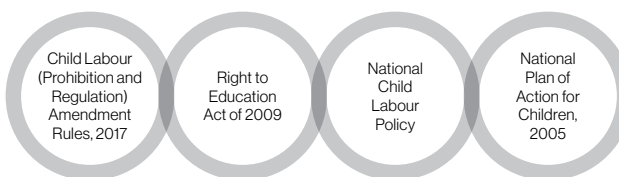
Looking ahead, Himadri is committed to advancing its anti-child and forced labour initiatives through continuous improvement. The Company plans to integrate more advanced technology for supply chain transparency, adopt data-driven insights for enhanced compliance and strengthen community

engagement to educate local regions about child and forced labour issues.

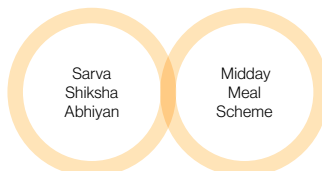
Through these dedicated initiatives, Himadri remains firm in its commitment to maintaining an ethical, inclusive and safe working environment for all, while championing responsible practices across the industry.

Beyond its own operations, Himadri pursues regulatory methods and other strategies set by the Government of India to eradicate child labour from the industry. The image below details the areas where Himadri proactively participates:

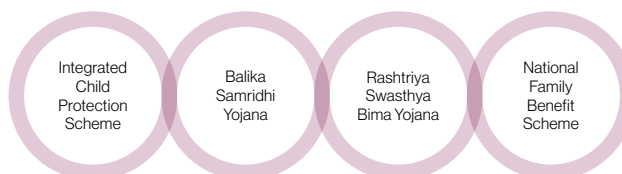
Policy and Legislation



Schemes of Department of Education



Schemes of Ministry of Women and Child Development



Grievance mechanism in place

Himadri has established a robust whistle-blower mechanism to ensure transparency and accountability across its operations. This mechanism includes a toll-free number and a dedicated email address, enabling employees and external stakeholders to report concerns, including labour and human rights issues, confidentially. Overseen by the Chief Sustainability Officer, Company Secretary and Chief Human Resources Officer, the system ensures timely and appropriate responses to complaints based on their severity.

The external stakeholders are encouraged to utilise this channel to report any instances of non-compliance. To maintain the effectiveness of the mechanism, Himadri's internal team undergoes regular training on handling reports and responding appropriately, reinforcing the Company's commitment to ethical and responsible business practices.



Whistleblowing can be used when individuals, such as directors, employees, or any other stakeholders, have genuine concerns or grievances related to the following issues:

Unethical behaviour: Reporting any action that goes against ethical standards or the Code of Conduct of the Company.

Fraud: Reporting actual or suspected fraudulent activities within the organisation.

Violation of the Code of Conduct or Policy: Reporting any breaches of the Company's Code of Conduct or policy.

Breach of business integrity and ethics : Reporting actions that compromise business integrity or ethical practices.

Intentional financial irregularities : Reporting instances of intentional financial mismanagement, including fraud.

Deliberate violation of laws/regulations : Reporting actions that violate laws or regulations.

Gross or wilful negligence causing danger : Reporting actions that pose substantial and specific danger to health, safety and the environment.

Manipulation of company data/records : Reporting any attempts to manipulate or falsify company data or records.

Pilferage of confidential/proprietary information : Reporting unauthorised access or use of confidential company information.

Gross wastage/misappropriation of company funds/assets : Reporting instances of significant misuse or misappropriation of company funds or assets.

Whistleblowing concerns can be reported to Speakup@himadri.com and toll Free number 1800 123 8390

The name of the Complaint will be kept confidential, during and post procedures. There will be no reciprocal impact on the Compliance.

Employee/ workers representation

At Himadri, the Company recognises that open dialogue and mutual respect are foundational to creating a positive, fair and inclusive workplace. While no political labour unions exist within the organisation, Himadri upholds the principles of collective bargaining through a structured and transparent approach that values the voices of all employees and contractors, including third-party workers. To ensure meaningful representation and engagement, Himadri established various employee and worker committees that serve as vital platforms for discussion, feedback and collaboration.

Worker representation and free choice of representatives

Himadri empowers workers by enabling them to freely select their own representatives to voice their needs and concerns. This freedom of choice reflects the Company's commitment to respecting worker autonomy and ensuring that representatives chosen by employees genuinely reflect their interests. Representatives are selected

among both direct employees and third-party contractors, ensuring that all perspectives within the workforce are heard and valued.

Through these representative-led committees, employees have a structured avenue to discuss workplace issues, suggest improvements and provide feedback on policies affecting their well-being and work environment. These committees are inclusive, democratic and operate with the full support of Himadri's management, reinforcing the Company's commitment to sustaining a collaborative, fair and supportive work culture.

Committees and management engagement

Himadri established several committees that facilitate dialogue on key workplace topics, including health and safety, working conditions, resource availability and professional development. These committees provide a structured forum where employee representatives meet regularly with the management to discuss both immediate concerns

and long-term goals. Key committees include:

Health and Safety Committee:

Focused on maintaining a safe working environment, this committee ensures that the voices of employees and third-party contractors are integral to safety policy updates and implementation.

Workplace Improvement

Committee: Dedicated to enhancing working conditions, this committee collaborates with employee and worker representatives to identify and implement measures for improved comfort, ergonomics and work-life balance.

Training and Development

Committee: This committee works to identify skill gaps, training needs and career advancement opportunities, supporting the professional growth of Himadri employees.

Anti-Discrimination and Anti-

Harassment Committee: Focused on promoting anti-discrimination and anti-harassment practices in the workplace, this committee includes employees and third-party contractors.

Commitment to listening and acting responsibly

Himadri's management maintains active engagement with employee representatives across committees, adhering to a commitment to transparency, fairness and trust. Each concern raised in committee meetings is thoroughly evaluated and, where necessary, appropriate actions are taken. Management supports an environment where all representatives can speak freely, assured that their voices will be heard and acted upon without fear of retaliation.

To further reinforce this commitment, regular feedback sessions are held to review the actions taken in response to committee recommendations, demonstrating Himadri's accountability to its employees. These sessions help develop a sense of shared responsibility and mutual respect, aligning with the Company's sustainability goals

to maintain a socially responsible workplace.

Ensuring fair treatment and protection against retaliation

Himadri's policies strictly prohibit any form of retaliation against employees for raising concerns or participating in committee discussions. This protection ensures that employees can discuss workplace matters without fear, enhancing trust and promoting a culture of openness. Himadri's Human Resources department works collaboratively to monitor and enforce compliance with these standards, guaranteeing that all workers and their representatives are treated fairly and respectfully.

Commitment to sustainable development goals

Himadri's approach to collective bargaining is an essential component of the Company's sustainability strategy.

By promoting active engagement and fair representation, Himadri contributes to SDG 8: Decent Work and Economic Growth and SDG 16: Peace, Justice and Strong Institutions. Through proactive efforts, the Company aims to build an environment that values every employee's input, promotes job satisfaction and drives continuous improvement within the workplace.

Himadri remains dedicated to refining these mechanisms in collaboration with its workforce. By promoting trust, enhancing engagement and empowering its people, Himadri contributes to a thriving organisational culture that aligns with its commitment to sustainable, responsible growth. This inclusive approach enables Himadri to continue building a strong, unified workforce capable of confidently advancing toward a successful and sustainable future.

Entrepreneurial**Creative****Open****Responsible**

At Himadri, a collaborative, caring and safe work environment allows employees to perform at their best. Recognising that life is more than just work, Himadri provides opportunities for employees to integrate their personal and professional lives. The work environment includes modern infrastructure, communication tools,

equipment, flexible work arrangements, as well as financial stability and a long-term perspective from the employer.

Qualified and motivated employees are vital to Himadri's long-term success. Therefore, the Company's HR strategy focuses on three key areas: attracting qualified and talented individuals,

developing and retaining them for the long term. Himadri employs a comprehensive and proactive approach to achieve these objectives, based on extensive human resources and planning, in close consultation with organisational units and a targeted recruitment policy, particularly for key positions. At the same time, employees are empowered to shape and pursue their own career paths within the Company. This is complemented by competitive remuneration and benefits. Being an attractive employer with high levels of employee engagement remains central to Himadri's strategy.

Himadri places particular emphasis on empowering executives to lead the business toward a successful future with their teams. The demands on executives, especially in team leadership, are complex. In addition to quality and qualifications, leaders must possess in-depth knowledge of economic, ecological and social sustainability requirements, as well as associated management expertise. Himadri's HR strategy is aligned with the business's practical requirements, contributing to the Company's strategic goals and supporting the positive development of the group.

Centre of excellence (CoE)

Himadri's centres of excellence (CoE) provide strategic support and specialised knowledge in critical areas such as employee relations, learning and development, talent management and pay and benefits. The CoEs implement best practices through actions, guidelines and tools to improve its HR operations' efficacy and efficiency across the organisation. By concentrating on key HR topics, the CoEs drive innovation, ensure consistency in HR practices and link HR strategies with business goals. This collaborative environment improves employee experiences, enhances organisational success and allows HR Business Partners and HR Shared Services to focus on core duties.

HR business partners (HRBPs)

Himadri's HR business partners (HRBPs) play a critical role in efficient people management, aligning HR strategies with business goals and enhancing organisational performance. They are key to maintaining labour law compliance, improving employee relations and managing change. HRBPs assist in making decisions that enhance

employee engagement, maximise performance and control HR-related expenses by leveraging data-driven insights. Their strategic involvement ensures the workforce is well-motivated, equipped and aligned with the Company's long-term objectives.

Human resource shared services (HRSS)

The HR shared services (HRSS) team at Himadri is essential for regular operational tasks, such as data handling, file management and optimising HR processes. HRSS plays a pivotal role in cost containment, efficiency gains and promoting consistency and accuracy by centralising and standardising HR activities like payroll, benefits administration and employee onboarding. This enables HR experts to focus on strategic projects, enhancing the overall effectiveness and agility of the organisation.

Corporate philosophy: Together, Towards Tomorrow

Himadri's corporate philosophy, Together, Towards Tomorrow, covers three key aspects as an employer: the importance of sustainable products

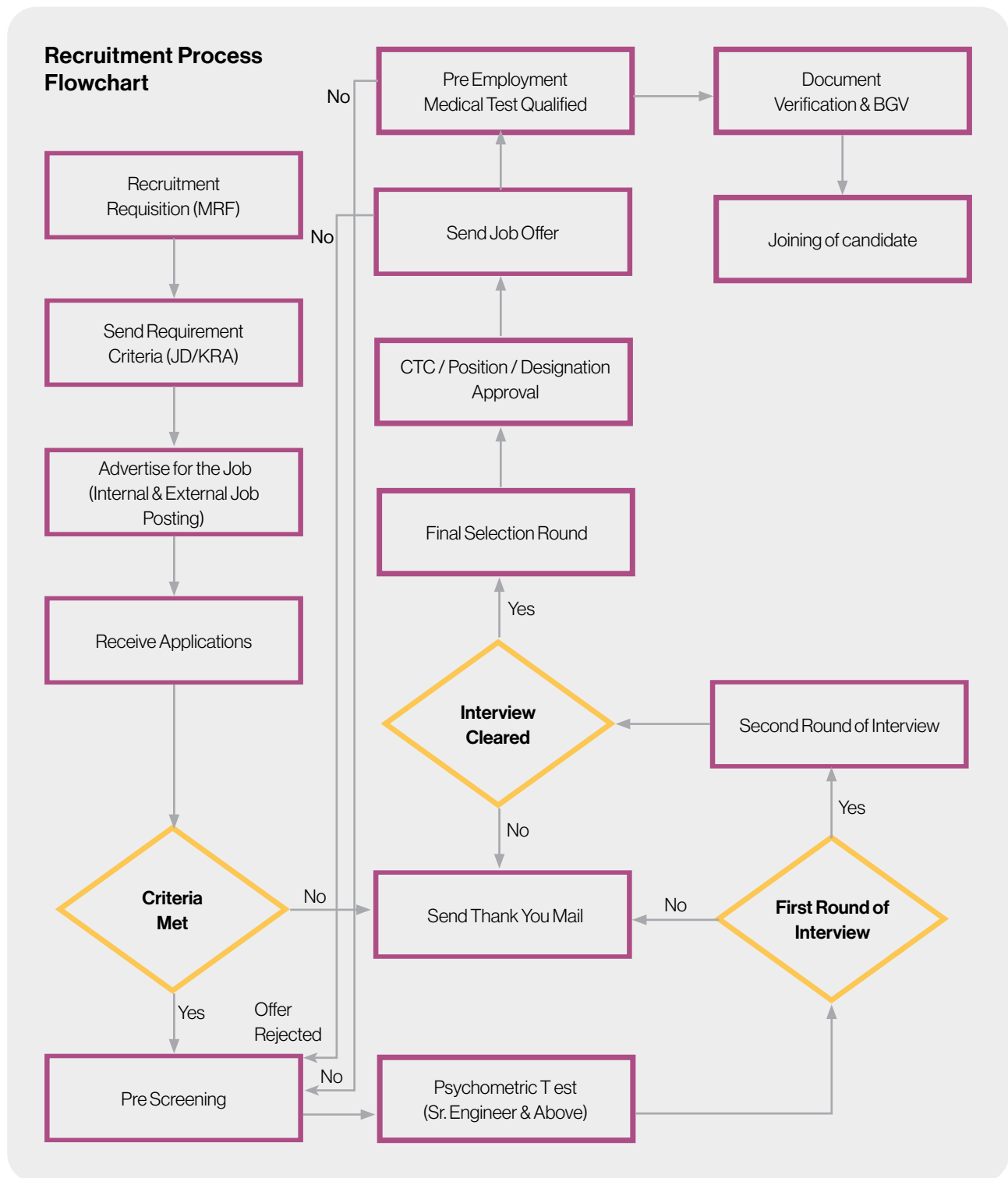
and solutions, the potential for individual development and the strong team spirit within the workforce. Himadri supports an appreciative and motivational working environment with performance-based remuneration, flexible work-time models, a focus on occupational health and safety and transparent development opportunities that support digital competencies, diversity and work-life balance. The Company's attractiveness as an employer is measured through external rankings and internal surveys.

Attracting and retaining the best talent

Attracting and retaining the best employees is crucial for Himadri's success. As competition for qualified talent intensifies globally, the Company continues to improve its total offer package for employees. Himadri employs digital platforms, such as country-specific career websites and global and regional social networks, to appeal to talent worldwide. To safeguard future success, the Company offers measures for succession planning, knowledge sharing and moderated knowledge transfer, ensuring the availability of qualified employees and preserving critical knowledge.

Turnover rate for permanent employees and workers

Category	FY 23-24			FY 22-23			FY 21-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	7.90	0.36	8.26	7.86	0.71	8.57	10.34	0.65	10.99
Permanent Workers	1.30	0.04	1.34	27.18	3.08	30.26	24.57	0.00	24.57



Induction

Himadri has developed a robust onboarding programme that includes cross-functional training, helping new employees understand the

organisation's role in customer service. This holistic approach supports a unified vision and passion for customer-centricity from day one. New hires undergo initial safety and HR training on day one, following documentation.

From day two onwards, each functional department provides an orientation and induction, covering key aspects such as basic process flows and how the department contributes to the business.

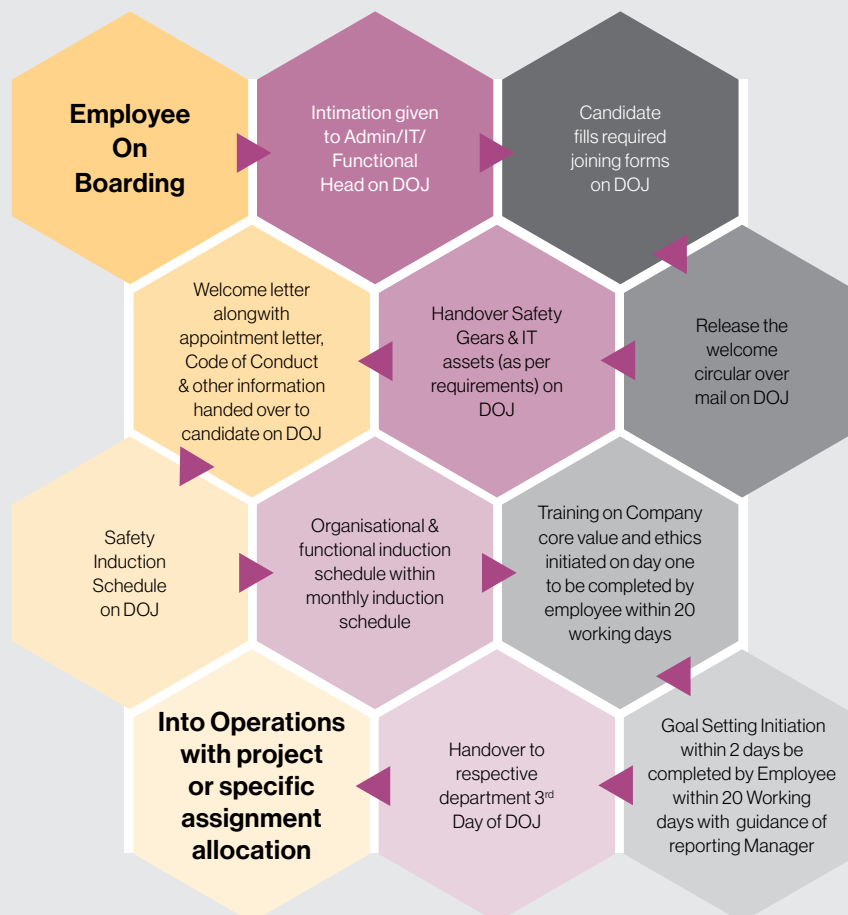
Pre-onboarding, onboarding and post-onboarding cycle (30-60-90)

- i. **The onboarding process at Himadri is meticulously structured into three phases:** Pre-onboarding, onboarding and Post-onboarding, each spanning specific timeframes to ensure a smooth transition for new hires.
- ii. **Pre-onboarding (0 Days):** This phase helps new hires gain clarity about their role and the

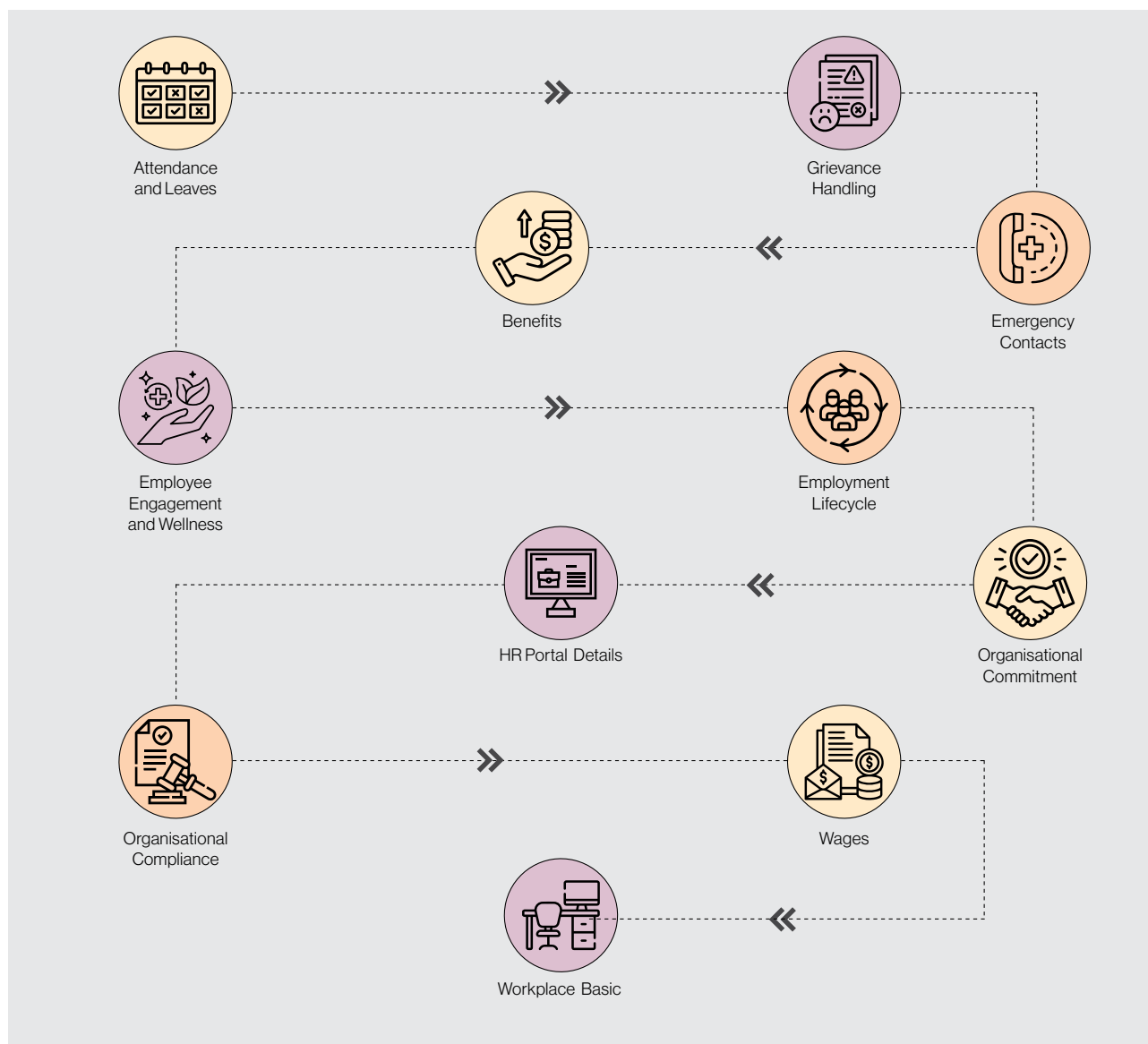
organisation before their first day, providing a personalised pre-onboarding experience.

- iii. **Onboarding (1-30 Days):** During this phase, new hires participate in orientation, get introduced to Company policies and engage in team-building activities. By day 30, they begin role-specific training, set goals and collaborate with their teams.

- iv. **Post-onboarding (30-90 Days):** This phase focuses on team alignment, mentoring and performance evaluation. By day 60, new hires participate in development programmes supported by a buddy system. Performance reviews are conducted by day 90, alongside recognition programmes and continuous learning initiatives to ensure growth and alignment with organisational goals.



Employee handbook is also given to the new employee while the on-boarding process. The components of employee handbook are shown below:



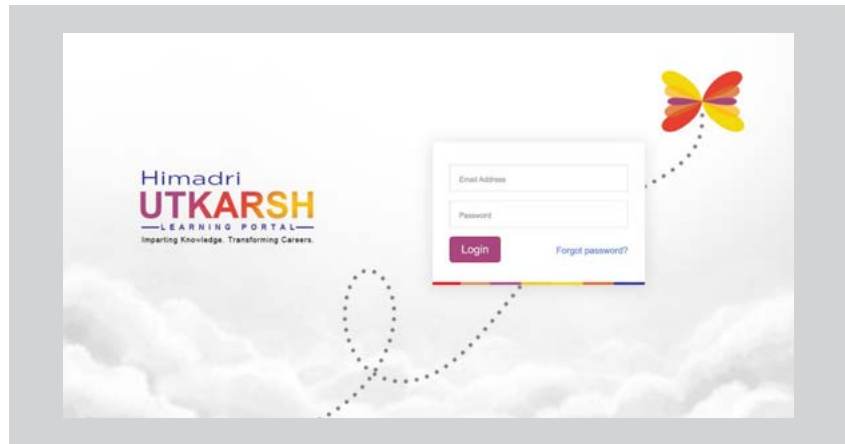
Learning and development are essential success factors for promoting a strong and future-oriented company culture. The skills and competencies of employees are critical for profitable growth and long-term success. For this reason, Himadri is committed to modernising its learning culture and enhancing efforts to promote continuous, self-directed learning and learning from others. Employee development at Himadri is built on the principle that development opportunities and support are available to all employees.

At Himadri, development is viewed as continuous learning through building individual experience and skills, further training, or job changes. A trust-based relationship between employees and leaders, along with regular feedback through meaningful conversations, is crucial to employee development. These conversations can be initiated by either leaders or employees and take various forms. Employees and leaders agree on these discussions during the annual employee dialogue. Employees also define their individual learning objectives in collaboration with

their leaders as part of these ongoing conversations. These objectives are tailored to the specific requirements of the role and future needs.

Learning at Himadri can take place in various formats and at different locations—whether on the job, through social or formal training—depending on individual and workplace demands. Our learning opportunities cater to a variety of employee development needs: starting a career, expanding knowledge, personal growth and leadership development.

- At Himadri, a structured induction plan, including a brief overview by HR, detailed induction by functional heads and on-the-job training, ensures that new employees gain a comprehensive understanding of the organisation and their specific roles.
- The Company's online portal, UTKARSH, offers a flexible learning experience with various modules, each followed by an assessment. Employees can access these video-based learning resources at their convenience, allowing them to learn at their own pace.



- Classroom-based training and practical sessions are conducted by Himadri subject matter experts and external industry professionals. These sessions provide in-depth knowledge and hands-on experience, enhancing the overall learning process.
- Outbound training sessions on various topics, such as team building, are organised. These programmes offer employees the opportunity to develop essential skills in a dynamic, interactive environment outside the traditional workplace setting.
- The outcomes of the training programmes are evaluated using an effectiveness score. This score is calculated by comparing the results of pre- and post-assessment tests. The difference between the two scores is used to determine the overall improvement and effectiveness of the training.

Training trend on health and safety and skill upgradation

Category	FY 23-24 (Current Financial Year)					FY 22-23 (Previous Financial Year)					FY 21-22 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)		Number (E)	% (E/A)	Number (F)	% (F/A)
Employees															
Male	849	849	100.00	820	96.58	721	542	75.17	652	90.43	790	415	41.77	323	40.89
Female	36	36	100.00	34	94.44	31	10	32.26	29	93.55	31	6	67.74	18	58.06
Total	885	885	100.00	854	96.50	752	552	73.40	681	90.56	821	421	51.28	341	41.53
Workers															
Male	1134	1134	100.00	654	56.67	1344	1344	100.00	213	15.85	971	760	78.27	120	12.36
Female	11	11	100.00	8	72.73	12	8	66.67	6	50.00	7	5	85.71	3	42.86
Total	1145	1145	100.00	662	57.81	1356	1352	99.71	219	16.15	978	765	78.22	123	12.58

Pragati

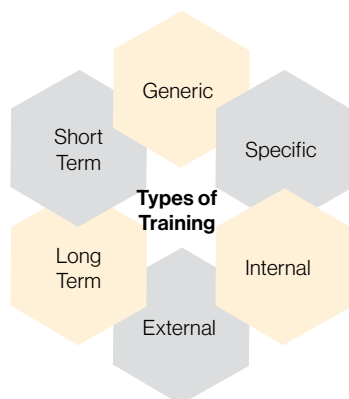
At Himadri, the Company believes in providing opportunities for internal talent to broaden their horizons and advance their careers over time. To support this, Himadri designs and offers various leadership training programmes, coaching and mentorship sessions and personalised career development programmes to boost employee morale. One such programme is Pragati.

The objective of the Pragati programme is to offer identified high performers and

high-potential individuals a platform for a fast-track learning experience, preparing them for future roles. In line with the Company's current growth plans, these individuals are equipped to take on new responsibilities through structured learning interventions. As part of the Pragati initiative, participants have successfully completed the Executive Certification in Operations Management from IIM Vizag. The organisation has nominated participants

for the Executive Programme in Business and Corporate Law.

The General Management Course which is also a part of the Pragati initiative, is conducted monthly by industry experts, enabling participants to gain valuable insights into best practices within the industry. This, in turn, contributes to the organisation's overall efficiency and growth.



At Himadri, the Company values individual career development and continuous growth. To support team members in achieving their professional goals, Himadri has established an individual career development plan. This plan offers various opportunities for career advancement and skill enhancement through the following measures:

Goal setting: Employees set clear career goals aligned with their interests through interactive sessions.

Skills assessment and training: Regular skills assessments help identify strengths and areas for improvement. An assessment matrix, performance evaluations and feedback sessions guide targeted training programmes.

Internal job postings and transfers: Himadri promotes internal mobility,

promoting growth and cross-departmental collaboration.

Mentoring and coaching: Formal and informal mentoring programmes connect employees with experienced professionals for guidance and support.

Networking opportunities: Employees are encouraged to participate in industry events and professional groups to expand their connections and gain new insights.

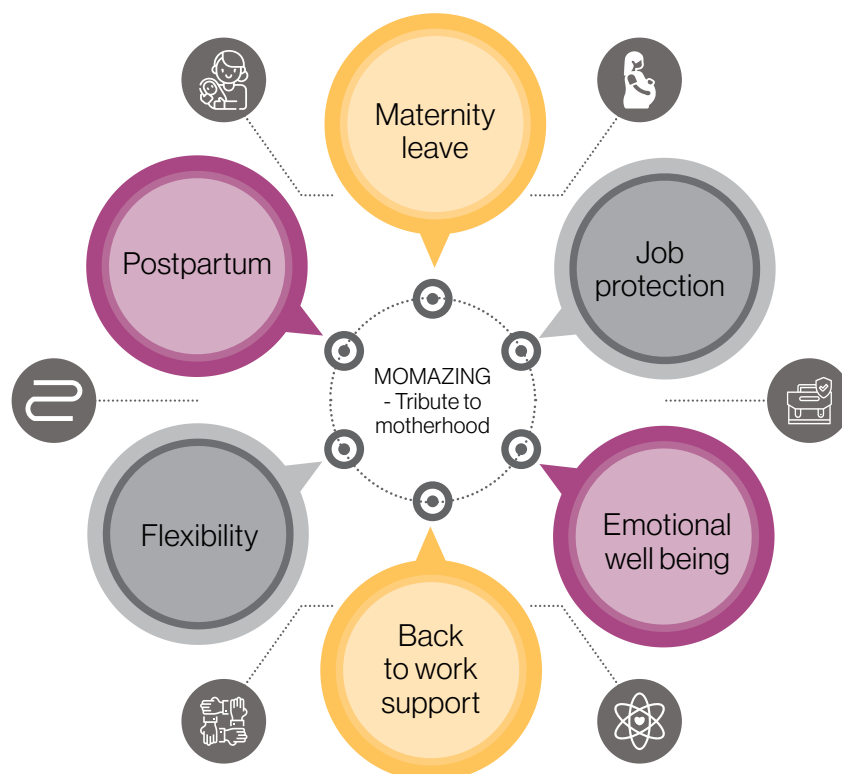
Promoting societal value creation and enhancing gender diversity in leadership positions are priorities within Himadri's corporate governance and ethical guidelines. To realise this commitment, Himadri has devised a strategy aimed at supporting the professional development of female employees. Several sponsorship programmes are in place to enhance their skills and empower them.

A significant part of this strategy includes leadership development programmes, designed to identify, nurture and promote women into leadership roles. These programmes offer comprehensive training, mentorship opportunities and professional courses to equip women with the necessary skills for leadership positions. Himadri instituted employee resource groups specifically dedicated to women, providing a platform for female employees to connect, share experiences and collaborate on initiatives that promote gender equality.

Routine training sessions and awareness programmes are conducted to address issues related to gender bias, harassment and discrimination. These initiatives empower women to recognise and tackle challenges, supporting a culture of respect and inclusion.

Himadri's commitment to advancing female employees extends beyond the workplace and into the communities where the Company operates. By sponsoring higher studies for female

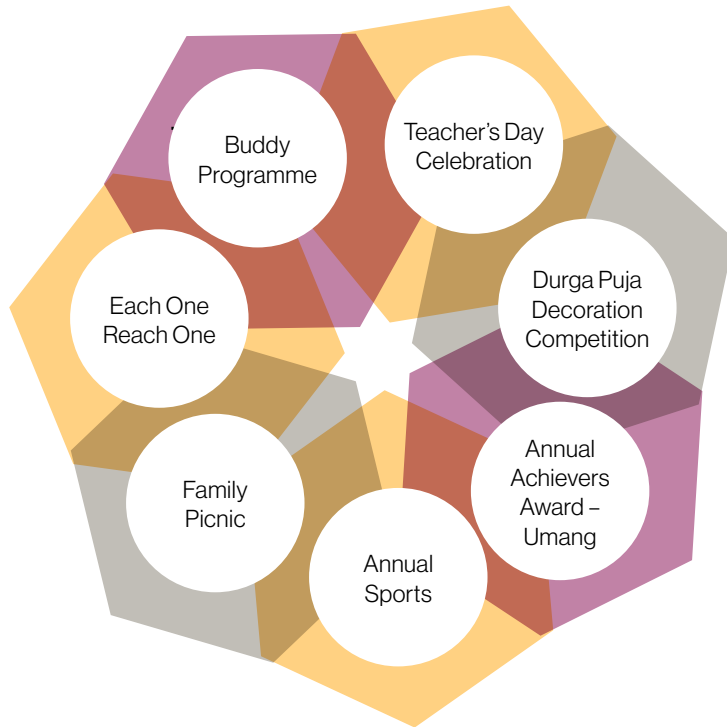
employees at renowned colleges and universities, Himadri believes in empowering women to contribute significantly to the organisation's success and sustainability.



A family-friendly HR policy, tailored for different phases of employees' lives, is essential to Himadri. All employees across the Company's operations have access to related initiatives. Central to this approach are flexible worktime

models, support for individuals caring for close relatives and assistance with childcare. Employee engagement and initiatives are key to promoting a positive and productive workplace. Himadri is committed to creating an environment

where employees feel valued, motivated and empowered. This includes a variety of initiatives designed to promote professional growth, well-being and a sense of community:



A great workplace is one where employees trust their leaders, take pride in their work and enjoy collaborating with their colleagues. To achieve true excellence, this experience should be consistent for every employee, regardless of their role, location, or background. By developing strong leadership, open communication, opportunities for growth, work-life balance, recognition, diversity, inclusion and employee wellness, Himadri creates an environment where employees feel valued, motivated and fulfilled.

At Himadri, employees understand their roles and work together toward a shared, clear goal, ensuring support and alignment throughout the organisation.

Flexi-work culture: Himadri's flexi-work system is designed to support employee well-being and productivity by offering flexibility in shift assignments. Key process employees are distributed evenly across shifts to ensure smooth operations, with shift allocations tailored to accommodate individual needs and preferences wherever possible. In alignment with Himadri's commitment to employees' work-life balance, women employees are assigned only to general shifts, ensuring that they work within standard hours.

This flexible approach allows Himadri to balance operational efficiency with the personal needs of employees, creating a supportive work environment that enhances job satisfaction and aligns with the Company's values of inclusivity and employee welfare.

Work-from-home system: Himadri's Work-from-home system is a flexible, hybrid model that combines on-site presence with mobile work options, including work-from-home. This balanced approach allows employees to benefit from the flexibility of remote work while also maintaining regular

engagement on-site. Himadri has recently initiated a survey to gather employee insights, carefully structuring the system to enhance mental well-being and work-life balance.

In addition to supporting employees, this hybrid model aligns with Himadri's sustainability goals by reducing the ecological footprint associated with employee commuting, contributing positively to Scope 3 emissions. This thoughtful integration of remote work reflects Himadri's commitment to employee welfare and environmental responsibility.

Details of performance and career development reviews of employees and worker

Category	FY 23-24 (Current Financial Year)			FY 22-23 (Previous Financial Year)			FY 21-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)	Total (F)	No. (A)	% (F/A)
Employees									
Male	852	852	100%	721	721	100%	790	790	100%
Female	36	36	100%	31	31	100%	31	31	100%
Total	888	888	100%	752	752	100%	821	821	100%
Workers									
Male	1134	1134	100%	1,344	1,344	100%	971	971	100%
Female	11	11	100%	12	12	100%	7	7	100%
Total	1145	1145	100%	1,356	1,356	100%	978	978	100%

Maternity Leave	26 Weeks 12 weeks (In case of Adaptation/ Commissioning Mother)
Paternity Leave	Up to 03 Days after child birth
Special Leave	15 calendar days (from the death of close family member)
Work Injury	Doctor's certificate should be submitted to HR dept
Quarantine Leave	Minimum 07 Days (Applicable for contagious disease)
C-Off	C-off shall be availed within 60 days
Work From Home	Maximum 07 days in a financial year

Compensatory off: Himadri's 'Compensatory Day Off' framework offers employees a day off when they work on a scheduled day off or holiday. This policy is designed to promote a healthy work-life balance by ensuring that employees have the opportunity to rest and recharge, even when work demands require flexibility. By providing compensatory days, Himadri reinforces its commitment to employee well-being, recognising the importance of balance for sustained productivity and job satisfaction.

Monetary Compensation for Extended Work Hours - Himadri has a provision of monetary compensation for employees who are willing to work for extended hours, monetary compensation for employees who work extended hours, recognising their dedication and ensuring fair remuneration. This compensation framework acknowledges and rewards the extra effort contributed outside regular working hours, supporting employee motivation and financial well-being. By offering additional pay for extended work, Himadri reinforces its

commitment to maintaining a balanced and supportive work environment that values employee contributions.

Employee satisfaction survey: Himadri prioritizes the well-being and rights of its workforce by conducting periodic satisfaction surveys that include both employees and workers. These surveys focus on labor and human rights matters, enabling the organization to identify concerns, promote fairness, and implement improvements for a more equitable workplace.



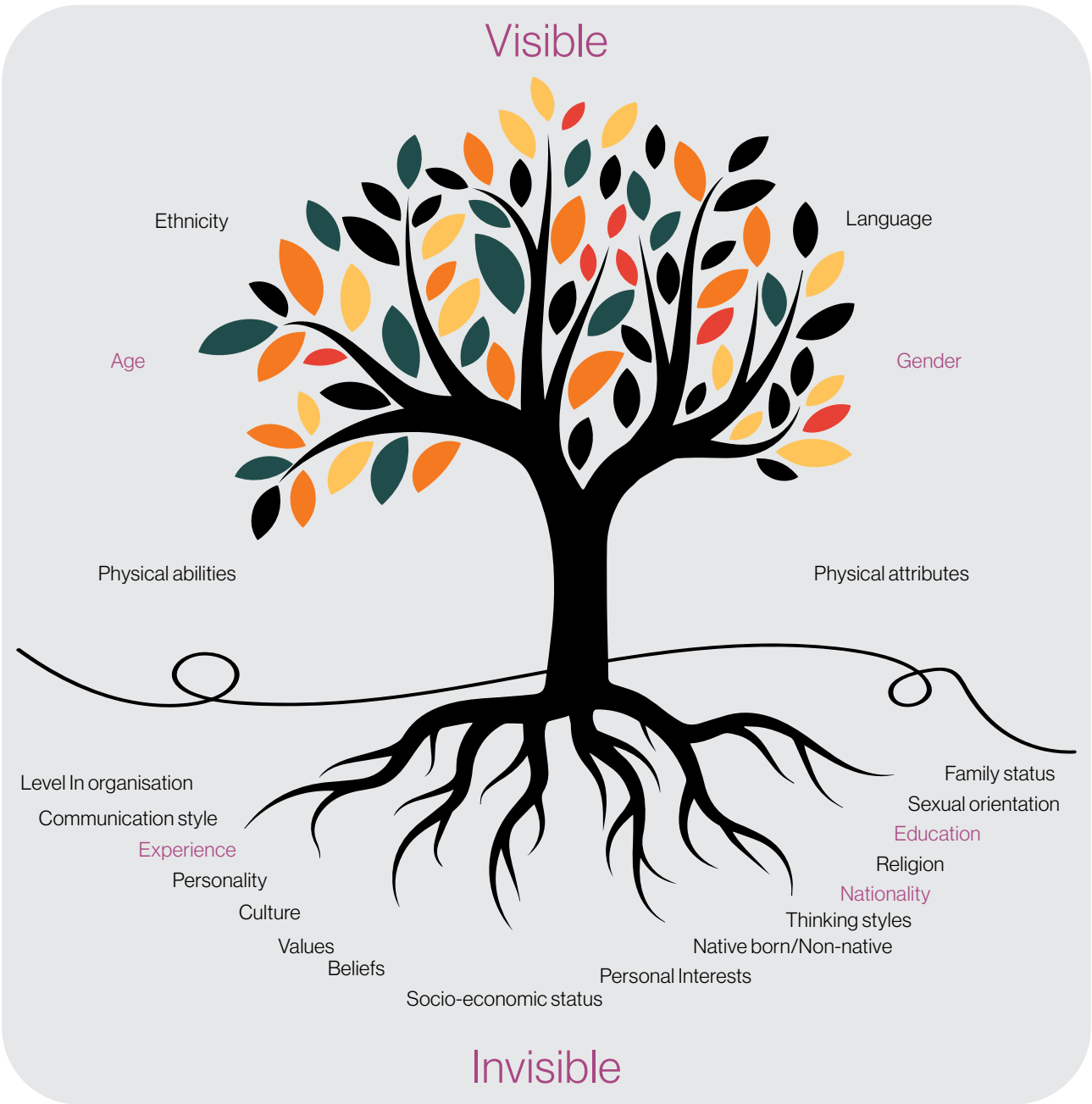
Himadri's DEI Vision, Policy and Roadmap: A commitment to inclusivity and progress

As an international Company with a presence in diverse markets, Himadri views diversity as an opportunity rather than merely a social obligation. We recognise it as a key driver of business success. Employees with varied backgrounds and personalities enrich our teams and enhance our

organisation. Discrimination is not tolerated at Himadri. Diversity promotes creativity, innovation and closer customer relationships. It also positively impacts our recruitment efforts and employee retention.

Himadri actively raises awareness on diversity through corporate media and

regular dialogue platforms. We offer diversity and unconscious bias training for employees across various roles and levels within the Company. These initiatives aim to heighten awareness of diversity, unconscious bias and the factors that can hinder inclusivity.



Himadri's diversity strategy aligns with its corporate vision, Together, Towards Tomorrow.' At Himadri, creating a diverse, equitable and inclusive workplace is integral to the Company's mission.

Effective from November 2023, Himadri's Diversity, Equity and Inclusiveness (DEI) Policy formalises this commitment, establishing a structured framework for inclusivity that spans its workforce and community

engagements. This policy not only strengthens current DEI initiatives but also sets an ambitious vision for a more equitable and inclusive future.

DEI policy and framework

Purpose and scope of the DEI Policy

Himadri's DEI Policy establishes the foundation for a workplace where every individual is respected, valued

and provided with equal opportunities. It applies to all employees, contractors and stakeholders, encompassing every aspect of employment, from recruitment

to career development, as outlined in DEI Policy.

Key objectives and commitments

Board, management and workforce diversity

By 2030, Himadri aims for 25% representation of women and underrepresented groups across the Board of Directors, management and the workforce.

DEI training and cultural awareness

By the end of 2025, all employees will complete DEI training, including workshops on unconscious bias, cultural sensitivity and workplace inclusivity.

Pay equity and transparency

Annual pay equity audits will be conducted to ensure fair compensation across all demographics. Audit results will be reported to the Board to maintain transparency and accountability.

Governance and accountability

Board of Directors: Responsible for setting DEI targets and aligning them with the Company's strategic direction.

Sustainability (ESG) Council: Oversees DEI implementation, monitors

progress and provides quarterly updates to the Board.

HR department: Ensures that recruitment, promotions and pay equity practices are aligned with DEI objectives.

Employee Resource Groups (ERGs): Serve as support networks, gather feedback and represent diverse groups within the organisation.



DEI framework: Pathway to an inclusive culture

Himadri's DEI Framework offers a structured and actionable roadmap to achieve the goals outlined in the policy. This framework emphasises clear objectives, measurable milestones and accountability to ensure sustainable progress.

1. Representation and equity

- **Diversity goals:** Achieve 25% representation of women and underrepresented groups within the workforce by 2030.
- **Leadership diversity:** Internal career development programmes will prioritise underrepresented groups, aiming for 30% participation

in leadership development initiatives by 2025.

- **Equitable pay:** Regular pay audits will ensure equitable compensation based on roles and experience, addressing any disparities identified.

2. Inclusive culture building

- **Training and awareness:** All employees will undergo DEI training

by 2025, promoting an inclusive and respectful workplace culture.

- **Feedback and improvement:** Annual DEI surveys and biannual audits will assess inclusivity and measure progress. Anonymous reporting channels will ensure employees feel safe sharing feedback and concerns.

DEI progress and maturity journey

As per the latest assessment, Himadri is positioned as an 'initiator' on the inclusive business maturity curve. This milestone highlights the Company's foundational DEI practices and establishes a strong platform for further advancement.

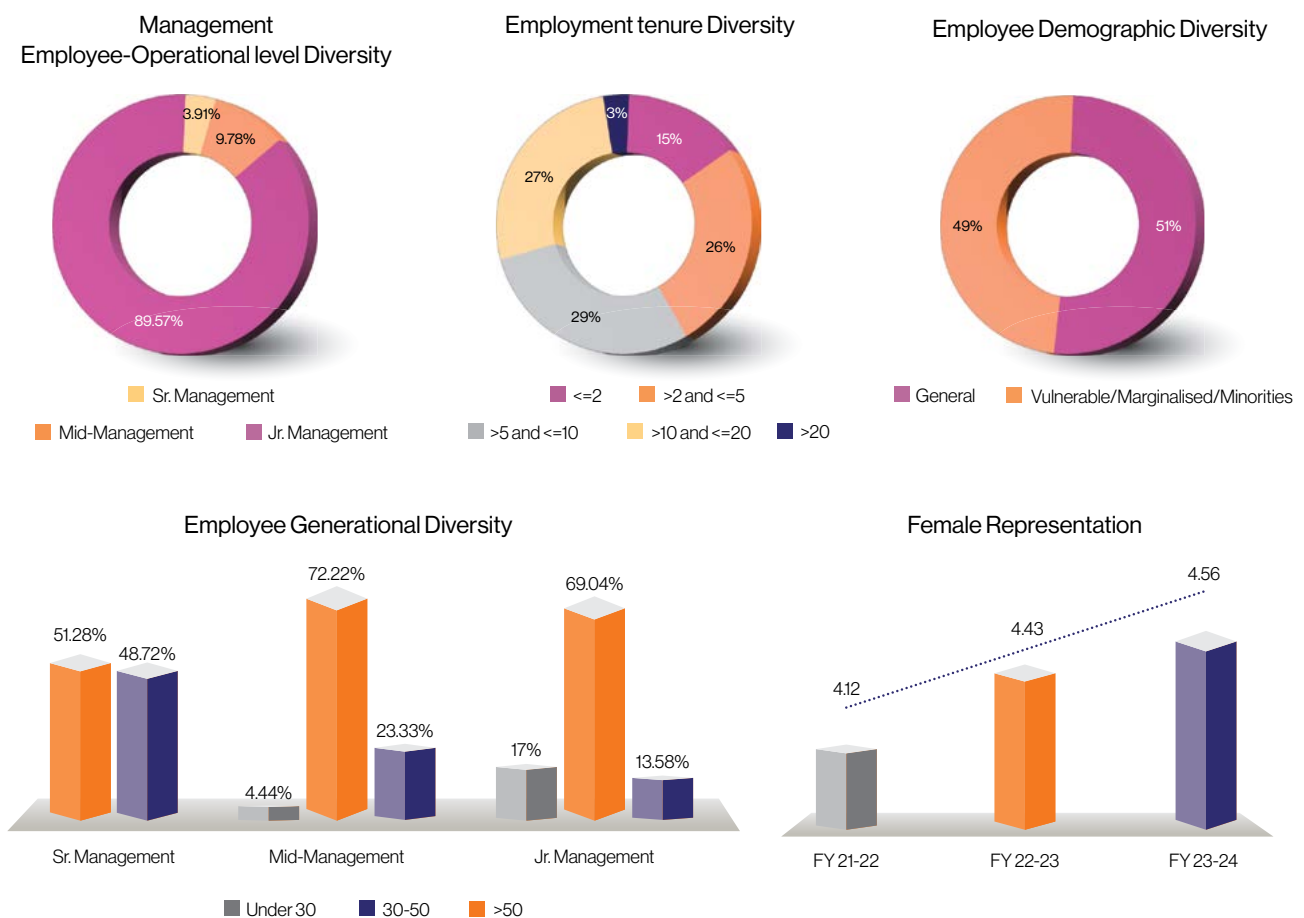
1. Inclusive recruitment and career development

Bias-free hiring: Himadri employs standardised evaluations, blind resume screening and diverse

interview panels to promote objectivity and eliminate bias in the hiring process.

Talent development: Career advancement opportunities are

accessible to all employees, with a focus on achieving equitable representation at all levels within the organisation.



2. Cultural transformation and continuous feedback

Employee Resource Groups (ERGs):

Himadri established dedicated Employee Resource Groups, including women's networks and LGBTQIA+ support networks. These groups

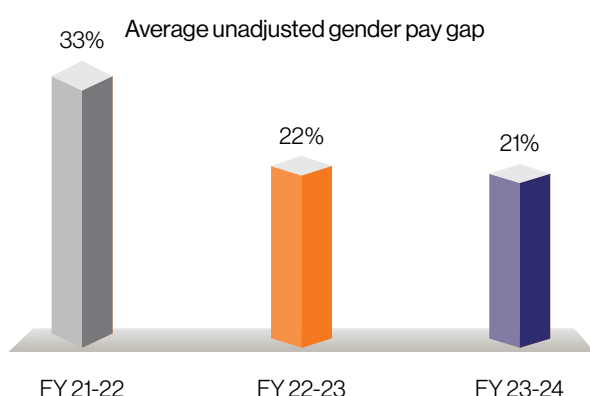
provide essential resources and creates a sense of belonging for underrepresented communities, contributing to a more inclusive workplace culture.

Feedback mechanisms:

Regular DEI surveys and audits

are conducted to gather insights into employee experiences. The findings from these assessments inform continuous improvements to Himadri's DEI framework, ensuring the initiatives remain relevant and effective.

	FY 22-23	FY 23-24
Percentage of women management employees in the organisation	4.43%	4.55%
Percentage of women at top management level	11.11%	11.11%
Percentage of women within the organisation's board	11.11%	12.50%
Gross wages paid to female as % of total wages paid	3.251%	3.252%



Future vision: A roadmap to inclusive excellence

Vision 2030: Reaching 'Front Runner' status

Himadri's Diversity, Equity and Inclusion (DEI) policy and framework are focused on continuous improvement, with the long-term goal of achieving 'Front Runner' status on the DEI maturity curve by 2030. This vision aims to expand DEI initiatives beyond internal practices, establishing the Company as a global leader in inclusive business.

1. Product innovation and market inclusivity

Inclusive products: Himadri aims to design products and services that address diverse customer needs.

Community engagement: The Company's CSR programmes are being refined to emphasise DEI principles.

2. Inclusive leadership and governance

Integrated leadership diversity: DEI objectives will be incorporated into leadership evaluations and reward systems to ensure accountability.

Advancing frontline workforce diversity: Himadri initiated a pilot

project aimed at enhancing workplace diversity by deploying women employees on the shop floor, promoting gender diversity in male-dominated roles.

Transparent reporting: Future DEI reports will include detailed metrics on progress, challenges and goals, enabling stakeholders to track achievements and hold the Company accountable.

3. Supplier diversity and ecosystem transformation

Diverse supplier networks: Himadri integrates DEI criteria into supplier selection processes to build a value chain that reflects its commitment to equity and inclusion.

Global standards and partnerships: The DEI strategy will continue to evolve by aligning with international standards and forming partnerships, setting an

example in inclusive business practices globally.

Committing to an inclusive future

Himadri envisions a future where diversity, equity and inclusion are intrinsic to its organisational fabric. The Company's DEI policy, framework and roadmap signify its commitment

to making a meaningful impact on employees, stakeholders and communities. As Himadri progresses along the DEI maturity curve, the Company remains dedicated to becoming a pioneer in inclusive business practices, sustaining a workplace where every individual is empowered to thrive.

Corporate Social Responsibility: Building Sustainable Value for Communities

Overview

Himadri's commitment to Corporate Social Responsibility (CSR) extends far beyond compliance. Rooted in a legacy of over three decades, the Company has consistently worked

to create meaningful and lasting impacts in communities, particularly across rural and underserved regions. Himadri acts as a catalyst for change, implementing projects in areas such as rural development, healthcare, education,

environmental conservation and social empowerment. Each initiative reflects the Company's belief that true corporate responsibility lies in facilitating self-sufficiency, resilience and sustainable progress.

Guiding principles and governance

Himadri's CSR initiatives are driven by a structured, impactful approach under the guidance of its CSR Committee, a dedicated Board-level body committed to delivering positive change. This governance framework ensures that all CSR projects align with Himadri's core values and sustainability objectives, with a strong focus on initiatives that provide long-term benefits to communities. Himadri's CSR efforts are also aligned with the United Nations Sustainable Development Goals (UNSDGs), which

reinforces the Company's dedication to global sustainability standards.

Expertise and execution

Himadri's CSR team comprises qualified and experienced professionals who bring specialised knowledge and practical expertise. Team members have undergone extensive training from leading institutions such as the Netaji Subhas Regional Institute of Cooperative Management, which offers advanced courses in social welfare and development. Their training,

combined with hands-on experience managing large-scale CSR projects from inception to completion, equips them with the skills necessary to design and implement initiatives that deliver meaningful and sustainable impact.

By leveraging this structured approach and expert-led execution, Himadri continues to strengthen its role as a socially responsible organisation, dedicated to empowering communities and contributing to sustainable development.

STEP A

- Date of Start of CSR Project
- Targeted Date of Completion of Project
- Date of Appointment of Implementing Agency/NGO
- Name and Address of Implementing Agency

START

01
Define
Project

STEP B

- Completion of Survey
- Visit to Site Documentation
- Finalisation of the Beneficiaries
- Commencement of the Project Work
- Conclusion of Project Work and Hand Over to Beneficiaries

02
Project
implemented

END

04
Publish
CSR
Reports

03
Tackling of
Challenges and
difficulties in
implementation of
Programmes

STEP C

Each individual Project had some teething problem and the same was overcome through continuous discussion/consultation amongst our Project Committee Members, Important Persons in Government Organisation, NGOs, Villagers and also the Beneficiaries.

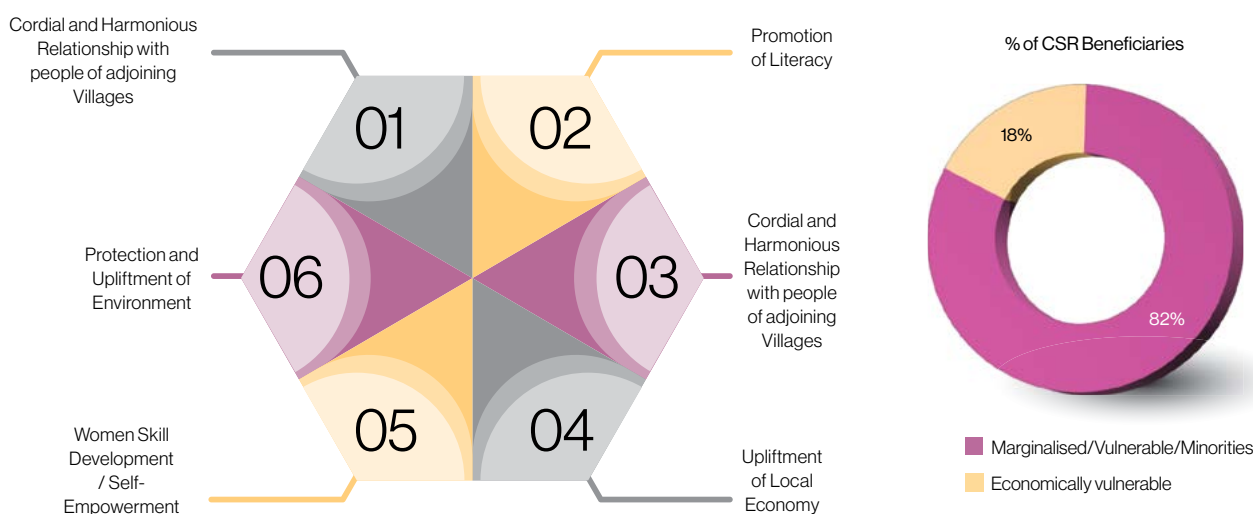
STEP D

Publish in Annual Report.

Each CSR project undertaken by Himadri is meticulously planned, mapped and monitored from inception to completion. Himadri's dedicated CSR team ensures that every stage of the project is executed with precision and care, optimising the use of resources and maintaining high standards of implementation.

As part of its commitment to transparency and accountability, the direct impact of every CSR project is rigorously assessed. The internal CSR team conducts an initial evaluation, which is further verified by external experts. This dual assessment process strengthens the credibility of Himadri's CSR initiatives, ensuring measurable and positive outcomes for the communities it serves.

Through this comprehensive and structured approach, Himadri's CSR initiatives make meaningful contributions to social welfare, environmental stewardship and economic empowerment. The team's dedication to excellence in CSR reflects Himadri's broader commitment to building a sustainable future, creating shared value and promoting a culture of social responsibility and integrity.



In FY 23-24, Himadri's CSR initiatives continued to build on this legacy. With a team of dedicated professionals,

Himadri ensured these projects directly addressed the specific needs of communities while promoting

empowerment, self-sufficiency and sustainable growth.

Targets/ KPI's	Year		
	FY21-22	FY22-23	FY23-24
Management compliance in accordance with CSR Act			
100% spend of CSR Fund	100%	100%	100%
CSR initiatives aligning SDG	60%	70%	80%

Key projects and their impact

Rural development and improved living standards

Rural development remains a key element of Himadri's CSR strategy, driven by a vision to uplift living standards and promote safe, healthy and sustainable environments. In FY 23-24, the Company achieved new milestones, focusing on infrastructure

and sanitation across 20 villages, directly benefiting over 1,000 individuals.

▪ **Concrete housing transformation:** Building on prior housing initiatives, Himadri facilitated the replacement of mud houses with durable concrete homes for 200 families. This effort addressed critical needs for safe and sanitary living conditions, creating a

sense of security, stability and pride within the communities.

▪ **Sanitation and kitchen upgrades:** Recognising hygiene as a pillar of health, Himadri provided each household with separate kitchen and sanitation areas. By discouraging open defecation and promoting food hygiene, this initiative has significantly reduced health risks and encouraged a culture of cleanliness.

Expanding healthcare access and quality

Healthcare initiatives form a vital component of Himadri's CSR legacy, addressing critical gaps and ensuring essential medical services reach underserved rural populations.

Health clinic services: Himadri's village medical centre consistently offers free homeopathy services to approximately 6,000 people, addressing both preventive and curative

healthcare needs. This clinic has become a trusted resource, reducing health disparities in the region.

Eye care services: Himadri's eye health camps screened 2,500 individuals, distributed 1,200 glasses and facilitated 150 surgeries, restoring sight and improving quality of life. This initiative empowers individuals with renewed independence and well-being.

Preventive health check-ups: Focusing on early detection of chronic

conditions such as diabetes, Himadri's preventive health screenings reached over 1,000 villagers, equipping them with the knowledge to manage their health proactively.

Himadri's ongoing construction of a multi-speciality hospital in Ramnagar, set to serve 150,000 residents, accentuate its commitment to bridging major healthcare gaps and enhancing accessibility and affordability in the region.

Educational support and infrastructure development

Believing in education's transformative power, Himadri consistently invests in initiatives that create lifelong learning opportunities.

Scholarship and material support: In FY 23-24, Himadri provided over 2,000 books and awarded scholarships to 400 students, ensuring that financial barriers do not disrupt the education of low-income youth.

Infrastructure renovation: Himadri's renovations at Joymolla High

School and Nasibpur Kishalaya Handicapped School benefit over 1,700 students, including differently-abled children. These upgrades promote inclusivity and create environments conducive to learning and community involvement.

Environmental conservation and biodiversity initiatives

Himadri integrates environmental responsibility into its CSR mission,

prioritising biodiversity, carbon reduction and sustainability education.

Tree Plantation and maintenance: In FY 23-24, Himadri planted 12,000 native

trees across local areas, enhancing biodiversity, mitigating soil erosion and improving air quality. This initiative facilitates a culture of sustainability within the communities.

Community empowerment through sports and social welfare

Himadri's commitment to community well-being extends to recreational and skill-building programmes, promoting unity, resilience and pride.

Sports promotion: Himadri's annual football tournaments attracted around 6,000 spectators, providing youth with a constructive outlet while reinforcing community bonds and encouraging physical health.

Winter clothing and blanket distribution: To combat extreme weather conditions, Himadri distributed blankets and clothing to residents

across 20 villages, ensuring vulnerable individuals remained comfortable and protected during colder months.

Skill development for women: Himadri's skill development programmes empower women to achieve financial independence, enhancing household incomes and promoting self-sufficiency.

Long-term impact and strategic vision

Himadri's CSR initiatives reflect a long-term commitment to creating sustainable value and supporting

empowerment and self-sufficiency across communities. By focusing on health, education, environmental stewardship and economic resilience, the Company ensures that each project delivers not only immediate benefits

but also enduring, meaningful change. Continuous evaluation and measurable outcomes highlights Himadri's dedication to building a sustainable and inclusive future.

The way forward: Achieving comprehensive CSR impact

Himadri envisions an expanded and deepened CSR strategy that aligns with national and global sustainability goals. The Company's roadmap focuses on creating multi-dimensional, sustainable impact across key areas:

Enhanced impact measurement

Himadri will enhance its monitoring mechanisms, publish annual impact assessments and establish stakeholder feedback loops. These measures will drive continual improvement, ensure transparency and demonstrate accountability in its CSR initiatives.

Expansion of sustainable livelihood programmes

The Company aims to establish skill development centers, support youth and women's entrepreneurship and facilitate local market access. These efforts are designed to support economic resilience and self-sufficiency in rural communities, empowering individuals to build sustainable livelihoods.

Broadened healthcare access

Himadri plans to extend healthcare services through mobile clinics, telemedicine and specialised health camps. These initiatives will improve the quality and accessibility of healthcare, particularly in underserved areas, addressing critical health gaps.

Comprehensive education support

Himadri intends to expand support for school infrastructure, introduce STEM and digital literacy programmes and increase scholarships. By focusing on future-ready skills, the Company aims to equip the next generation with the tools needed for success in an evolving workforce.

Accelerated environmental and biodiversity efforts

Tree plantation projects will prioritise native species, while carbon reduction and water conservation initiatives will address environmental sustainability. Himadri's focus on biodiversity and resource conservation reinforces its commitment to environmental stewardship.

Strengthened community engagement

The establishment of community centers, organisation of sports and cultural events and provision of disaster preparedness training will promote resilience, unity and pride among communities. These initiatives reflect Himadri's dedication to holistic community development.

Collaborative partnerships

Himadri plans to collaborate with government agencies, NGOs and other corporations to maximise resources, share expertise and achieve greater impact. Partnerships will enable the Company to amplify its reach and drive more meaningful outcomes.

Through this roadmap, Himadri integrates biodiversity conservation, community empowerment and environmental stewardship as its core CSR pillars. This approach goes beyond statutory compliance with the CSR Act, reflecting Himadri's dedication to responsible corporate citizenship. By empowering communities, preserving natural

resources and promoting resilience, Himadri continues to champion a sustainable future, building on its legacy of creating lasting, positive impact.

Key Initiatives

Digital connection with employees

Himadri recognises the critical role of managing employee life cycle data and has developed a robust ERP-based platform named HORIZON to address these needs. HORIZON integrates various HR functions into a single platform, enabling seamless handling of different phases of the employee lifecycle, from pre-employment to exit.

Key benefits of HORIZON:

- Streamlines HR processes and ensures efficient maintenance of data logs.

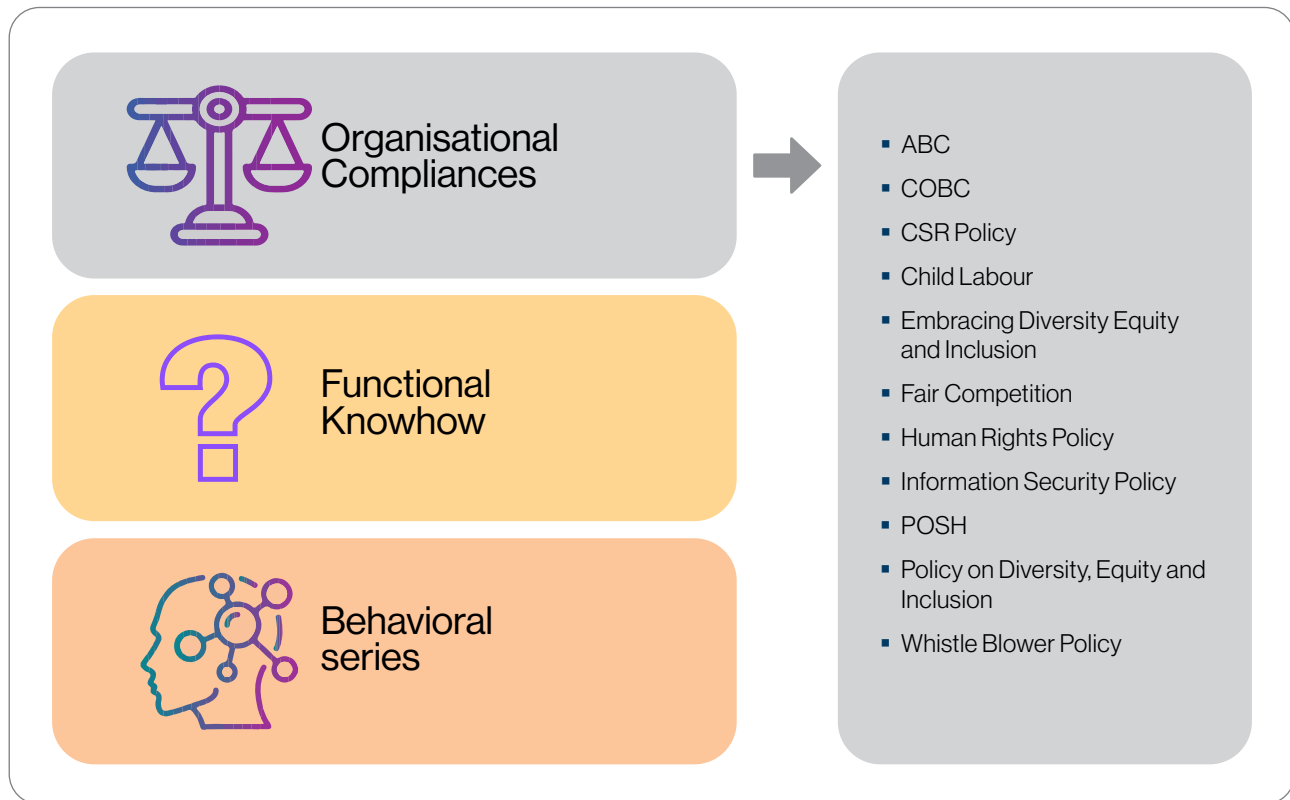
- Provides real-time data and analytics, enabling faster and more informed decision-making.
- Features a user-friendly self-service portal that enhances employee engagement and facilitates accurate, time-efficient management of people-related activities and performance by managers and HODs.

HORIZON includes several sub-portals covering recruitment, loans, leave and attendance, income tax, payroll, performance management and policies and forms. Employees can access these features as needed, while a dedicated admin portal allows HR to handle administrative tasks efficiently. The platform also serves as the central repository for employee database management.

Key initiatives

Learning and development platform – UTKARSH

Himadri emphasises the importance of training as a catalyst for individual and organisational growth. To manage training-related data effectively and facilitate learning, the Company has introduced a dedicated **Learning Management System (LMS)** named **UTKARSH**.



Key benefits of UTKARSH

- Organises and centralises training materials, making them more accessible and manageable.
 - Offers flexibility, allowing learners to access courses anytime, anywhere, at their own pace.
 - Reduces training costs by eliminating the need for in-person sessions, travel and physical materials.
 - Ensures uniformity by delivering consistent training content across the organisation.
- Integrated with HORIZON, UTKARSH features video-based training modules, each followed by an assessment. Employees use unique login IDs to access their personalised training dashboards. The platform generates detailed reports on training hours, participant performance and the effectiveness of training based on pre-test and post-test analyses.

Rewards and Recognition (R&R) scheme

Himadri emphasises a reward and recognition programme to create a positive work environment and motivate employees. The Company has partnered with Advantage Club to manage and streamline the R&R programme.

Key benefits of the R&R scheme

- Recognises employees for their efforts motivates them to maintain high-quality work.
 - Enhances employee retention by cultivating a sense of value, reducing recruitment and onboarding costs.
 - Reinforces positive behaviours, boosting productivity and driving better outcomes.
 - Creates a friendly and collaborative work environment that encourages teamwork.
- The R&R platform centralises the administration of rewards and recognition, ensuring transparency, consistency and efficiency. It supports real-time acknowledgment, enhances employee morale and promotes an appreciative culture within the organisation. The platform is also integrated with HORIZON, further streamlining HR processes.

Integrated approach to people management

The seamless integration of HORIZON, UTKARSH and the R&R platform provides a unified experience across the organisation. These systems ensure consistent data management, streamline HR processes and promote a cohesive approach to talent management.

ESS solutions (HORIZON): Centralise HR activities, enabling smooth and efficient operations.	LMS (UTKARSH): Facilitate continuous learning, skill development and employee engagement.	R&R programmes: Encourage a culture of motivation and appreciation, aligning employee efforts with organisational objectives.
▪ UTKARSH-LMS ▪ MANYATA-R&R Platform ▪ HORIZON-ESS ▪ Recruitment	▪ Reimbursement Portal ▪ Exit Management ▪ Performance Management ▪ Loan Disbursal	▪ Digitise Employee Data Locker ▪ ORGVIZION- Org Chart ▪ Visitor Management System (VMS)

ISO management systems training

Himadri is committed to promoting employee development and excellence in sustainability through its ISO management systems training initiatives. These training sessions are designed to equip employees with essential skills and knowledge, ensuring that every team member is proficient in the best practices of quality, environmental, health and safety management. By providing in-depth ISO management training, Himadri supports both career growth and the Company's commitment to maintaining rigorous internal audit standards.

The training programmes focus on key areas such as ISO 9001 for Quality Management, ISO 14001 for Environmental Management and ISO 45001 for Occupational Health and Safety. Employees gain valuable insights into these systems, learning how to effectively implement and uphold standards that align with Himadri's objectives of operational excellence and sustainability. The knowledge acquired through these sessions empowers employees to actively contribute to Himadri's internal audit protocols, ensuring compliance, efficiency and continuous improvement across all operations.

With each training session, employees become more skilled and confident, further enhancing Himadri's ability to conduct thorough internal audits, meet high performance standards and remain agile in the face of industry challenges. This commitment to training reflects Himadri's vision of a thriving workplace where career development and quality management work hand in hand to create long-term value and shared success. Through these initiatives, Himadri is building a resilient, knowledgeable and engaged workforce dedicated to maintaining the highest standards across all aspects of the organisation.



Kunal Mukherjee
Chief HR Officer

At Himadri Speciality Chemical Ltd., our people are our greatest strength. I am proud to reaffirm our commitment to fostering an inclusive, respectful, and equitable

workplace that prioritises human rights, labor standards, and employee empowerment. These principles are the bedrock of our sustainable growth and organisational success.

Our comprehensive HR framework aligns with global standards, such as the UNGC and ILO, emphasizing the dignity and well-being of every employee. Himadri's policies, including our Code of Business Conduct, Diversity, Equity, and Inclusion (DEI) initiatives, and Prevention of Sexual Harassment (PoSH) Policy, reflect our dedication to upholding human rights, preventing discrimination, and promoting a safe and equitable work environment.

We empower our workforce through talent and career development programmes, offering structured

training, mentorship, and career progression opportunities under initiatives like Pragati. Himadri's focus on diversity is further demonstrated by ambitious goals to achieve 25% representation of women and underrepresented groups by 2030, fostering a workplace that values unique perspectives.

As we continue to integrate best-in-class HR practices, including flexible work models, employee wellness initiatives, and robust grievance mechanisms, we ensure that every individual feels valued and supported. Together, we are building a future-ready, inclusive organisation driven by shared purpose and excellence.

Way forward: Embracing a future of innovation, inclusivity and global excellence

Moving forward, the Human Resources (HR) function is poised to drive meaningful transformation, empowering employees and enhancing the organisational culture. With a strong foundation

in place, the HR team is ready to embark on several forward-looking initiatives that will not only support employee growth and engagement but also align with global trends in diversity, digitalisation and professional

development. These initiatives reflect the Company's commitment to creating a vibrant, inclusive and forward-thinking workplace that encourages success for all.

Digital transformation of HR processes

The future of HR at Himadri will center around digitalisation, enhancing efficiency and creating a seamless experience for employees at all stages of their journey. By leveraging cutting-

edge digital tools, the HR function aims to streamline recruitment, onboarding, performance management and employee engagement processes. This digital transformation will enable employees to access personalised resources, training modules and real-time feedback, creating a more

responsive and supportive work environment. This shift towards digital solutions emphasises Himadri's commitment to innovation and employee empowerment, enabling the workforce to manage and track career progress conveniently and effectively.

Expanding career development opportunities

To support continuous growth and professional development, Himadri's HR team will offer enhanced career development and training programmes tailored to meet both personal aspirations and organisational needs. Future initiatives will include specialised

auditor training, management training and skills-based development, designed to equip employees with industry-relevant expertise. Himadri believes in supporting a culture of learning and these expanded training opportunities will enable employees to excel in their current roles while preparing for future challenges.

By nurturing an environment of continuous learning, Himadri not only invests in the individual growth of its employees but also strengthens the organisation's adaptability and resilience. These career development programmes are integral to the Company's commitment to excellence and reflect Himadri's belief in providing all team members with the tools they need to succeed.

Broadening diversity and inclusion initiatives

Himadri's vision for Diversity and Inclusion (D&I) is expansive, aiming to build a truly diverse workplace that goes beyond gender representation to include diverse perspectives in age, educational background, physical ability, sexual orientation and nationality. As a Company with a growing global footprint, Himadri is excited to explore nationality diversity, bringing together individuals from different countries to enrich the workplace culture and promote a deeper understanding of global perspectives.

The HR team is committed to promoting a workplace where all individuals feel valued, respected and empowered to bring their full selves to work. By broadening the focus on D&I, Himadri aims to build teams that reflect a wide range of experiences, viewpoints and cultural backgrounds, driving innovation, creativity and collaboration across all levels of the organisation.

The HR function at Himadri is dedicated to evolving in ways that not only meet the needs of the business but also anticipate the aspirations of employees. Upcoming initiatives in digitalisation, career development and diversity highlights Himadri's commitment to employee well-being, professional

growth and cultural inclusivity. As the Company continues to expand its global reach, these efforts will strengthen the workforce, enabling Himadri to lead by example in building an environment where every team member can thrive.

Through these forward-looking strategies, Himadri's HR team will continue to create a workplace that supports sustainable success, nurtures individual potential and reinforces the Company's commitment to a globally inclusive, innovative and vibrant organisational culture. Together, the Company is building a future where progress, inclusivity and excellence form the pillars of shared success.

Responsibility within our value chain: Advancing the global sustainability drive



Overview

Himadri has a significant influence on the environment and society through its global market presence. By working closely with our value chain partners, we aim to prevent breaches of human rights and environmental violations. We strive to enhance transparency and adequate traceability in our value chain entirely. In line with the commitment, we have embedded 'Together Towards Tomorrow' in corporate philosophy to underline our collaborative approach related to sustainability endeavors.

Himadri has built up its value chain by upcycling by-products of other industrial sectors like steel and oil & gas. In our carbon black division, we utilise the process waste gas to generate electricity a part of which are consumed internally. Rest of the generated power is exported to grid to replace coal generated thermal power. Therefore, enhancing lifecycle phase of a product and circularity have always been the cornerstones upon which we have carved our legacy out. By

selecting suppliers carefully we not only secure and increase their sustainability standards but also enhance the quality of our entire value chain. However, at Himadri, we recognise our responsibility as a speciality chemicals company to minimise environmental and social impacts. To address this, we have set ambitious targets and implemented robust measures. Key sustainability priorities, identified through our materiality analysis, include mitigating climate change, reducing GHG emissions, human rights, labor standards and fostering a robust corporate governance.

Value chain is a function where although risks exist but they are not entirely under Himadri's control. Therefore, we have taken a bottom-up approach of identifying value chain risks and opportunities not only decentralizing the process but also encouraging value chain partners to seek collaboration. Therefore, we have formed a cross functional team to conduct a comprehensive risks and opportunities identification during the current

reporting year. The identified risks are shown in the below image:

Sustainable procurement serves as one of the backbones for ensuring responsible, transparent, and strategic business decisions transitioning towards low carbon economy. At Himadri, sustainable procurement goes beyond just purchasing—it encompasses a holistic view of resource utilisation, supplier engagement, and ethical decision-making. It integrates the principles of environmental stewardship, social responsibility, and economic value creation, ensuring that we not only meet our operational needs but do so in a manner that contributes positively to society and minimises our environmental footprint.

To effectively achieve this, we have developed robust management structures and control systems within our procurement processes, ensuring transparency and alignment with our sustainability goals. By implementing rigorous evaluation criteria for our suppliers, conducting regular audits, and

integrating sustainability metrics into our decision-making, we ensure that every procurement decision supports our broader ESG objectives. This approach enables us to mitigate supply chain risks, promote ethical sourcing practices, and drive value creation throughout the entire value chain.

Moreover, we actively monitor evolving sustainability trends and engage in meaningful dialogues with our suppliers and stakeholders. This proactive approach allows us to regularly assess and update our procurement policies, ensuring they remain relevant and

impactful. By embracing continuous improvement, we reinforce our commitment to maintaining high standards in sustainable procurement and positively contribute to our business ecosystem.

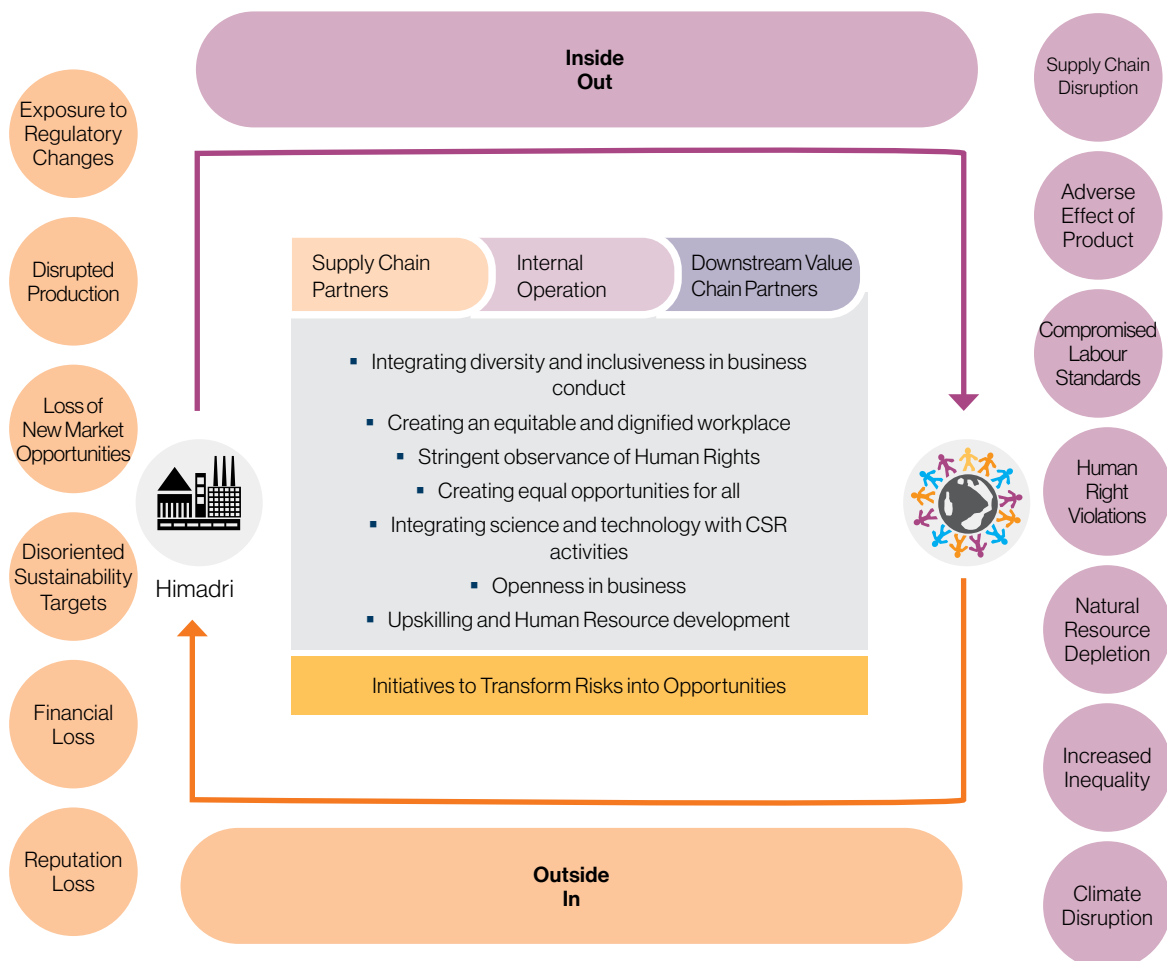
Our guiding principles of “Integrity, Commitment, Passion, Seamlessness, and Speed” are embedded in every aspect of our procurement activities. The procurement functionaries, in collaboration with key stakeholders, provide comprehensive guidance on all supply chain operations, ensuring that our resource utilisation is efficient,

sustainable, and fully aligned with our organisational vision and mission.

By embedding these values and principles into our procurement strategy, Himadri envisions to gain edges as a leader in sustainable practices, setting new benchmarks for the industry and paving the way for a responsible, resilient, and sustainable supply chain that supports our long-term growth and value creation.

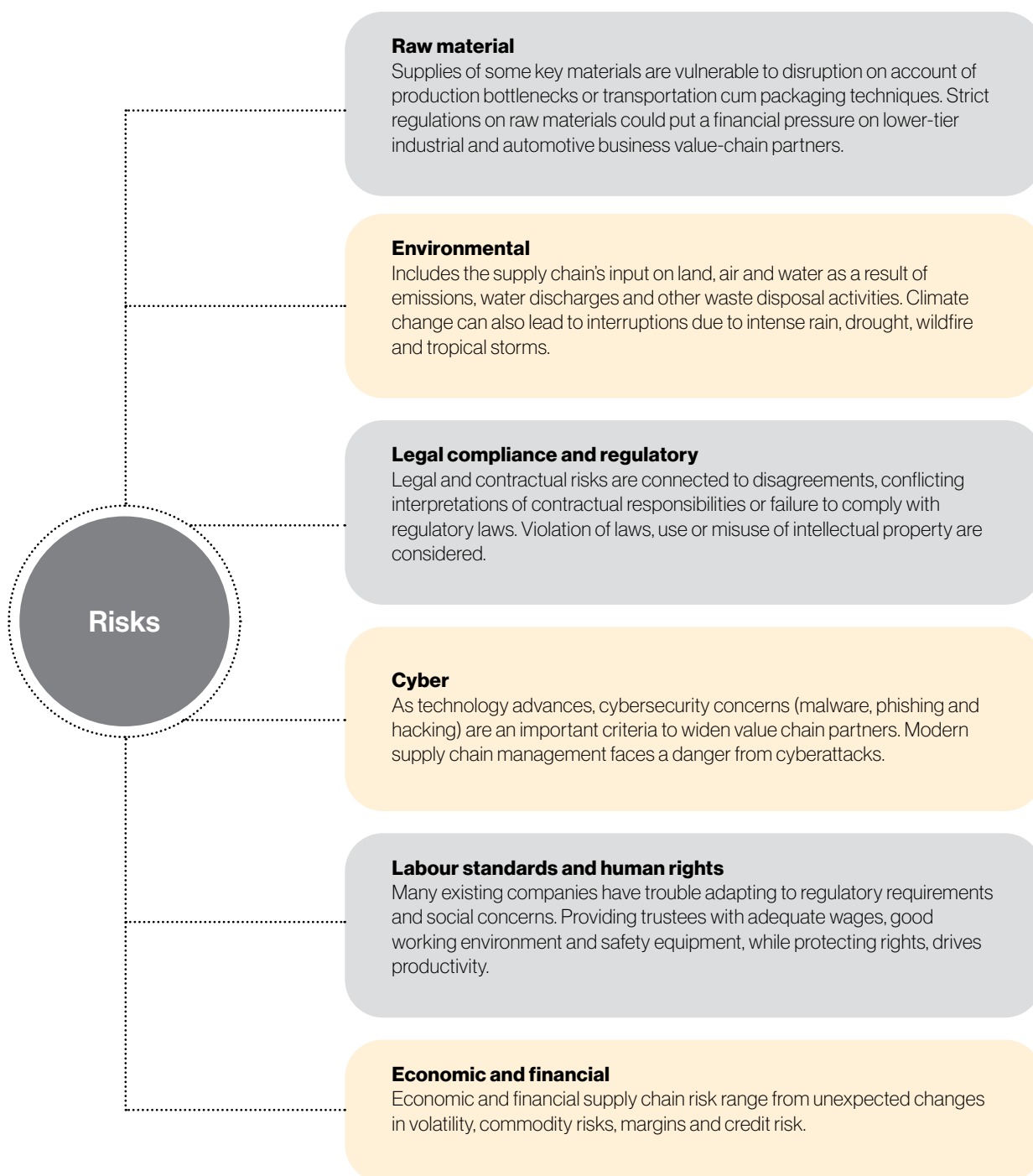


Empowering our value chain partner, maintaining their integrity, and ensuring product quality are top priorities at Himadri. We strive to set a new benchmark in our industrial sector by underpinning sustainable practices to navigate through a diverse and dynamic global business landscape and maintain transparency in all our interactions. To support this, we have established clear principles, policies, procedures, responsibilities, and accountabilities.

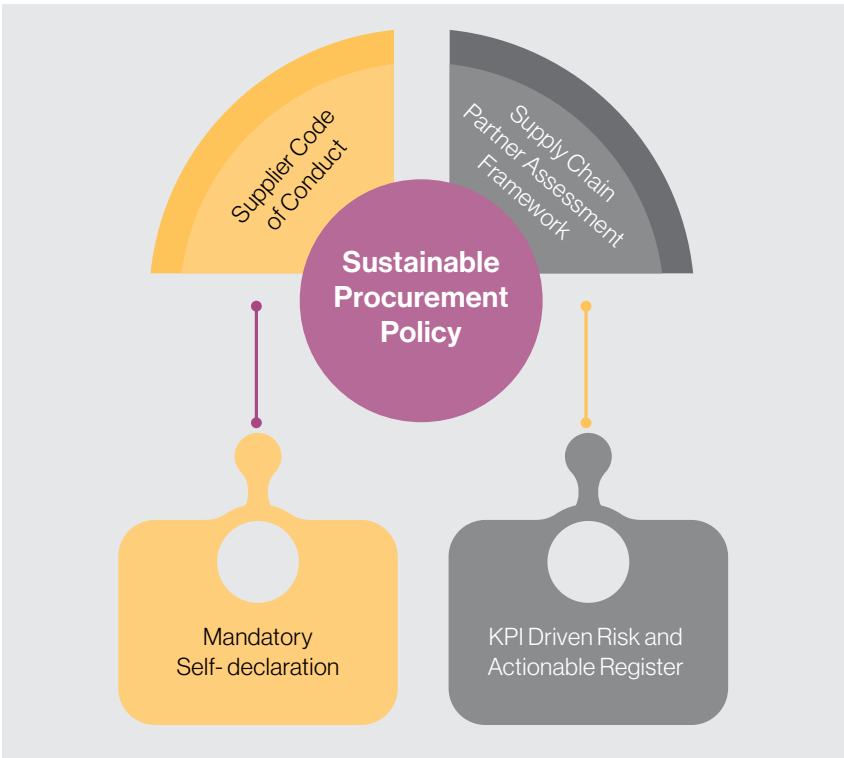


Initiatives to transform risks into opportunities

During the reporting year, the corporate risks management team has conducted a comprehensive risks identification as desired by The Board. In association with the procurement functionaries, the Risk Management Committee has conducted a comprehensive risk identification including sustainability risks of value chain, both upstream and downstream. Our identified risks in the value chain integrates ESG indexes suppressing financial value. Our value chain risk management process employs a cross-functional approach to capture risks at a granular level.



Addressing procurement risks and capturing opportunities through strategic deployment of policies and targeted actions are core to Himadri's sustainable procurement approach. In line with our commitment to responsible sourcing, we have developed a comprehensive set of procurement policies to manage risks, enhance supplier performance, and drive sustainability across the entire supply chain. These policies ensure that our procurement practices adhere to both global and national standards, reinforcing our role as a responsible corporate citizen in the speciality chemical sector.



By focusing on key procurement elements such as supplier engagement, ESG compliance, and resource efficiency, Himadri's procurement policies are designed to support sustainable business growth while maintaining alignment with global sustainability frameworks and industry best practices.

Our Sustainable Procurement Policy is designed to ensure that our suppliers uphold the highest standards of environmental, social, and governance performance, thereby aligning their practices with our sustainability goals. To achieve this, we have implemented two primary frameworks:

1. Supplier Code of Conduct: This framework establishes the foundation for responsible sourcing by requiring

all suppliers to commit to a mandatory self-declaration. The self-declaration mandates compliance with Himadri's sustainability standards, including environmental protection, labor rights, business ethics, and health and safety. By adhering to this code, suppliers contribute directly to our broader sustainability objectives, fostering a shared commitment to responsible business conduct.

2. Sustainable Supply Chain Framework: This framework outlines a set of carefully designed Key Performance Indicators (KPIs) to measure supplier sustainability performance quantitatively and qualitatively. Through these KPIs, we evaluate suppliers on multiple dimensions such as their environmental

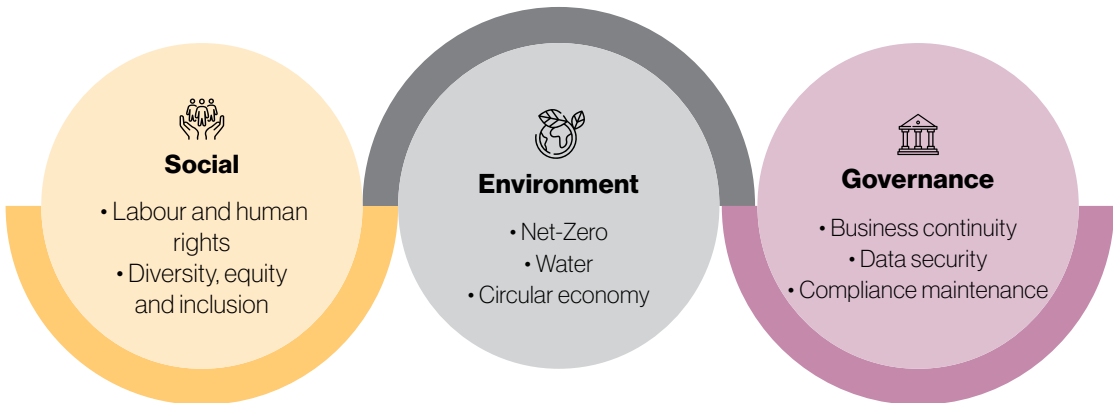
impact, human rights policies, ethical practices, and overall alignment with sustainable development goals. This structured assessment enables us to identify potential risks, encourage best practices, and support continuous improvement across our supply chain.

In addition to our Sustainable Procurement Policy, Himadri's broader sustainability goals play a pivotal role in guiding our purchasing decisions. As a responsible corporate citizen, we recognise that our journey toward achieving net-zero emissions relies heavily on the active involvement and commitment of our value chain partners. This interdependence means that each partner's sustainability performance directly contributes to Himadri's ability to meet its ambitious environmental targets.

We view our value chain partners not just as contributors to our operations but as long-term collaborators in driving economic prosperity and safeguarding human rights across our network. By fostering relationships based on shared values, we create opportunities for sustainable growth that extend beyond individual transactions. This commitment to sustainable, ethical sourcing enables us to generate lasting value for all stakeholders, ensuring that our partners are fully aligned with our vision of responsible resource use and social responsibility.

Through these aligned goals, Himadri aims to contribute positively to economic stability and community welfare, ultimately advancing sustainability efforts across the industry. We are committed to working closely with our partners to uphold the highest standards of environmental stewardship and human rights, fostering a resilient and ethical supply chain that not only meets current needs but also anticipates and adapts to the challenges of the future.

Sustainable procurement



Himadri's sustainable procurement approach reflects our dedication to embedding sustainability into every aspect of our supply chain management. By setting clear expectations and maintaining close collaboration with our suppliers, we ensure that our procurement decisions contribute to the sustainability of our operations and the long-term success of our business ecosystem. This proactive strategy allows us to mitigate supply chain risks while advancing shared value creation and driving progress toward a more sustainable future.

To ensure seamless integration of upstream supply chain risks into our enterprise risk register, Himadri has adopted a strategic categorisation of procurement activities into three distinct elements: raw material, consumables, and services. This structured approach allows us to holistically manage procurement risks, while aligning with our broader sustainability and business objectives.

1. Raw Material: This category encompasses all purchases related

to core raw materials essential for our manufacturing processes. By meticulously managing the sourcing and quality assurance of these materials, we ensure consistency in production while mitigating any supply chain risks that could impact business continuity.

2. Consumables: This segment includes all purchases for Capital Expenditure (CAPEX) and Operational Expenditure (OPEX), such as equipment, machinery, and other auxiliary items necessary for our operations. By systematically monitoring and assessing consumables, we enhance operational efficiency and ensure that all procurements adhere to safety, environmental, and quality standards.

3. Services: This category covers the procurement of manpower and related services that support our business operations. We ensure that all service providers align with our sustainability standards and contribute positively to our supply chain efficiency and ethical practices.

All these categories are meticulously mapped and managed according to the ISO 20400 Sustainable Procurement Framework, which serves as a comprehensive guideline to identify and address risks, set performance standards, and ensure responsible procurement practices. By categorizing our procurement activities, we not only streamline our processes but also enable focused risk management and opportunity identification across different elements of the supply chain, supporting our overall commitment to sustainable business operations. ISO management system lays the foundation for continual improvement by integrating progressive strategies throughout the process. Applied across all procurement categories, ISO 20400 framework drives operational efficiency while reinforcing our commitment to sustainability, compliance, and excellence. Through this holistic approach, we aim to not only meet but exceed our goals, ensuring long-term growth and positive impact furthering UN Sustainable Development Goals (UNSDGs)

Management System	Raw Materials	Consumables	Service
ISO 20400:2017	✓	✓	✓
SA 8000:2014	✓	✓	✓



Sustainable procurement: Creating a global low carbon economy



Overview

The validation and evaluation of our suppliers are an integral part of sustainable supply chain management at Himadri. The validation of suppliers includes checking that they meet the requirements of our code of conduct for suppliers. In our evaluation of suppliers, special attention is paid to our strategic suppliers and suppliers of strategic raw materials. Strategic suppliers and raw materials are defined as those identified by the operational units as being of high significance for our business performance. These may be key raw materials or single-source situations. We work systematically both to extend strategic relationships with suppliers and to validate new suppliers.

To supplement our code of conduct for suppliers, our approach includes self-assessments, audits, and validation of suppliers through Supply Chain Partner Assessment Framework which is aligned with Himadri's corporate philosophy "Together Towards Tomorrow".

The aim of our procurement organisation is to guarantee long-term reliability of supply for the production of Himadri products and to secure competitive advantages for our operating businesses. Alongside economic requirements, our procurement strategy takes account of criteria such as health, quality, safety, social factors, and environmental protection. As a member of the UN

Global Compact, we are committed to its principles. These requirements are documented in our code of conduct for suppliers, which is based on our corporate values, the principles of the UN Global Compact, the International Labor Standards issued by the International Labour Organisation (ILO), and other national guidelines. The supplier code of conduct also integrates special emphasis of sectoral requirements. The code of conduct for suppliers was updated in the reporting period to give greater prominence to the importance of observance of environmental performance and human rights by direct and indirect suppliers and to draw attention to the risks and consequences of failure to comply.

Harmonizing global standards in the supply chain creates transparency and makes it easier for both suppliers and customers to reliably assess and evaluate sustainability performance. The aim of Himadri's Sustainable Procurement Programme is the joint development and implementation of an assessment and audit programme for responsible procurement of goods and services. It also conducts webinars and training on sustainability. In this way, the initiative not only make environmental and social standards in supply chains measurable; it also contributes to a direct improvement. We expect our suppliers to share our principles and act correctly in all respects, which means accepting responsibility towards their

employees, business partners, society, and the environment. In the interests of a fair and reciprocal understanding of business, Himadri always endeavours to pay outstanding invoices by the agreed payment deadlines. As a result, our number of days of accounts payable has significantly reduced from 67 days to 51 days during FY 23-24

At Himadri Speciality Chemicals Ltd., our commitment to sustainability extends beyond our own operations and into the intricate network of our supply chain. Recognizing that the supply chain represents a significant portion of our environmental, social, and governance (ESG) footprint, we have implemented a robust

Sustainable Procurement Framework. This framework is aligned with both global sustainability standards and our long-term business goals, ensuring that every link in our supply chain contributes to responsible and sustainable operations. The primary objective of the framework is to create a transparent, risk-resilient, and ethically sound supply chain that supports Himadri's business strategy while driving positive social and environmental outcomes. The framework applies to all of our Supply Chain Partners, from suppliers of raw materials to service providers, ensuring that sustainability is integrated into every aspect of procurement.

To ensure that sustainability is ingrained throughout our supply chain, Himadri employs a multi-stage process for selecting and evaluating Supply Chain Partners. This process includes:

• **Non-disclosure agreement:** Suppliers are required to sign a Non-Disclosure Agreement (NDA) to ensure the confidentiality and protection of sensitive information shared during business transactions. This NDA reinforces our commitment to safeguarding proprietary data, trade secrets, and strategic information, creating a secure foundation for collaboration. By signing the NDA, suppliers agree to strict confidentiality standards, which align with Himadri's goals of ethical business conduct and responsible sourcing. The NDA establishes a trust-based relationship, allowing us to pursue sustainability objectives transparently while maintaining the integrity of proprietary information. This measure is crucial for fostering a resilient, secure, and mutually beneficial supply chain, promoting long-term value creation for both Himadri and its partners.

• **Self-assessment surveys:** Each supplier is required to complete a detailed self-assessment survey that covers ESG, quality, delivery, and pricing aspects. The survey is designed to identify areas where suppliers excel and where improvements may be needed to meet our sustainability standards.

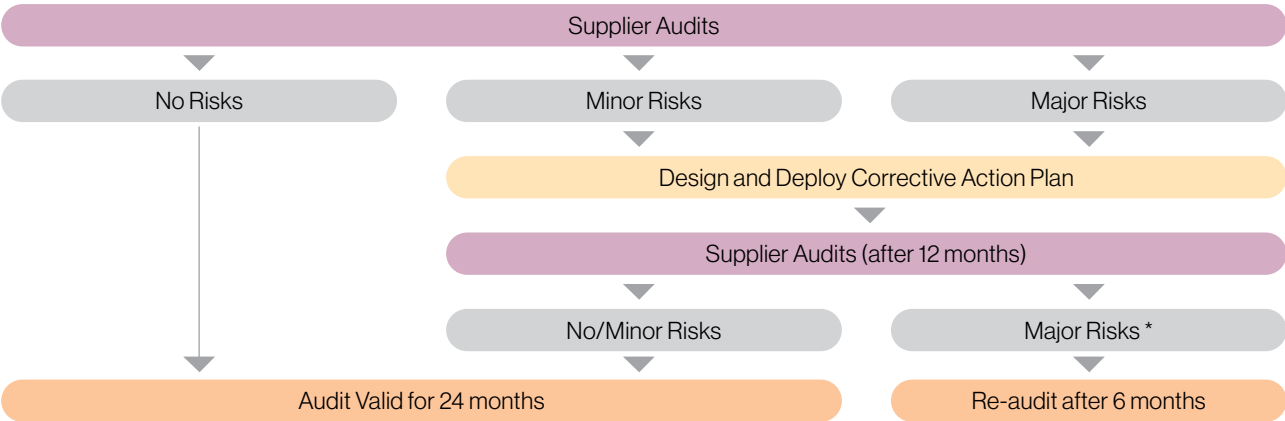
• **Composite performance index:** Using the data collected through self-assessments, we generate a Composite Performance Index for each supplier. This index rates suppliers across the aforementioned categories, allowing us to categorise them as very low, low, medium, or high risk.

• **On-site and online audits:** Depending on the risk profile of each supplier, we conduct either on-site or remote audits. These audits focus on key areas of performance, including environmental

management, health and safety protocols, labor practices, and corporate governance.

• **Collaborative mitigation approach:** After the audit again each supplier is categorised on respective risk indexes and corrective action plans are shared with the partners to mitigate potential risk.

Suppliers who perform well are recognised as strategic partners, while those who do not meet our expectations are provided with support to improve their performance. In some cases, corrective actions are required to address gaps in compliance or sustainability practices. This continuous engagement ensures that our suppliers are always aligned with Himadri's commitment to sustainability. The detailed audit escalation and corrective action processes are shown below:



* If the risks are significantly serious and no improvement can be identified, Himadri reserves the rights to end business relation with the supplier

One of the key features of Himadri's Supply Chain ESG Framework is the comprehensive categorisation of risks and the development of specific mitigation strategies for each category. The risks associated with our supply chain are classified into high, medium, low, and very low categories, based on several factors:

Environmental risks	Health & safety risks	Labour and human rights risks	Corporate governance risks
Suppliers that fail to comply with environmental regulations, have high greenhouse gas emissions, or lack waste management protocols are classified as high-risk. Mitigation strategies for such suppliers include offering technical support to improve their environmental management systems or terminating contracts if improvements are not made.	Suppliers with unsafe working conditions, insufficient health and safety training, or poor compliance with safety standards are considered high-risk. Himadri's mitigation strategies for such suppliers include implementing certified health and safety management systems (such as ISO 45001) and providing training to help them improve worker safety.	Suppliers that are non-compliant with labor laws or exhibit poor labor practices, such as inadequate wages, lack of workers' rights, or unsafe working conditions, are addressed through a focused labor management plan. Himadri ensures that corrective measures are in place to improve working conditions and uphold human rights.	Suppliers with weak corporate governance, financial instability, or lack of cybersecurity measures are classified as medium-to high-risk. Himadri engages in detailed financial and governance reviews, offering support to improve transparency, governance practices, and cybersecurity protocols.

Each of these risk areas is accompanied by a tailored mitigation strategy that includes targeted interventions, training programmes, and regular performance reviews. We have a clear and structured process for supplier audits, including various escalation steps. If shortcomings are identified, we expect our suppliers to implement corrective action plans within a defined timeframe. If the shortcomings are particularly serious and no improvement can be identified, we reserve the right to end our collaboration with the supplier.

To address the risks identified in our ESG assessments, Himadri offers a range of training and awareness programmes for suppliers. These programmes focus on:

• Environmental management:

Helping suppliers reduce their carbon footprint, improve resource efficiency, and adopt renewable energy sources.

• Health and safety: Offering training on international safety standards, hazard identification, and accident prevention to ensure safer workplaces.

• Labour rights: Educating suppliers on ethical labour practices, fair wages, and human rights, ensuring alignment with global labor standards.

• Governance and cybersecurity:

Providing guidance on improving corporate governance and strengthening cybersecurity measures to prevent data breaches and ensure business continuity.

These training programmes not only enhance the performance of our suppliers but also ensure that they

are aligned with Himadri's long-term sustainability objectives.

During FY 23-24 Himadri set a target to assess 75% of supply chain partners for the total of 75% of group spent. Due to the proactive measures, we assessed 92% of our raw material suppliers. Consumables and Service vendors were assessed at 78% and 76% respectively during the current reporting year. Himadri is expected to publish value chain partners' assessment report along with SEBI mandated BRSR.

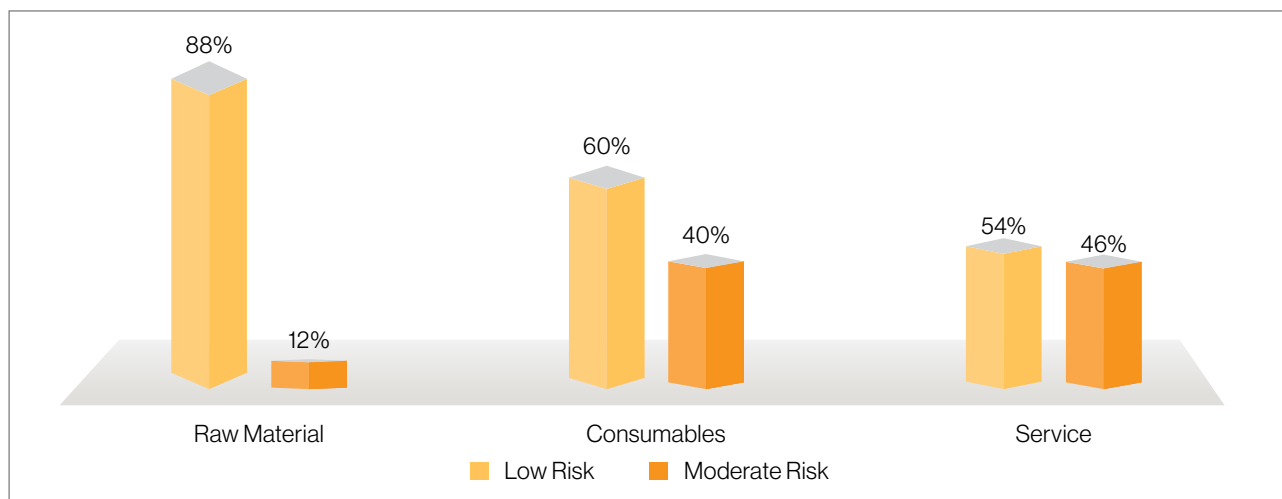
Index	Raw material	Consumables	Service
By Group spent	95%	4%	1%
Target	75%	75%	75%
Achieved	92%	78%	76%

Target/ objective	FY 22-23	FY 23-24
% of Upstream value chain partners covered under training and awareness programme	82	84

Target/ objective	Mahistikry	Liluah (I&II)	Korba	Vizag	Sambalpur	Falta
Training programme of buyers on ISO 20400:2017	✓	✓	✓	✓	✓	✓



Supply chain partner- Risk mapping at a glance



We apply the same care to the evaluation of existing relationships with suppliers. We focus particularly on the process of following up on audits and assessments. In the reporting period i.e. FY 23-24, audits and assessments have taken place. Currently, we are in process of designing supplier-specific corrective action plans which will be implemented collaboratively.

Himadri's Sustainable Procurement Framework represents a cornerstone of our sustainability strategy, ensuring

that our procurement decisions not only support business growth but also contribute to a more sustainable and ethical supply chain. By categorizing risks, implementing mitigation strategies, and continuously engaging with our suppliers, we are able to build strong, long-lasting relationships that benefit both Himadri and our partners.

Through rigorous assessments, ongoing training, and third-party verification, we are setting new benchmarks in sustainable

procurement, positioning Himadri as a leader in responsible sourcing. This framework enables us to not only meet the demands of today's market but also drive long-term value creation for the business, our communities, and the planet.

As we move forward, Himadri will continue to enhance our procurement practices, ensuring that sustainability remains at the heart of everything we do. Together with our suppliers, we are building a future that is resilient, responsible, and sustainable.

Associating with Downstream Value Chain Partners

Himadri has recently embarked on a comprehensive downstream value chain sustainability assessment, a strategic initiative designed to gain insights into the environmental and social impacts of its products throughout their end-of-life cycle. This assessment process marks a significant extension of Himadri's sustainability commitments beyond its own operations and up the value chain, fostering greater collaboration with downstream partners to ensure responsible product use, disposal, and recycling practices.

Key Components of the Downstream Sustainability Assessment

1. Downstream Risk Assessment and Partner Mapping

The process began with a downstream risk assessment, a critical step that involves identifying potential environmental and social risks associated with the end-of-life stage of Himadri's products. In this initial stage, we mapped our downstream value chain partners, categorizing them based on their impact and representation within the overall downstream value. This mapping allows us to prioritise engagement with those partners who have the most significant role in the value chain, ensuring that we address the highest-impact areas first.

2. Self-Assessment Questionnaire

Following the risk assessment and mapping, Himadri introduced a self-assessment questionnaire for selected key downstream partners. This

questionnaire is designed to gather information on their sustainability practices, particularly regarding environmental impact management, social responsibility, and compliance with best practices in waste management. The data collected helps us understand each partner's sustainability profile and identify areas where they may require support or improvement. This initial self-assessment phase is crucial in setting a baseline for future audits and monitoring.

3. Framework for Comprehensive Evaluation

Himadri's downstream assessment leverages the same robust framework used in its upstream evaluations. This framework includes self-assessment, categorisation, third-party audit, and risk mitigation processes. After the self-assessment phase, partners will be categorised based on their risk levels and sustainability performance. High-priority partners may undergo third-party audits to validate data accuracy, while targeted risk mitigation measures will be developed to address specific areas of concern. These measures might include recommending best practices, implementing environmental controls, or enhancing worker safety and social equity in the value chain.

4. Ongoing Engagement and Reporting

As the year progresses, Himadri will continue engaging with additional downstream partners through this structured assessment framework.

Each phase of the framework—risk assessment, categorisation, third-party verification, and risk mitigation—will be conducted according to set timelines, allowing Himadri to track progress and ensure transparency. Findings, outcomes, and improvements implemented will be reported in upcoming sustainability disclosures, reflecting our dedication to responsible end-of-life product management.

Commitment to Sustainability and Long-Term Impact

Through this assessment, Himadri aims to extend its environmental and social responsibility across the entire lifecycle of its products. By understanding and mitigating end-of-life impacts, we are empowering our partners and customers to contribute to a sustainable circular economy. This downstream assessment initiative aligns with Himadri's goals under the United Nations Sustainable Development Goals (SDGs), particularly those related to responsible consumption and production (SDG 12), climate action (SDG 13), and partnerships for the goals (SDG 17).

The downstream sustainability assessment not only reflects Himadri's holistic approach to value chain management but also represents a proactive step toward achieving comprehensive sustainability goals. Through these efforts, Himadri seeks to foster a collaborative, transparent, and responsible ecosystem that positively impacts both the environment and society.

Targets/Objectives	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
NDA and Business Contract Signing-off	✓	✓	✓	✓	✓	✓	✓
Due Diligence Internal Audit	✓	✓	✓	✓	✓	✓	✓
Due Diligence External Audit	✓	✓	✓	✓	✓	✓	✓

Comprehensive Due Diligence Programme for Value Chain Partners (Upstream and Downstream)

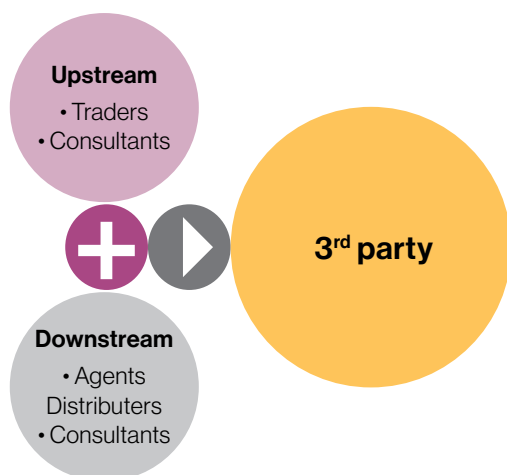
Himadri is committed to fostering transparency, ethical practices, and compliance throughout its value chain, including upstream and downstream 3rd party partners like agents, consultants, and distributors.

Customer Audit

In FY 23-24, Himadri successfully underwent 14 comprehensive customer audits, reflecting our unwavering commitment to quality, operational excellence, and compliance with industry standards.

These audits encompassed various critical parameters, including product quality, environmental practices, safety measures, and ethical business operations. Each audit served as an opportunity to validate our processes, enhance transparency, and build

stronger trust with our valued customers. The successful outcomes demonstrate Himadri's dedication to meeting and exceeding customer expectations while maintaining the highest benchmarks of performance and sustainability.



The Due Diligence Programme ensures that all partners align with Himadri's sustainability objectives and adhere to global standards of governance, social responsibility, and environmental impact mitigation.

This structured programme evaluates partners on critical

elements, including anti-bribery, anti-corruption, prevention of child and forced labor, anti-tax evasion, and data security. It involves a systematic process of assessment, categorisation, monitoring, and continuous improvement to mitigate risks while promoting ethical and sustainable practices.

Key elements of the Due Diligence Programme

Anti-Bribery and Anti-Corruption

Partners are required to adhere to Himadri's Anti-Bribery and Corruption (ABC) Policy, prohibiting any form of bribery, facilitation payments, or unethical practices..

Due diligence includes:

- Screening for prior incidents of bribery or corruption.
- Reviewing financial transactions to ensure compliance with regulatory standards.
- Mandatory commitment to Himadri's Code of Conduct through a signed declaration.

Prevention of Child and Forced Labor

Partners must comply with international and local labor laws, including the Child Labour (Prohibition and Regulation) Act, 1986, UNGC, and ILO standards.

The programme involves

- Verifying partner hiring practices to ensure no engagement of individuals under 18 years or forced labor.
- Regular audits of partner facilities to ensure ethical employment practices.
- Encouraging partners to adopt their own policies to prevent child and forced labor.

Anti-Tax Evasion

The programme ensures partners comply with tax regulations and demonstrate ethical financial practices. .

Measures include:

- Validation of partners' tax filings and compliance records.
- Monitoring for any discrepancies in financial transactions or reporting.
- Training sessions for partners on the importance of adhering to anti-tax evasion norms.
- Offering training sessions on adherence to anti-tax evasion norms.

Data Security

With increasing digitalisation, securing sensitive information is a top priority.

Himadri evaluates

- Partners' data protection policies and compliance with standards like relevant ISO standards.
- Security protocols for handling, storing, and sharing sensitive business information.
- Partners' IT systems to identify and mitigate vulnerabilities.

Due Diligence Process



Due Diligence Obligations Spectrum





Once the due diligence programme is completed, downstream partners are formally on-boarded into Himadri's value chain through a structured and transparent process. The on-boarding begins with the signing of a Non-Disclosure Agreement (NDA) to ensure the confidentiality of shared information, followed by a detailed business contract that outlines the terms of engagement.

The business contract serves as a cornerstone for the partnership, incorporating key sustainability indices aligned with Himadri's values. These indices emphasise environmental stewardship, promoting responsible resource use and minimizing environmental impact; social well-being, ensuring fair labor practices, diversity, and community support; and robust

corporate governance, fostering ethical and transparent business practices. This comprehensive contract not only sets clear expectations but also ensures that all downstream partners actively contribute to Himadri's mission of driving sustainable value creation.

Himadri's Endeavour to Inclusiveness in Value Chain

At Himadri, inclusiveness is a cornerstone of our business philosophy, extending beyond our operations to encompass our entire value chain. We firmly believe that supporting women-led businesses, marginalised and vulnerable group-led enterprises, Micro, Small, and Medium Enterprises (MSMEs), and local communities plays a crucial role in fostering economic growth, social equity, and sustainable development.

While our core raw materials—by-products of large-cap industries like steel and oil & gas—cannot be directly sourced from these groups due to the specialised nature of their production, we have proactively aligned our procurement strategy to prioritise consumables from these groups wherever possible. This approach enables us to balance operational requirements with our commitment to inclusive growth.

Engaging with women-led/ marginalised/vulnerable/minorities group-led businesses

Himadri actively identifies and collaborates with women-led businesses and enterprises owned by marginalised or vulnerable groups for the procurement of consumables, services, and operational needs. This includes sourcing items such as:

- Packaging materials.
- Stationery and office supplies.
- Maintenance and support services.
- Environment-friendly consumables.

By creating dedicated opportunities for these groups, Himadri contributes to their economic empowerment and helps bridge social and economic disparities.

Supporting MSMEs

Recognizing the vital role of MSMEs in driving innovation and employment, Himadri actively partners with local small and medium enterprises to meet operational requirements. Our collaboration includes:

- Long-term procurement contracts to provide financial stability to MSMEs.
- Capacity-building programmes to help them meet quality and sustainability standards.
- Promoting technological upgrades through shared knowledge and best practices.

These efforts ensure that our engagement with MSMEs is not just transactional but transformational, empowering these enterprises to thrive and scale.

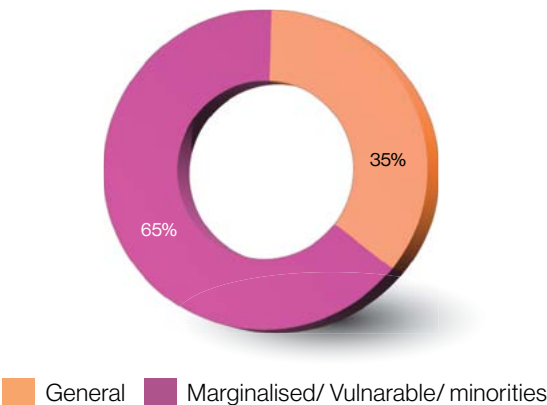
Sourcing from local communities

Himadri prioritises sourcing consumables and services from local businesses and communities near our operational areas. This strategy supports regional economic development while reducing the environmental impact associated with transportation. Examples include:

- Engaging local vendors for logistics and transportation services.
- Procuring materials and consumables from community-based enterprises.
- Promoting skill development programmes to prepare local vendors for long-term partnerships.

These actions reflect our commitment to being a responsible corporate citizen, contributing to the well-being of the communities we operate in.

Third party workers deployed by service vendors-Diversity



Key performance Indicators	FY 22-23	FY 23-24
Percentage of targeted suppliers that have signed the sustainable procurement charter/supplier code of conduct	100%	100%
Percentage of targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	100%	100%
Percentage of targeted suppliers that have gone through a CSR assessment (e.g. questionnaire)	82%	84%
Percentage of targeted suppliers that have gone through a CSR on-site/online audit	82%	84%
Percentage of buyers across all locations who have received training on sustainable procurement	72%	100%
Percentage or number of audited/assessed suppliers engaged in corrective actions or capacity building	82%	84%
1. By group spent Target	50%	70%
2. Achieved	82%	84%
Sign-off of NDA	100%	100%



M B Gadgil
Business President

I am proud to affirm our unwavering commitment to sustainability, operational excellence, and responsible value chain management. Our procurement function has set a benchmark by

integrating sustainability into every aspect of its operations, driving positive impacts across environmental, social, and governance dimensions.

Himadri's Sustainable Procurement Framework, guided by the ISO 20400 standards, demonstrates our proactive approach to addressing risks and opportunities within our value chain. By embedding principles of circularity and lifecycle management, we maximise resource efficiency while minimizing environmental impact. Initiatives like leveraging process waste gas for clean power generation and selecting eco-conscious suppliers underscore our dedication to reducing Scope 3 emissions and promoting a low-carbon economy.

Through comprehensive risk assessments and the implementation of

the Supplier Code of Conduct, we ensure that our partners uphold the highest standards of environmental protection, labor rights, and ethical practices. Strategic initiatives, including the evaluation of suppliers against ESG criteria and targeted training programmes, empower our value chain partners to align with our sustainability goals.

Our collaborative efforts with upstream and downstream partners, combined with innovative digitalisation and transparency, pave the way for a resilient and inclusive value chain. Together, we are creating shared value, advancing global sustainability goals, and securing a sustainable future for all stakeholders.

Himadri's way forward for a sustainable value chain

Overview

As Himadri continues its journey toward a more sustainable future, our commitment to building a sustainable value chain remains at the forefront of our strategic priorities. A resilient, responsible, and ethical value chain is integral to our long-term success, driving not only environmental and social impact but also operational excellence. Our vision for the future is rooted in collaboration, transparency, and a shared responsibility with partners to create a value chain that benefits all stakeholders, from suppliers and employees to customers and communities.

Strengthening Partnerships and Engagement

One of the core pillars of our sustainable value chain approach is fostering strong, mutually beneficial relationships with our upstream and downstream partners. By enhancing engagement and collaboration, we aim to work closely with suppliers, contractors, and other stakeholders to align on sustainable practices and set ambitious goals. These partnerships enable us to share knowledge, establish clear expectations, and create value that extends beyond our own operations. Moving forward, Himadri will continue expanding its partner engagement initiatives, promoting best practices, and supporting suppliers in meeting stringent environmental and social standards.

Advancing Environmental Stewardship Across the Chain

Himadri's commitment to reducing our carbon footprint and environmental impact extends across our entire value chain. As part of our way forward, we are intensifying efforts to reduce Scope 1, 2, and 3 emissions, implementing solutions that address resource efficiency, waste reduction, and carbon neutrality. Through initiatives such as sustainable product development, we are helping to drive positive environmental outcomes while supporting our partners in adopting greener practices. Our goal is to create a circular and regenerative system where waste is minimised, and resources are used responsibly.

Embedding Social Responsibility and DE&I Initiatives

Sustainable value creation also requires a strong commitment to social responsibility and inclusivity. As part of our future objectives, we are expanding our focus on Diversity, Equity, and Inclusion (DE&I) within the value chain, ensuring that our relationships reflect respect for all individuals, regardless of background, age, or nationality. We are committed to upholding human rights across our supply chain by continuously assessing and addressing labor practices, fair wages, and working conditions. By fostering a safe, equitable, and inclusive environment, Himadri aims to positively impact the lives of individuals across our value chain and create a culture of respect and integrity.

Digitalizing and Enhancing Transparency

To support our sustainable value chain goals, digitalisation will be a key enabler, allowing for greater transparency, accountability, and efficiency across operations. Leveraging advanced digital tools and data analytics, we will enhance traceability, optimise resource use, and enable real-time monitoring of performance metrics related to emissions, resource consumption, and waste management. This digital transformation will not only strengthen operational resilience but also provide clear insights into progress, ensuring that we and our partners remain aligned with our shared sustainability objectives.

Measuring and Reporting Progress

Himadri's approach to a sustainable value chain includes regular assessments, audits, and third-party verification to ensure our goals are met with integrity and transparency. We are committed to establishing measurable targets, continuously evaluating our impact, and sharing our progress openly with stakeholders. These efforts align with our broader commitment to the United Nations Sustainable Development Goals (UNSDGs), furthering our contribution to global sustainability objectives and

setting a benchmark for responsible industry practices.

As we move forward, Himadri will continue to strengthen its engagement with diverse value chain partners, seeking innovative ways to integrate inclusiveness into our business strategy. By doing so, we not only fulfill our operational needs but also contribute meaningfully to societal progress and economic resilience, ensuring that our growth is shared and sustainable.

The path forward for Himadri's value chain is one of shared purpose,

mutual accountability, and a collective commitment to building a better future. By advancing sustainable practices, fostering collaboration, and enhancing transparency, we are creating a value chain that not only supports our organisational goals but also generates lasting, positive impacts for society and the environment. Together with our partners, we will continue to innovate, lead, and inspire a value chain that is resilient, responsible, and inclusive, paving the way for a sustainable tomorrow.

‘Together, towards Tomorrow’

‘Together, Towards Tomorrow’ symbolizes our commitment to innovation, sustainability, and collaboration, building a resilient future for generations.

We strive to empower communities, protect the environment, and drive inclusive growth through shared values and collective action.





Himadri's way forward: Leading the path to a sustainable future

Overview

As Himadri looks into the future, the Company remains committed to advance sustainability goals through innovation, collaboration,

environmental focus and social responsibility.

The progress serves as a testament to the Company's long-term vision. The Company recognises that the

journey towards a truly sustainable future is ongoing. The next phase of the Company's sustainability roadmap will focus on transforming operations, enhancing social impact and driving long-term value creation.

Environmental stewardship: Pioneering new frontiers

Environment responsibility continues to be a central driver of innovation. The Company is launching several initiatives to minimise its environment footprint, while aligning with global sustainability goals.

Carbon capture, utilisation and storage (CCUS):

As part of its commitment to reducing greenhouse gas (GHG) emissions, Himadri is investing in CCUS technology. This project will enable the Company to capture carbon emissions from its manufacturing processes and either utilise or store them in environmentally safe ways. By integrating CCUS, Himadri seeks to make a meaningful contribution

to global climate goals while exploring new avenues for sustainable production.

Fuel diversification: Efforts are being advanced to diversify the Company's energy sources, shifting towards cleaner alternatives such as biomass and other renewable options. This transition will not only reduce a reliance on fossil fuels but also lower carbon emissions, enhancing energy efficiency across operations.

Energy management and efficiency:

Energy management will remain a focus, as Himadri continues to optimise energy use through the implementation of ISO 50001 standards and advanced monitoring technologies. This initiative will be supported by digital solutions, allowing for real-time tracking and optimisation of energy consumption to meet energy reduction targets while maintaining operational efficiency.

Social responsibility: Strengthening commitment to DE&I and human rights

Himadri's approach to sustainability extends beyond environmental goals, emphasizing social responsibility. As a part of its ongoing commitment to an inclusive and equitable workplace and community, the Company will continue to prioritise:

Diversity, equity and inclusion (DE&I):

Himadri is dedicated to building a workplace that reflects diverse perspectives and talents through inclusive hiring, nurturing talent from under-represented groups and equal opportunities for all.

Human rights and child labour

prevention: Himadri will uphold human rights across operations and supply chains. The Company will enhance

supplier audits and due diligence processes to ensure that operations remain free of human rights violations (particularly child labour). Through close collaborations with suppliers and partners, Himadri will continue to profess the highest ethical standards in its labour practices.

STEM education and science-based CSR: Recognising the role of education in driving social progress, Himadri will

increasingly focus on promoting STEM (Science, Technology, Engineering and Mathematics) education within local communities. By investing in science-based CSR initiatives, the Company aims to inspire the next generation of innovators and equip young individuals with relevant skills. These initiatives will include hands-on learning experiences, scholarships and mentorship programmes designed to uplift underserved communities.

Technological innovation: Embracing digital transformation

As Himadri continues to evolve, digitalisation will play a pivotal role in driving efficiency, transparency and innovation. By leveraging digital tools, the Company aims to:

Automate sustainability data tracking: Enhance the accuracy and timeliness of reporting processes, ensuring stakeholder transparency.

Implement AI and machine learning algorithms: Optimise resource allocation, improve predictive maintenance and reduce downtime.

Drive supply chain transparency: Use digital platforms to ensure that suppliers adhere to the same sustainability standards upheld by Himadri.

A vision for the future

As Himadri moves forward, strategic projects — CCUS, fuel diversification, energy management, commitments to DE&I, human rights and STEM education — will ensure that Himadri leads its sustainable agenda by example.

By embedding sustainability deeper, Himadri is confident to generate long-term value for stakeholders, communities and the environment. The Company and partners seek to pave the way for a resilient, inclusive and sustainable future.



GRI contents index

Statement of use	Himadri Speciality Chemical Limited has reported the information cited in this GRI content index for the period 01/04/2023 to 31/03/2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About Himadri (10-15)
	2-2 Entities included in the organization's sustainability reporting	Overview (4)
	2-3 Reporting period, frequency and contact point	Overview (4)
	2-4 Restatements of information	4
	2-5 External assurance	Overview(4)
	2-6 Activities, value chain and other business relationships	12-13, 19-21
	2-7 Employees	148, AR- 161
	2-8 Workers who are not employees	148,AR- 161
	2-9 Governance structure and composition	51-55
	2-10 Nomination and selection of the highest governance body	51-53
	2-11 Chair of the highest governance body	52,55-56
	2-12 Role of the highest governance body in overseeing the management of impacts	51-53,55-56
	2-13 Delegation of responsibility for managing impacts	52-53,56-58
	2-14 Role of the highest governance body in sustainability reporting	4
	2-15 Conflicts of interest	52-53, 67, AR-175-176
	2-16 Communication of critical concerns	55-57,59-61
	2-17 Collective knowledge of the highest governance body	52
	2-18 Evaluation of the performance of the highest governance body	51-53 More
	2-19 Remuneration policies	51-53
	2-20 Process to determine remuneration	51-53,161
	2-21 Annual total compensation ratio	AR-93
	2-22 Statement on sustainable development strategy	Page no 4-9
	2-23 Policy commitments	50-51,70,101-102,133-135,166
	2-24 Embedding policy commitments	51-58
	2-25 Processes to remediate negative impacts	54-55, 66
	2-26 Mechanisms for seeking advice and raising concerns	59-61
	2-27 Compliance with laws and regulations	Page No 70,102 & 135
	2-28 Membership associations	43-47
	2-29 Approach to stakeholder engagement	59-62
	2-30 Collective bargaining agreements	143
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32-33
	3-2 List of material topics	32-33
	3-3 Management of material topics	54-57
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	25-26
	201-2 Financial implications and other risks and opportunities due to climate change	72 More TCFD report
	201-3 Defined benefit plan obligations and other retirement plans	25, AR 180-182
	201-4 Financial assistance received from government	AR-256, More

GRI STANDARD	DISCLOSURE	LOCATION
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	155
	202-2 Proportion of senior management hired from the local community	53
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	157-158
	203-2 Significant indirect economic impacts	158 AR 175
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	61 AR 214
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	65&67
	205-2 Communication and training about anti-corruption policies and procedures	62 & 64
	205-3 Confirmed incidents of corruption and actions taken	65
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	65 & 67
GRI 207: Tax 2019	207-1 Approach to tax	25 AR 274
	207-2 Tax governance, control, and risk management	25 AR 274
	207-3 Stakeholder engagement and management of concerns related to tax	25 AR 274
	207-4 Country-by-country reporting	25 AR 274
GRI 301: Materials 2016	301-1 Materials used by weight or volume	35, 76, 77.
	301-2 Recycled input materials used	76 & 77
	301-3 Reclaimed products and their packaging materials	77
GRI 302: Energy 2016	302-1 Energy consumption within the organization	35, 71 & 96
	302-2 Energy consumption outside of the organization	NR
	302-3 Energy intensity	71 & 96
	302-4 Reduction of energy consumption	96
	302-5 Reductions in energy requirements of products and services	96
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	35, 74-76
	303-2 Management of water discharge-related impacts	35, 74-76
	303-3 Water withdrawal	74-76 AR 204
	303-4 Water discharge	74-76 AR 204
	303-5 Water consumption	97 AR 204
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	NR
	304-2 Significant impacts of activities, products and services on biodiversity	NR
	304-3 Habitats protected or restored	NR
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	NR
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	35, 71, 96 AR 206
	305-2 Energy indirect (Scope 2) GHG emissions	35, 71, 96 AR 206
	305-3 Other indirect (Scope 3) GHG emissions	35, 71, 96 AR 209
	305-4 GHG emissions intensity	35, 96 AR 206, 209

GRI STANDARD	DISCLOSURE	LOCATION
	305-5 Reduction of GHG emissions	96
	305-6 Emissions of ozone-depleting substances (ODS)	93,96
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	72,73 & 97
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	76-78, 97
	306-2 Management of significant waste-related impacts	76-78
	306-3 Waste generated	97
	306-4 Waste diverted from disposal	97
	306-5 Waste directed to disposal	77 & 97
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	168-171,176
	308-2 Negative environmental impacts in the supply chain and actions taken	168-171.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	145
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	149-151
	401-3 Parental leave	151
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	109
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	102,103-116
	403-2 Hazard identification, risk assessment, and incident investigation	103-105, 114-115
	403-3 Occupational health services	117-118
	403-4 Worker participation, consultation, and communication on occupational health and safety	112
	403-5 Worker training on occupational health and safety	111,112 & 120
	403-6 Promotion of worker health	116, 121-122
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	99-100,113-115.
	403-8 Workers covered by an occupational health and safety management system	102
	403-9 Work-related injuries	127-128
	403-10 Work-related ill health	127-128
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page no 12-13
	404-2 Programmes for upgrading employee skills and transition assistance programmes	148-149
	404-3 Percentage of employees receiving regular performance and career development reviews	151
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	155
	405-2 Ratio of basic salary and remuneration of women to men	155
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	139
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	135
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	140-141, 176

GRI STANDARD	DISCLOSURE	LOCATION
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	140-141, 176
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	136
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	139
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	157-158,139
	413-2 Operations with significant actual and potential negative impacts on local communities	157-158,139
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	176
	414-2 Negative social impacts in the supply chain and actions taken	176
GRI 415: Public Policy 2016	415-1 Political contributions	NR
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	109
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	109
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	70-71
	417-2 Incidents of non-compliance concerning product and service information and labeling	70-71 AR 216-219
	417-3 Incidents of non-compliance concerning marketing communications	70-71 AR 216-219
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	AR 216-219

List of acronyms

ABC: Anti-Bribery and Corruption	EPS: Earnings per share
AI: Artificial Intelligence	ETP: Effluent Treatment Plant
APH: Air Pre Heater	EU: European Union
ASSOCHAM: The Associated Chambers of Commerce and Industry of India	EV: Electric Vehicle
BoD: Board of Directors	FICCI: Federation of Indian Chambers of Commerce and Industry
BRSR: Business Responsibility and Sustainability Report	FY: Financial Year
BU: Business Unit	GDEIA: Global Diversity, Equity, and Inclusion Alliance
CB: Carbon Black	GDP: Gross Domestic Product
CBFS: Carbon Black Feed Stock	GHG: Green House Gases
CBD: Carbon Black Division	GRI: Global Reporting Initiative
CCUS: Carbon Capture, Utilization, and Storage	Himadri: Himadri Speciality Chemical Limited
CDP: Carbon Disclosure Project	HPS: High-Pressure Sodium Vapor
CHEMEXCIL: Basic Chemicals, Cosmetics & Dyes Export Promotion Council	HR: Human Resource
CII: Confederation of Indian Industry	HRBP: Human Resource Business Partner
CPCB: Central Pollution Control Board	HRSS: Human Resource Shared Service
CPP: Captive Power Plant	HSE: Health, Safety, and Environment
CPR: Cardiopulmonary resuscitation	ICC: India Chemical Council
CSR: Corporate Social Responsibility	ICCA: International Council of Chemical Associations
CTD: Coal Tar Division	ICP: Internal Carbon Pricing
CTP: Coal Tar Pitch	ILO: International Labour Organization
CSRD: Corporate Sustainability Reporting Directive	ISO: International Organization for Standardization
CoBC: Code of Business Conduct	KMP: Key Managerial Person
CoC: Code of Conduct	KPI: Key Performance Index
CoE: Centre of Excellence	Mt/MT: Metric Ton
DE&I: Diversity, Equity, and Inclusion	MTI: Medically Treated Injuries
DM: Demineralized	MTPA: Metric Ton Per Annum
DO: Dangerous Occurrence	MTK: Mahistikry
DOJ: Date of Joining	Mission LiFE: Mission Lifestyle for Environment
DPDPA: Digital Personal Data Protection Act, 2023	MSME: Micro, Small, Medium Enterprises
EBITDA: Earnings before interest, taxes, depreciation, and amortization	NABL: National Accreditation Board for Testing and Calibration Laboratories
EMS: Energy Management System	NCAP: National Clean Air Programme
ESG: Environment, Social, and Governance	NDA: Non-Disclosure Agreement
ERG: Employee Resource Group	NGO: Non-Governmental Organization
ESIC: Employees' State Insurance Corporation	NPO: Non Profit Organization
ESS: Employee Self Service	OLED: Organic Light Emitting Diode

OPH: Oil Pre Heater	RO: Reverse Osmosis
PCE: Polycarboxylate Ether	SA: Social Accountability
PLI: Performance Linked Incentive	SBTi: Science Based Target Initiative
POP: Persistent Organic Pollutant	SEBI: Security and Exchange Board of India
PoSH: Prevention of Sexual Harassment	SNF: Sulphonated Naphthalene Formaldehyde
PPE: Personal Protective Equipment	STEM: Science, Technology, Engineering, and Mathematics
PPS: Practical Problem Solving	t/T: Tonne
LCA: Life Cycle Assessment	TCFD: Taskforce on Climate related Financial Disclosure
LED: Light Emitting Diode	TSS: Total Suspended Solid
LMS: Learning Management System	UNGC: United Nations Global Compact
LSFO: Low Sulphur Fuel Oil	UNSDGs: United Nation Sustainable Development Goals
LTI: Lost Time Injuries	UV: Ultra Violet
LTIFR: Lost Time Injury Frequency Rate	VOC: Volatile Organic Compound
QA: Quality Assurance	WASH: Water Access, Sanitation, and Hygiene
R&D: Research and Development	WHRB: Waste Heat Recovery Boiler
R&R: Reward and Recognition	WRI: World Resource Institute
RPN: Risk Priority Number	WRP: Water Recovery Plant
ROCE: Return on capital employed	ZLD: Zero Liquid Discharge

