Sustainability Report
FY 2024-25

SANMAR
CHEMPLAST SANMAR LIMITED

From Commitment to Impact
Advancing Sustainability Goals

Chemplast Sanmar Limited
Chemplast Cuddalore Vinyls Limited

From Commitment to Impact
Advancing Sustainability Goals

This year's theme reflects **our progress from intent to action, from firming up commitment to delivering measurable impact.** Chemplast Sanmar Limited is leading the way in translating sustainability commitment into impactful action. With continuous innovation across operations, community engagement, and a strong focus on measurable outcomes, the company is charting a course towards a sustainable future.

At Chemplast Sanmar Limited, sustainability is not just about meeting compliance goals; it is about caring for the environment and future generations while ensuring long-term value for all stakeholders.

The theme underscores the company's commitment to Environmental, Social, and Governance (ESG) objectives by integrating them into operations, processes, and organisational culture, driving measurable progress and establishing a roadmap with defined targets and actionable opportunities. Our initiatives reflect our intent to prioritise energy efficiency, collaborate with partners to advance green energy solutions, and implement programs that promote welfare, inclusivity, and safety—delivering meaningful and lasting impact. We continue to deepen our focus on integrating ESG principles into core business decisions. Our approach emphasises proactive risk management, innovation, collaboration, and continuous improvement, all aimed at promoting long-term sustainability.

As we move forward, we remain grounded in our values and driven by our purpose to achieve a positive impact on people's lives and the planet.

This report captures our progress, learnings, and aspirations as we move forward with purpose, resilience, and accountability.

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ABOUT THE REPORT

Dear stakeholders,

We are pleased to present the 17th Annual Sustainability Report, for the financial year 2024–25 (hereafter referred to as the "Reporting Period").

Throughout this report, Chemplast Sanmar Limited is referred to as "We," "CSL," "Chemplast," "Our Company," or "The Company." Similarly, Chemplast Cuddalore Vinyls Limited is referred to as "CCVL," "Our Company," or "The Company."

This report highlights our mission to deliver high-quality speciality chemicals while embedding sustainability into every aspect of our operations. By integrating ESG principles into our core business strategy, we continue to create long-term value for all stakeholders.

The report reflects our sustained commitment to improving environmental performance, uplifting local communities, enhancing wellbeing, and ensuring robust governance practices. Through this report, we aim to share our key initiatives and achievements that demonstrate our deep-rooted commitment to building a more sustainable and resilient future.

Reporting Period GRI 2-3

Financial Year 2024-25
(1st April 2024 - 31st March 2025)

Reporting Boundary GRI 2-2

The report covers the manufacturing units of

- Chemplast Sanmar Limited (CSL), - Mettur, Karaikal, Berigai, Vedaranyam, and Cuddalore (Paste PVC Division)*
- Chemplast Cuddalore Vinyls Limited (CCVL) – Cuddalore (Suspension PVC Division).

*This year, the Cuddalore Paste PVC Division is a newly added facility.

Reporting Standards

This report is prepared in accordance with Global Reporting Initiative (GRI) Standards. It is aligned with United Nations Global Compact (UNGC) and Sustainable Development Goals (SDGs)

Alignment with Financial Report

The scope and boundary of the report are not the same as the Annual Report for FY 2024-25. The reporting boundary covers the operations of Chemplast Sanmar Limited (CSL) at Mettur, Karaikal, Berigai, Cuddalore and Vedaranyam and Chemplast Cuddalore Vinyls Limited (CCVL) at Cuddalore, unless stated otherwise.

Re-Statements of Information

GRI 2-4

There are no restatements of information for the report.

Authenticity of the Report

GRI 2-14

This report has been presented to the Board of Directors and the senior management. The Sustainability Report receives approval from both the Group's Chairman and the senior management of the Company.

Independent Assurance

GRI 2-5

The data in this report has been collected from our manufacturing sites and audited by Ernst & Young Associates LLP, the independent external assurance provider.

Forward-Looking Statement

This Report includes forward-looking statements regarding anticipated future events that may have a bearing on the Company's operations. These statements are inherently based on certain assumptions and are subject to inherent risks and uncertainties. Readers are advised to exercise caution when interpreting such assumptions and projections, as they may not materialise as expected. Actual results and future developments may vary significantly from those indicated in the forward-looking statements. The Company does not undertake any obligation to revise or update these statements following the publication of this document.

Contact Point

GRI 2-3

For any feedback regarding this report, please reach out to:

Mr. Ramkumar Shankar
Managing Director
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Executive-level position with responsibility for sustainability

Mr. G. Sankara Subramanian,
President

Mr R. Sathish Kumar,
General Manager - Environment

GRI 2-22

FROM THE CHAIRMAN'S DESK

"Our partnership with a green energy provider is a bold & decisive step in our transition to clean energy – leveraging solar and wind power to drive meaningful change. This initiative will reduce carbon footprint, fortify energy security, and unlock greater cost efficiency, echoing our unwavering 'Commitment to Impact: Advancing Sustainability Goals'."

Vijay Sankar
Chairman,
Chemplast Sanmar Limited

Dear Stakeholders,

I am delighted to address you through the 17th Sustainability Report of Chemplast Sanmar Limited (Chemplast).

The world looks at sustainability differently today. From being a corporate objective, it has grown in importance to become an imperative to build enduring businesses. Environmental, Social & Governance (ESG) goals are pursued with vigour, as impact on the environment occupies consumer mind space and fans the moral obligation to preserve the planet for generations next.

Chemplast Sanmar has been a forerunner in this regard, having institutionalised sustainable practices way ahead of time. Conceived and continuously improved upon by our late Chairman, N Sankar, our sustainability mission is not a parallel track to business. It is a commitment critical to the future of the company.

Over the years, we have added several facets to the mission as new goalposts emerged to cover every aspect of ESG. Our efforts that led to the Zero Liquid Discharge (ZLD) milestone, desalination plants, rainwater harvesting, and reduced freshwater consumption year on year reflect how deeply we care about water. With clean energy transition and a raft of efforts to reduce consumption, we are realising a lasting solution to the question of energy required for operations.

By accelerating hazardous waste recycling and prioritising worker safety, we are staying true to our commitment to mitigate environmental impact and ensure a zero-harm workplace. With our community development programs, we have widened the circle of positive impact across the regions we operate in. By strengthening corporate governance & reporting mechanisms, we have fortified the sustainability roadmap.

Over the years, our pioneering work in advancing ESG goals has earned us the right to use the Responsible Care logo and merited a long line of sustainability reports in line with global standards.

Key Achievements & Investments

I would like to highlight some of the significant milestones achieved over the last year:

- **Green power:** We have signed up with a green energy provider to add **112.8 MW of renewable power capacity** (92.8 MW solar and 20 MW wind power). We continue to make investments in R&D to develop bio-alternatives that will meet emerging fuel demands.
- **Digital ESG:** Rapid progress in digitising our ESG data, collating high-quality data across facilities to drive analytics and advance Sustainability reporting, with third-party assurance of the data.
- **Water conservation:** Elimination of freshwater reliance at our coastal sites through desalination. With ZLD achieved across all facilities, we lead the charge on wastewater treatment. We have improved water recycling to **12.6 lakh KL** this year and harvested over **60,000 KL** of rainwater.
- **Responsible sourcing, reusability-first:** Protocols have been established for responsible sourcing, with open channels of communication across suppliers, customers & communities. Our internal 5S systems maximise resource reuse.
- **Standards-driven procurement:** Adhering to ISO 14001 environmental management standards, we constantly seek ways to enhance our contribution to the environment. Our procurement practices exclude materials that can adversely impact the environment.
- **Empowering Communities:** Focusing on healthcare, education, child nutrition, and environmental preservation, our community work touched **1.73 lakh beneficiaries** last year.

Our efforts have been recognised by leading institutions. In the reporting period, Chemplast Sanmar won the Confederation of Indian Industry's (CII) Industry Trendsetters award under the Sustainability category. Earlier, the company won the 'Sustainability Award for Carbon Reduction' presented by a global innovator and key customer of the Custom Manufactured Chemicals Division (CMCD).

We have benchmarked our safety management systems against ISO 45001, the international standard for occupational health and safety. In line with our commitment to a zero-harm workplace, our manufacturing plants have been recognised with the British Safety Council's 5-star rating. Several of our units have been awarded the Sword of Honour (given only to the crème-de-la-crème of the 5-star rated plants globally) by the British Safety Council since 2020.

On local community development, we undertake an inclusive, consultative approach involving all stakeholders. Our programs must aid—not duplicate—efforts by governments. It is in this direction that Chemplast channelled its efforts in developing infrastructure in Government hospitals, primary health centres, schools & Anganwadis. Centered around our facilities at Mettur, Cuddalore, Karaikal, and Berigai (near Hosur), projects included health services, providing access to clean water and sanitation facilities, skill training and livelihood for women, and livestock care.

Our efforts continue to have an overwhelming impact, mainly due to the support of every stakeholder in the ecosystem. For this unstinted support, Chemplast is grateful to all employees, suppliers, customers, value chain partners, shareholders, investors, regulators, and governments.

We look back with satisfaction on the efforts we have taken towards sustainability. We look forward with renewed energy and commitment, as we seek to play our role in the sustainable development of the communities we operate in.

Thank you.

Vijay Sankar
Chairman,
Chemplast Sanmar Limited

CHEMPLAST SANMAR LIMITED AT A GLANCE

GRI 2-1

Chemplast Sanmar Limited is a leading chemical manufacturing company in India, with corporate headquarters in Chennai, Tamil Nadu. Established in 1967, the company is publicly listed and serves as the flagship entity of The Sanmar Group, one of Chennai's oldest and most respected business conglomerates.

Chemplast Sanmar Limited is India's largest producer of speciality Paste PVC resin, with ~66% market share and 83% share in domestic production capacity following the recent expansion at its Cuddalore facility. The company's Custom Manufactured Chemicals Division (CMCD) serves global innovators in the agrochemical, pharmaceutical, and fine chemical sectors. The CMCD operates under the One Product–One Customer model, with advanced chemistry capabilities and long-standing client partnerships.

GRI 2-6

In addition to speciality chemicals, Chemplast manufactures a wide range of value-added chemicals, including caustic soda, chloromethanes, hydrogen peroxide, refrigerant gases, and industrial salt. It is a pioneer in backward integration, with in-house production of key intermediates like EDC and VCM, enabling flexibility, efficiency, and reduced supply-chain dependency.

The company has established five highly integrated manufacturing facilities located at Mettur, Cuddalore, Karaikal, Vedaranyam, and Berigai.

It holds the distinction of being the first chemical manufacturer to achieve 100% Zero Liquid Discharge (ZLD) across all plants, a significant milestone accomplished in September 2009. Captive power plants at the Mettur and Karaikal facilities play a key role in ensuring consistent operational efficiency and reliability. Desalination plants at our Karaikal and Cuddalore facilities help avoid dependence on groundwater, resulting in annual savings of approximately 10.11 lakh kilolitres. Additionally, the company proactively conducts "Environmental Surveillance" through an MoEF-accredited agency on an annual basis to monitor the presence of raw materials or finished goods in the groundwater, air, and soil within a 5-kilometre radius of all four manufacturing locations. A strong focus on sustainability, process safety, and environmental stewardship is core to its operations, earning numerous recognitions, notably the British Safety Council's "Sword of Honour".

Guided by the Sanmar Group's philosophy of responsible value creation, Chemplast places customer satisfaction, quality assurance, and product stewardship at the heart of its business strategy, while continuing to invest in high-return, sustainable growth areas.

"Decades of trusted Chemistry, Shaping industries with Excellence"

From Blueprint to Breakthrough

VISION

Combining integrity with excellence to ensure prosperity to all stakeholders on a continuous basis

STANDARDS AT CSL & CCVL

- Enhance stakeholder value
- Follow fair business practices
- Foster Sanmar culture

GUIDING PRINCIPLES

Shareholders: Increase shareholder value by focusing on optimal usage of resources.

Customers: Pursue professional excellence to meet and exceed customer expectations.

Employees: Enhance skills, and provide opportunities for growth and a safe work environment.

Society: Uphold good corporate citizenship and act as a responsible community member.

Work Ethics: Maintain intellectual honesty in all actions and continuously monitor the Company's ethical standards.

From Inception to Innovation

1962

Incorporation of erstwhile Chemicals and Plastics India Ltd.

1967

The Mettur facility commenced production of PVC resin.

1997

PVC resin manufacturing capacity expanded to 60,000 MTPA.

2003

The Company acquired the Karaikal Caustic Soda facility from Kothari Petrochemicals.

2007

A Marine Terminal and an EDC Plant were inaugurated at Karaikal.

2009

The greenfield Suspension PVC facility was established at Cuddalore.

2013

Capacity expansion of the Speciality Paste PVC facility at Mettur to 66,000 MTPA and the Suspension PVC facility at Cuddalore to 3,00,000 MTPA.

2019

The Company inaugurated the Hydrogen Peroxide plant at Mettur; demerged Suspension PVC operations at Cuddalore; and merged Sanmar Speciality Chemicals Limited with the Company.

2021

Movement of CCVL as a wholly owned subsidiary of the Company, with its listing on Indian Stock Exchanges post IPO.

2022

Suspension PVC facility capacity grew to 3,31,000 MTPA through strategic debottlenecking.

2023

Phase 1 of the new multi-purpose block in the Custom Manufactured Chemicals Division was inaugurated.

2024

The new Paste PVC facility at Cuddalore, with a capacity of 41,000 MTPA, was commissioned.

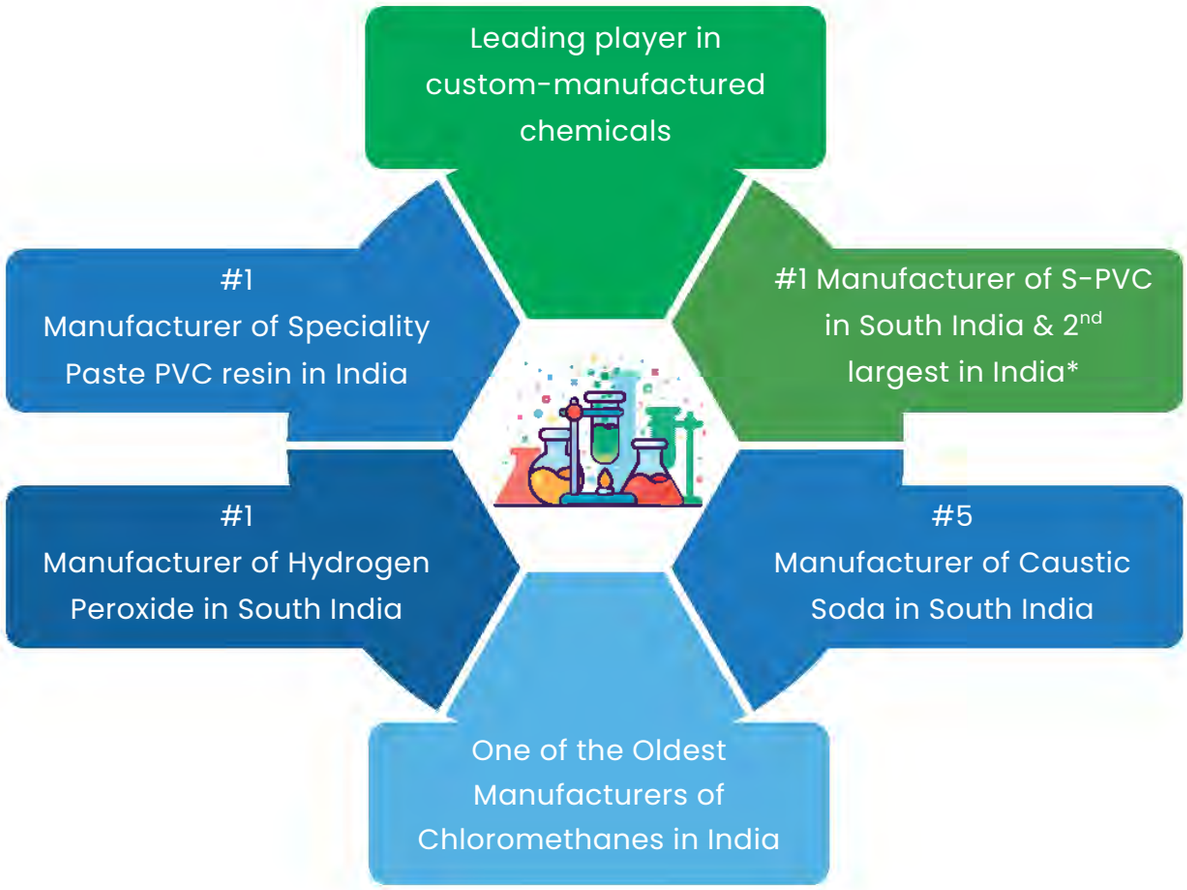
Phase 2 of the new multi-purpose block in the Custom Manufactured Chemicals Division was commissioned.

Product Offerings and Market Leadership

GRI 2-6

At the core of our operations lies the commitment to responsible manufacturing and customer-centric innovation. Our diverse product portfolio is designed to cater to multiple industries, with a strong focus on sustainability and social value creation. With integrated manufacturing units in Tamil Nadu and the Union Territory of Puducherry, we adopt a closed-loop manufacturing approach and eco-conscious practices. As a pioneer in speciality chemicals, we consistently strive to enhance product quality, operational efficiency, and workplace safety. We actively engage with our customers through regular feedback mechanisms, including an annual satisfaction survey to align our offerings with their evolving needs.

"Heritage of Trust, Legacy of Innovation, Future of Excellence"



*S-PVC - Suspension PVC; Through its wholly owned subsidiary, Chemplast Cuddalore Vinyls Limited ('CCVL')

Value Chain of CSL and CCVL

Raw Materials:

- Salt
- EDC
- Hydrogen
- Sodium Cyanide
- Methanol
- D-Serine
- Chloroform
- Ethylene
- Vinyl Chloride
- Vanillin
- Hydrofluoric Acid
- Potassium Methoxide

Process Chemistry:

- Electrolysis
- Thermal Cracking
- Auto Oxidation
- Chlorination
- Hydro Chlorination
- Cyanation
- Hydrogenation
- Dehydrohalogenation
- Suspension polymerisation
- Oxidation
- Micro Suspension polymerisation
- Fractional Crystallisation
- Distillation

Outputs:

- Speciality Paste PVC
- Suspension PVC
- Chloromethanes
- Refrigerant Gas
- Hydrogen Peroxide
- Caustic Soda
- Ethylene Dichloride
- AE Phenol[1]
- Industrial Salt
- COX[2]
- Sulfonamide
- MPIB[3]
- TR1600[4]
- Ionophore
- CHQ[5]
- T4C[6]
- PGC[7]

Manufactured at our plants located at 5 sites – Mettur, Berigai, Cuddalore, Karaikal, Vedaranyam

End use products:

- Dyes and Intermediates
- Water Treatment
- Pharmaceuticals
- Synthetic Leather
- Detergents
- PVC Pipes
- Paper and Pulp
- Refrigerant Units
- Agro Chemicals
- Textiles
- Aluminium Industry
- Cables and Window profiles

1: 4-(2- AMINOETHYL)-2- METHOXYPHENOL
2: (4R)- 2- OXOOXAZOLIDINE -4- CARBOXYLIC ACID
3: Methyl-2 phenoxy Isobutyrate
4: 2-AMINO-2-PHENYLBUTYRIC ACID SODIUM SALT
5: 5- CHLORO-8-HYDROXY QUINOLINE
6: 3-[1,3,3- TRIS-(2-CARBOXY-ETHYL)-2- OXO-CYCLOHEXYL]- PROPIONIC ACID)
7: PHENYLGUANIDINE CARBONATE

We maintain a well-integrated supply chain that ensures the seamless movement of raw materials, products, and services. Our manufacturing units are strategically located to optimise the use of raw materials and by-products, fostering internal synergy and reducing dependence on external sources. This integrated approach enhances operational efficiency, minimises environmental risks, and promotes circularity within processes.

Our Marine Terminal Facilities (MTF) at Cuddalore and Karaikal serve as entry points for critical raw materials like Vinyl Chloride Monomer (VCM) and Ethylene, essential for the direct chlorination process. These feedstocks are routed to our PVC facility at Cuddalore and EDC plant at Karaikal, respectively.

VCM requirements at our Mettur plant are fulfilled either through imported EDC or locally manufactured EDC from the Karaikal Plant, which is then used for PVC resin production.

Methanol, used in the manufacture of Chloromethanes at Mettur, is imported via the Kochi port and transported to the Mettur facility. Our Vedaranyam salt Pan facility supplies the salt for caustic soda and chlorine production at Mettur and Karaikal plants. In the Refrigerant Gas R-22 production at Mettur, we use Anhydrous Hydrogen Fluoride (HF), sourced domestically, and Chloroform, manufactured in-house at our Chloromethanes unit. To ensure energy reliability, our captive power plant at Mettur is fuelled by low-ash, low-sulphur coal. This coal is delivered via ships to the Karaikal port and then transported inland using dedicated rail wagons.

Custom Manufactured Chemicals Division (CMCD)

Our Custom Manufactured Chemicals Division (CMCD) continues to play an important role in the agrochemical, pharmaceutical, and fine chemical industries. With a total annual capacity of 4,500 metric tonnes per annum (MTPA), CMCD has significantly expanded operations and capabilities to meet the growing demand for high-performance, high-purity chemical solutions, specialising in the manufacture of starting materials, advanced intermediates, and active ingredients. The facility is equipped with state-of-the-art R&D laboratories, pilot plants, and fully integrated manufacturing blocks.

Speciality Paste PVC resin:

At our Mettur facility in Tamil Nadu, where operations began in May 1967, we have developed deep manufacturing expertise with a consistent focus on producing high-quality Speciality Paste PVC resin. We are one of only two companies in India manufacturing this specialised grade of PVC resin. Chemplast holds a leading position in the Indian market, with an annual capacity of 1,07,000 MTPA, accounting for approximately 83% of the domestic production capacity and 66% of market share. Speciality Paste PVC resin plays a vital role in a range of applications, including footwear, automotive, furniture upholstery, artificial leather products, and floor mats.

Caustic Soda

Chemplast continues to maintain its position among South India's top producers of Caustic Soda, with a total installed capacity of 1,19,000 MTPA across its Karaikal and Mettur facilities. It finds extensive application in industries such as paper and pulp, textiles, alumina refining, water treatment, and the manufacture of both organic and inorganic chemicals. With its wide-ranging use and our robust production capabilities, Caustic Soda remains a core part of our diversified chemical portfolio.

Hydrogen Peroxide

Chemplast is the largest manufacturer of Hydrogen Peroxide in South India, with an installed capacity of 34,000 MTPA at its Mettur facility. It plays a key role in pulp and paper bleaching, textile processing, chemical synthesis, sterilisation, and effluent treatment.

Chloromethanes

We are among the earliest manufacturers of Chloromethanes in India, with a robust annual production capacity of 35,000 MTPA. Chloromethanes, a crucial group of solvents, include Methyl Chloride, Methylene Dichloride (MDC), Chloroform, and Carbon Tetrachloride (CTC). These solvents play a vital role across multiple industries, particularly in pharmaceutical synthesis, agrochemical formulations, and the production of refrigerant gases such as Hydrofluoroolefins (HFOs).

Over decades of experience, advanced technology, and stringent quality controls, our company continues to meet the evolving demands of domestic and international markets while adhering to environmental and safety standards.

Suspension PVC

Chemplast Cuddalore Vinyls Limited (CCVL), a wholly owned subsidiary of Chemplast Sanmar Limited, has established itself as the dominant force in South India's Suspension PVC manufacturing sector. With an annual manufacturing capacity of 3,31,000 MTPA, CCVL ranks as the second-largest Suspension PVC producer in India, maintaining its position as the largest manufacturer in South India.

Achievements and Industry Accolades

Chemplast Sanmar received the esteemed 'CII Industry Trendsetters Award under Sustainability Category' at the CII Tamil Nadu State Annual Meeting 2024-25 held on March 14, 2025.

CII Water Award for Excellence - 2023 for CCVL, Cuddalore

ICC-EVONIK Award for Excellence in Environmental Management - 2023 for Mettur

Sustainability Award - 2023 for Carbon Reduction at Berigai

"Our Dedication to quality, innovation and Sustainability"

Other Recognitions

- CMCD Berigai and Mettur Plant-2 & Plant-3 received the "Occupational Health, Safety & Environment Award 2023" from the National Safety Council, Tamil Nadu.
- CMCD Berigai near Hosur received the highest award as "AWARD OF HONOUR".
- "ICC-EPSILON CARBON" Certificate of Merit for Best Compliant Company for the Codes under Responsible Care Distribution - Chemplast Sanmar Limited.
- The company's management system was found to be in accordance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018.
- Chemplast's plants at Mettur & Karaikal, and the CCVL plant at Cuddalore, received the top 'FIVE STAR' rating from the British Safety Council after an audit on the implementation of the latest Occupational Health and Safety specifications.

Sword of Honor British Safety Council 2024 Mettur Plant-3

Sword of Honor British Safety Council 2023 Mettur Plant-1, Plant-4, & Karaikal

Sword of Honor British Safety Council 2021 Mettur Plant-2

Sword of Honor British Safety Council 2020 Cuddalore

Partnerships and Industry Affiliations

GRI 2-28

At Chemplast, we firmly believe that advancing sustainability and responsible business practices requires collective effort. We engage with leading industry associations to co-create the future of the chemical sector. These collaborations provide valuable platforms for knowledge exchange, advocacy of progressive ESG standards, and alignment with evolving global trends and regulatory developments. Through our participation, we continue to enhance capabilities, share insights, and contribute meaningfully to the sector's sustainable and inclusive growth.

Indian Chemical Council

Chemical Industries Association

Madras Chamber of Commerce and Industry

National Safety Council of India

Alkali Manufacturers Association of India

Madras Management Association

Federation of Indian Chambers of Commerce and Industry (FICCI)

Confederation of Indian Industry (CII)

ASSOCHAM India

Association of Chloromethane Manufacturers

Refrigerant Gas Manufacturers' Association

Employers' Federation of India

Indo-Japan Chamber of Commerce and Industry

Industrial Waste Management Association

Indo-American Chamber of Commerce

Case Study: Accelerating ESG Impact Through Digitisation

At Chemplast, as part of our journey towards enhanced transparency, accountability, and efficiency, we have taken a significant step in ESG data governance by adopting a fully digitised approach to ESG data management during the current reporting year.

Chemplast digitised its ESG data across all plant locations, including Mettur, Berigai, Cuddalore, Karaikal, and Vedaranyam, by consolidating data capture, validation, and backup documentation on a unified digital ESG portal. This transition marks a major shift from conventional, spreadsheet-based processes to a streamlined, secure, and centralised system that ensures consistency, accuracy, and traceability of data.

"Through ESG digitisation, we are not just adopting best practices, We are defining them and setting new benchmarks in governance."

This digital transformation, driven by an AI/ML-empowered SaaS (Software as a Service) platform, has significantly enhanced Chemplast's ability to monitor and manage ESG performance. The integration of Artificial Intelligence (AI) and Machine Learning (ML) enables real-time insights, automated data analysis, and improves the accuracy of reporting, strengthening strategic decision-making and compliance.

The platform offers dynamic month-on-month dashboards for real-time visualisation of ESG metrics across operations. The ESG data assurance was conducted via the SaaS Platform itself, ensuring a transparent, secure, and audit-ready system. This independent assurance covers digital trail and assurance of key KPIs across environmental, social, and governance dimensions, further strengthening the credibility and integrity of our sustainability reporting. Overall, the digitisation of ESG data reinforces our commitment to sustainability and transparent digital governance, improving reporting accuracy and efficiency.

Key Highlights of Digital Governance

- Single tech-driven platform for seamless data collection and monitoring across 5 locations (11 plants)
- API based data integration
- Real-time dashboards (at Organisation level & Unit Level) for Management Review
- Transparent and Auditable trail of the repository for data shared
- Automated Data Capture using Optical Character Recognition (OCR)
- Automated process of emission calculation and real-time outputs
- Linkages of BRSR, GRI Frameworks to avoid multiple entries of the same data
- System of Alerts and Notifications
- Simplified calculation engine for multiple assets and large datasets
- In-built query management
- Monitoring energy consumption and CO2 emissions across
- Maker-Checker-Approver workflow
- Centralised ESG Data Repository

KEY ESG PERFORMANCE HIGHLIGHTS

24,412 GJ
Renewable Energy Consumed

126 Acres
Greenbelt Covered

4,37,519 MTCO2e
Emission Avoided

20,629 MT
Waste Reused

61.70 MLD
Rain Water Harvested

12,66,808 KL
Water Recycled

~1,00,000
Trees Planted and Maintained

1,189 MT
Hazardous Waste Recycled

93
Local Communities Program

86,728 Hours
Total Training Hours

100%
New Suppliers were Screened using Social Criteria

0
Complaints against Anti-bribery Policy

0
Complaints for Customer Data Privacy

14% Board Diversity CSL Entity
33% Board Diversity CCVL Entity

50%
Independent Director

0
Legal Action Against Marketing Communication

100%
Employee and Worker Covered under OHS

29.5 Hours
Average Training Provided to Employee per Year

STAKEHOLDER ENGAGEMENT & INCLUSIVITY

GRI 2-29

At Chemplast, we are committed to fostering inclusive and transparent engagement with stakeholders. We see it as vital to sustainable growth and responsible business practices. Our approach is rooted in accountability and inclusivity, ensuring that stakeholder perspectives are not only heard but also valued and integrated into our strategies and operations.

We engage actively with a diverse range of stakeholders—including employees, customers, suppliers, investors, regulatory bodies, local communities, and civil society organisations—to gain insight into their expectations, concerns, and views regarding our ESG performance. This continuous dialogue enables us to identify key issues, anticipate emerging trends, and develop solutions that create shared value.

Key Stakeholders

Employees & Workers

Customers

Regulatory Authorities

Local Bodies/Associations

Local Communities

Investors

Suppliers

Transporters

Stakeholder Engagement Framework

Step 1: Stakeholder Identification & Prioritisation
Identify stakeholders based on their level of influence on the company's decisions, operations, or outcomes- both directly and indirectly.

Step 2: Development of Engagement Plan
Create a stakeholder engagement plan outlining objectives, methods, communication channels, and timelines for effective interaction.

Step 3: Stakeholder Dialogue and Insight Gathering
Engage stakeholders through meaningful dialogue to share information, understand concerns, and gather insights on key issues.

Step 4: Action Planning and Resolution
Formulate and implement a clear, transparent action plan to address stakeholder concerns with a strong focus on stakeholder satisfaction.

Stakeholders Group	Engagement Rationale	Mode of Engagement
Employees & Workers	• Skill development and training • Health, safety, and wellbeing • Diversity and Inclusion	• Regular team meetings • Periodic employee surveys • Mock drills • Rewards and Recognition
Customers	• Quality control and testing • Sustainable and responsible practice	• Multi-channel communication platforms (e.g. email, phone, online platforms) • Company Website • Customer Feedback Survey • Annual strategic business reviews with key customers • Customer site visits
Regulatory Authorities	• Chemical product safety and labelling • Emergency preparedness and response • Proactive monitoring practices • Compliance with environmental regulations/ stipulated conditions	• Meetings and discussions • Routine facility inspections
Local Bodies/ Associations	• Environmental impact mitigation • Community development programmes • Transparency and ethics	• Industry associations or trade groups • Periodic meetings • Event participation
Local Communities	• Community wellbeing and development • Education and awareness • Livelihood Support • Clean water • Health and safety	• Community outreach programmes • Community surveys • Collaborative partnerships with local communities • Grievance and Redressal mechanisms
Investors	• Financial performance • Risk management • Corporate governance • ESG performance	• Periodic investor presentations • Annual General Meetings • Investor newsletters • Quarterly publication – Matrix • Annual Reports and Sustainability Reports
Suppliers	• Regulatory compliance • Supplier code of conduct • Supply chain management • Risk mitigation • Health and safety	• Supplier surveys and reviews • Supplier development programmes • Supplier Contract review meetings
Transporters	• Training and development of transport crew • Hazardous material handling and transportation system/ practices • Monitoring transportation through GPS • Safety and compliance	• Training programmes • Quarterly site visits • Incident reporting • On-site visits

Structured Approach to Grievance Handling

GRI 2-25 GRI 2-26

At Chemplast, we employ a systematic approach to grievance redressal, aimed at promptly and sensitively addressing the concerns of customers, employees, suppliers, community members, and shareholders. Every grievance is taken seriously and thoroughly monitored until it is resolved.

We have set up clear channels and defined processes for receiving, assessing, and resolving grievances from all stakeholder groups. Our commitment to enhancing these mechanisms is ongoing, as we incorporate relevant feedback to ensure our systems remain transparent, responsive, and effective.

Customers

Customers are encouraged to report concerns regarding product quality or dispatches by reaching out directly to the marketing team or through dealers and affiliated agents. Each complaint should include pertinent details, such as batch numbers and invoice references. Complaints are treated with the highest priority.

Issues related to product quality are promptly escalated to the Quality Control (QC) team at the plant, while dispatch concerns are directed to the logistics team. Depending on the severity of the issue, QC team members conduct site visits for further investigation. Corrective actions are determined either on-site or following laboratory analysis of material samples, ensuring a comprehensive and responsive resolution process.

Value Chain Partners and Communities

We actively collaborate with suppliers, contractors, and local communities to ensure that concerns are addressed. Grievances can be submitted via email at grd@sanmargroup.com or directly to the plant or function heads. Each concern is promptly acknowledged and resolved within specified timeframes. Unresolved or escalated issues are reviewed by senior management to ensure fair and timely action. Additionally, we regularly collect feedback to enhance our grievance redressal practices, making them inclusive and effective.

Employees and Workers

Employees and workers can voice their concerns by reaching out to the Head of Human Resources or the Plant Head. Concerns can be submitted via email or through designated suggestion boxes located throughout the facility. Our Whistleblower Policy provides a secure and confidential means to report ethical violations, misconduct, and irregularities, ensuring protection from retaliation.

Furthermore, regular sensitisation and awareness initiatives promote a culture of openness and accountability at all levels.

Shareholders and Investors

A clear mechanism has been established to address concerns from shareholders and investors regarding their shareholdings. Complaints can be submitted to the Registrar and Transfer (R&T) agents or the Company's secretarial team for timely resolution. If grievances are not resolved within the designated timeframe, the Stakeholder Relationship Committee takes charge of reviewing and addressing these issues, ensuring transparency and accountability in investor relations.

MATERIALITY ASSESSMENT: DEFINING KEY ESG PRIORITIES

GRI 3-1

At Chemplast, we prioritise proactive engagement with stakeholders and address key issues impacting the business and those associated with it. We believe that meaningful advancements to sustainability stem from understanding and aligning with the priorities of everyone affected by our operations. Our strategy is grounded in a thorough materiality assessment process, guided by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), ensuring our practices align with global standards.

To facilitate this process, we held a materiality workshop that brought together representatives from various departments and functions within our organisation. During the session, we utilised an interactive tool to gather real-time feedback, fostering dynamic discussions and resulting in a more inclusive, data-driven outcome.

Materiality Assessment Process

The materiality assessment process follows a structured five-step approach. The process began with a sectoral analysis to understand the industry landscape and benchmark best practices, followed by the identification of relevant ESG topics using peer insights and established frameworks. These topics were assessed for their impact and prioritised with insights from the leadership team. A materiality survey with key stakeholders was then conducted to map the relevance of each topic, leading to the creation of a prioritised materiality matrix for Chemplast.

1. Sectoral Analysis

- Understanding the organisation's Sectoral context
- Chemical sector peer Identification (No GRI sector standard published yet)
- Peer benchmarking for mapping sectoral best practices

3. Impact Evolution and Prioritisation

- Assess the significance of the impacts of the material topics chosen in the Materiality workshop & peer analysis by Leadership and Top management
- Prioritisation of the most significant impacts for reporting. Finalisation of the most significant material topics for Chemplast

5. Materiality Matrix

- Development of prioritised materiality for Chemplast

2. Material Topic Identification

- Indicative topics Identification based on peers, ESG frameworks & ESG rating platforms
- Consolidation of exhaustive list of Indicative topics for Chemplast

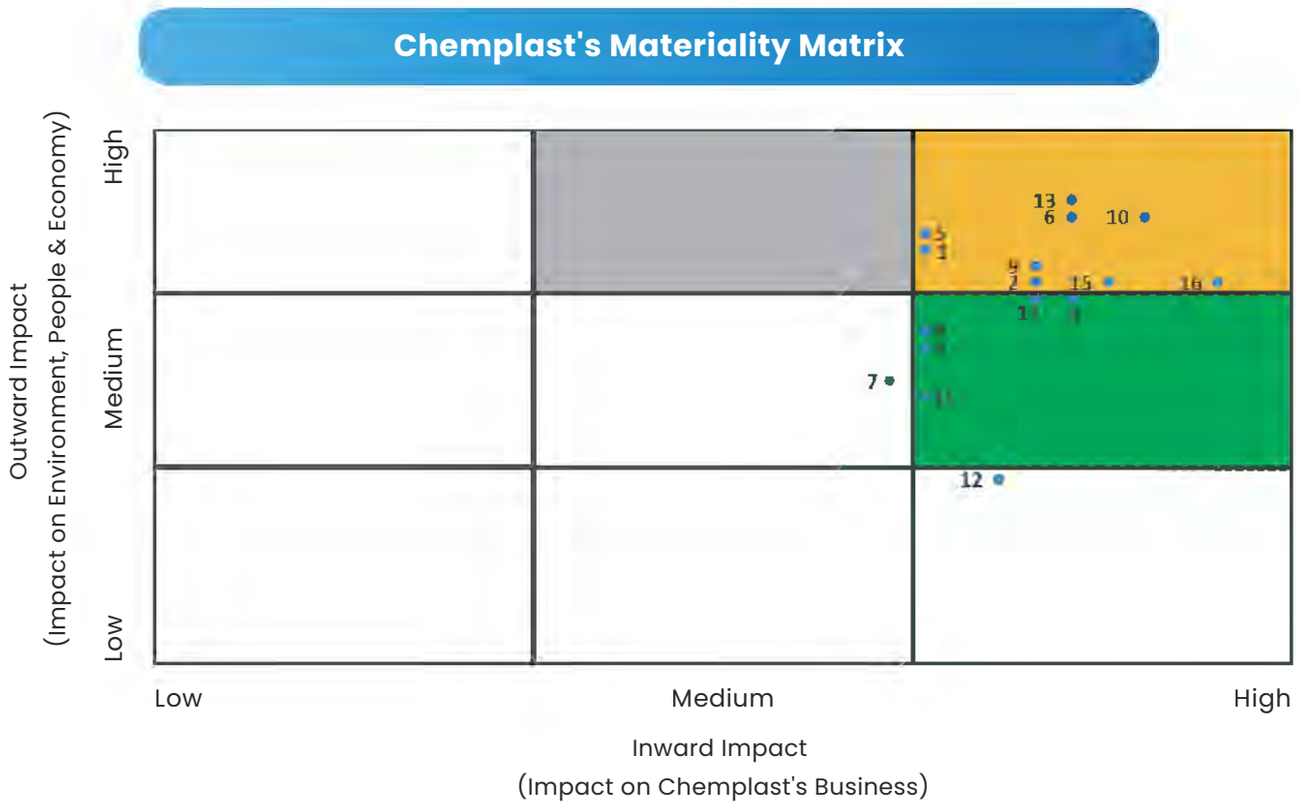
4. Materiality Survey

- Materiality Workshop
- Introduction to ESG frameworks and key outcomes of sectoral peer analysis
- In interaction with key stakeholders through a survey, mapping the impact potential of the topics
- Prioritise material topics for Chemplast

Materiality Matrix

A dedicated Materiality Workshop involving internal and external stakeholders was conducted to identify and prioritise key ESG topics. The outcome of this workshop was a materiality matrix reflecting Chemplast's most significant impact and stakeholder concerns. The matrix is based on the rating of material topics by respondents who took a questionnaire.

"Reflecting our focus on Environmental Stewardship, Social Responsibility, and Robust Governance"



S. No.	Material Topics
1	Emissions
2	Energy Management
3	Safety and Environmental Stewardship of Chemicals
4	Sustainable Supply Chain
5	Waste Management
6	Water Management
7	Materials
8	Employee Wellbeing

S. No.	Material Topics
9	Local Communities
10	Occupational Health and Safety
11	Product Responsibility
12	Business Ethics
13	Economic Performance
14	Marketing Communications
15	Operational Safety, Emergency Preparedness and Response
16	Regulatory Compliance

	High Inward & Outward Impact
	Medium Inward Impact & High Outward Impact
	High Inward Impact & Medium Outward Impact

Environment

High

- Emissions
- Energy Management
- Waste Management
- Water Management

Medium

- Safety and environmental stewardship of Chemicals management
- Sustainable Supply Chain

Low

- Materials

Social

High

- Local Communities
- Occupational Health and Safety

Medium

- Employee Wellbeing
- Product Responsibility

Governance

High

- Economic Performance
- Operational Safety, Emergency Preparedness and Response
- Regulatory Compliance

Medium

- Marketing Communications

Low

- Business Ethics

GRI 3-2 GRI 3-3

Material Topics: Rationale, Management Approach, and SDG Linkages

Material Topic	Why It Matters	Management Approach	SDG Linkages
Emissions	Chemical manufacturing process generates direct (Scope 1) greenhouse gas (GHG) emissions through the combustion of fossil fuels, fugitive emissions, emissions from company-owned vehicles, and process-related emissions from the chemical transformation of feedstock. Additionally, it contributes to indirect (Scope 2) emissions via the consumption of purchased electricity and (Scope 3) emissions from transport and distribution of raw materials and finished products. Air emissions from these operations also represent a significant concern.	• Transition to cleaner fuels such as hydrogen and natural gas. • Move towards renewable energy sources by purchasing Renewable Energy Certificates (RECs). • Utilise solar, wind, and IEX Green power. • Implement online monitoring of SOx, NOx, and PM emissions to keep levels significantly below regulatory limits. • Leak Detection and Repair (LDAR) program to monitor fugitive emissions.	
Energy Management	Chemical manufacturing is generally energy-intensive, as energy is required to operate processing units, cogeneration plants, machinery, and non-manufacturing facilities. The type of energy utilised, volume of consumption, and energy management strategies vary based on the products being manufactured. The choice of energy sourcing has a direct effect on operational efficiency and long-term risk profile.	• Implement energy-efficient technologies and practices. • Retrofit existing equipment to enhance energy performance. • Engage in industry associations and energy forums for knowledge sharing. • Establish internal energy reduction targets and track performance. • Conduct energy audits to identify opportunities for reduction.	
Safety & Environmental Stewardship of Chemicals	Product safety and stewardship are paramount concerns for the chemical industry. The potential impact of chemicals on human health and the environment during the use phase can affect product demand and increase regulatory risks, ultimately influencing revenues and leading to higher operating expenses, compliance costs, and the need for mitigation strategies.	• All our chemical plants adhere to the international codes of 'Responsible Care.' • We maintain a legally compliant Occupational Health and Safety (OHS) system. • Emphasis on innovative product impact management to minimise regulatory risk. • This approach supports market growth, enhances competitive advantage, and boosts brand value. • An emergency preparedness plan is established in accordance with hazardous chemical regulations.	
Sustainable Supply Chain	The effectiveness of an organisation is largely contingent on supply chains. For a chemical company, this entails direct procurement across various networks related to chemicals, water, and energy.	• A Supplier Assessment Questionnaire is implemented for due diligence. • Evaluations are conducted prior to onboarding suppliers. • Emphasis is placed on risk mitigation, quality assurance, and sustainability. • Annual Supplier Meet conducted to strengthen partnerships and align expectation.	
Waste Management	Chemical manufacturing produces hazardous process waste, including heavy metals, spent acids, catalysts, and wastewater treatment sludge. Companies encounter regulatory and operational challenges in waste management, as certain wastes are regulated in terms of their transportation, treatment, storage, and disposal.	• Emphasise the implementation and monitoring of measures to enhance recycling and ensure safe waste disposal. • Committed to minimising waste generation through responsible practices. • Ensure compliance with Extended Producer Responsibility (EPR) regulations. • Submit Forms 3, 4, and 10 as required.	

Water Management	Water is an essential input in chemical production, utilised for cooling, steam generation, and feedstock processing. Long-term trends show increasing scarcity and costs, which are expected to rise further due to overconsumption, limited supply in view of population growth and shifts, pollution, and climate change. This underscores the growing importance of effective water management.	• All plants function as Zero Liquid Discharge (ZLD) units. • Desalination plants have been established at Karaikal and Cuddalore. • Most operations have zero reliance on groundwater, except for Berigai and Karaikal. • Rainwater harvesting has been implemented.	
Materials	Material conservation plays a vital role in protecting the planet and ensuring long-term sustainability. Therefore, reducing dependence on natural resources through responsible sourcing is essential for building a resilient and sustainable chemical manufacturing ecosystem.	• Responsible material sourcing is the top priority. • Suppliers are encouraged to obtain ISO 14000 certification. • Material Safety Data Sheets (MSDS) and environmental impact information are required from suppliers. • Emphasise resource conservation by recycling and reclaiming materials. • Explore opportunities for reusing materials within operations. • We abide by 4R principles and 5S framework for reusing materials. • We recycle process salt, chloroform, chlorine, and hydrogen in our manufacturing plants.	
Employee Wellbeing	Employee wellbeing focuses on enhancing the health of all employees. It goes beyond physical health to include all aspects crucial for helping employees remain healthy and productive individuals. Promoting wellbeing and ensuring healthy lives for all age groups is a central aspect of our commitment.	• Encourage employee growth through ongoing training and development. • Promote health and mental wellbeing through initiatives and awareness campaigns. • Cultivate a safe, inclusive, and supportive work environment.	
Local Communities	Chemical companies play a vital role in driving economic growth in the regions they operate. They create direct and indirect employment, benefiting plant workers and the wider network of suppliers, service providers, and logistics partners. Their operations contribute to skill development, technical training, and long-term career prospects for local communities, improving the overall economic wellbeing of these areas.	• Contribute to infrastructure development through CSR initiatives. • Strengthen community relationships to mitigate operational risks and disruptions. • Improve employee retention by fostering trust within the community. • Conduct regular safety training programs to increase awareness.	
Occupational Health and Safety	Working in the chemical industry entails health and safety risks, including exposure to heavy machinery, hazardous substances, high temperatures, high pressures, and electrical hazards. Therefore, it is essential to address these issues and enhance safety measures.	• The 'SANSAFE' program inculcates and enhances a culture of safety across the organisation. • Foster safety excellence by participating in external award programs. • Promote internal group safety award initiatives. • Conduct regular training and monitor safety compliance across the company.	

Product Responsibility	With continuing resource scarcity and an increase in regulations, there is a need for efficient material use and a reduction in energy consumption and emissions. The chemical industry can enhance customer satisfaction with products that address these challenges.	• Established standard operating procedures (SOPs) for responsible product practices. • Achieved 'Responsible Care' certification for all plants. • Comply with codes for product stewardship and safe distribution. • Adhere to best practices for product handling and logistics.	
Business Ethics	Ethics and integrity are essential for a company's credibility and long-term success. They are guiding principles influencing responsible decision-making and fostering transparent operations. By upholding ethical values, the company not only meets legal and regulatory standards but also builds trust with stakeholders, including customers, investors, employees, regulators, and the broader community.	• Engage in business with steadfast commitment to ethics and integrity. • Implement policies and practices to maintain high ethical standards. • Cultivate a culture of ethical behaviour across organisational levels.	
Economic Performance	Economic performance is a vital component of our business strategy, ensuring the financial health and sustainability of our operations. Additionally, robust financial results enhance our capacity to generate value for stakeholders.	• Invest in forward-looking, sustainable technologies to enhance performance. • Prioritise stakeholder interests by making responsible investments. • Mitigate environmental risks to improve economic results.	
Marketing Communications	Responsible marketing communications are essential for driving business success for customers. With clear information regarding product composition, appropriate usage, and safe disposal methods, we help them accelerate towards their goals through efficient use of our products.	• Promote fair and responsible marketing communications. • Supply customers with comprehensive Material Safety Data Sheets (MSDS) that include guidelines for product handling, storage, and transportation. • Implement robust process safety management practices. • Enhance workforce safety and productivity. • Conduct regular emergency drills and scenario-based training. • Keep emergency response plans and communication protocols up to date. • Ensure the availability of safety equipment and coordinate with local authorities.	
Operational Safety, Emergency Preparedness and Response	Health, safety, and emergency management are key priorities for companies in the chemicals industry. Technical failures, human errors, and external factors like unfavourable weather may result in accidental release of chemical substances at processing facilities, or during storage and transportation. Additionally, the combustible nature of these substances, coupled with high temperatures and pressures present in manufacturing, increases risk of explosions, hazardous spills, and other emergency situations.	• Strong process safety management in place. • Improve workforce safety and productivity. • Conduct periodic emergency drills and scenario-based training. • Maintain updated emergency response plans and communication protocols. • Ensure availability of safety equipment and coordination with local authorities.	
Regulatory Compliance	The chemicals industry is subject to stringent regulations on air emissions, water discharge, chemical safety, and process safety, among other aspects. Proactively anticipating and adapting to regulatory changes in the short and long term is crucial, as these developments greatly influence product demand, manufacturing costs, and brand value.	• Ensure compliance with all relevant regulations through audits and effective management systems. • Implement an Environmental Management System (ISO 14001). • Establish a Health and Safety Management System (ISO 45001). • Align regulatory strategies with sustainability objectives and societal expectations.	

CORPORATE GOVERNANCE & LEADERSHIP

At Chemplast, corporate governance is an integral part of the foundation of responsible business conduct and our value system. Guided by a strong and ethical leadership team, we are committed to creating long-term value for all stakeholders while upholding the highest standards of transparency, accountability, and fairness. Our governance framework is designed to create meaningful impact with integrity while strengthening trust across our operations and value chain.

GRI 2-10

	% of Independent Directors	No. of Board Committees	Average Age of Board Members
CSL	50%	6 Committees	59 Years
CCVL	50%	-	62 Years

Composition of Board of Directors

Particulars	CSL	CCVL
Non-Executive Chairman	1	-
Managing Director	1	1
Non-Executive Director	2	1
Independent Director	4	2

Age Diversity

Particulars	CSL	CCVL
40-60 Years	50%	50%
61 Years & Above	50%	50%

Gender Diversity

GRI 405-1

Particulars	CSL	CCVL
Male	7	3
Female	1	1

Board of Directors and Committees

GRI 2-9

Core Competency of the Board

General Management & Human Resources

Information Technology

Sustainability and Risk Management

Sales and Marketing

Economics and Global Business

Leadership

Corporate Governance

Commercial Acumen

Finance, Including Audit, Accounts and Taxation

Business Strategy & Development

Term of Board Members

At Chemplast, the Managing Director is appointed for a tenure of five years, with eligibility for reappointment upon completion of the term. Non-Executive Non-Independent Directors serve their terms of office as per the provisions of the Companies Act, 2013, subject to retirement by rotation in accordance with statutory provisions. Independent Directors may serve up to two consecutive terms of five years each, in line with regulatory guidelines and governance best practices.

Functional Areas

Finance

Operation

Human Resources

Marketing

Research and Development

Committees of the Board

GRI 2-9

Mandatory Committees

Audit Committee

The Audit Committee oversees the Company's financial reporting process to ensure accuracy and credibility of disclosure. It recommends the appointment and remuneration of auditors, monitors their independence and performance, and reviews financial statements before Board approval. The Committee also scrutinises inter-corporate transactions, related party dealings, internal controls, and risk management systems. It evaluates fund utilisation, approves the CFO's appointment, and ensures the effectiveness of whistleblower mechanisms.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee is responsible for formulating and recommending the Company's CSR Policy in line with legal provisions. It identifies CSR partners and programmes, recommends CSR budget allocation, and oversees the appointment and functioning of the CSR team. The Committee monitors implementation, ensures timely execution of CSR initiatives, and performs any additional duties assigned by the Board to promote CSR efforts.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee is responsible for resolving grievances of shareholders and investors. The Committee ensures timely and effective redressal of complaints and promotes seamless communication between the Company and its security holders.

Committees of the Board

Risk Management Committee

The Risk Management Committee formulates and oversees the Company's risk management policy, identifying key internal and external risks, including ESG and cyber risks. It ensures effective mitigation, monitors implementation, reviews the policy periodically, and keeps the Board informed.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) formulates the criteria for appointment, evaluation, and remuneration of Directors, senior management, and KMPs. It recommends a policy on Board diversity, identifies suitable candidates for leadership roles, evaluates director performance, and oversees remuneration decisions for senior management.

Non-mandatory Committees

Committee of Directors

The Committee of Directors is entrusted with specific operational powers by the Board, including decisions on borrowings, creation of security, executive authorisations, investment in hybrid (wind and solar) power, and property transactions on an arm's length basis. It also oversees and reviews the Company's Business Responsibility and Sustainability Reporting.

Profile of the Board of Chemplast Sanmar Limited

GRI 2-9 GRI 2-11

Mr. Vijay Sankar
Chairman & Non-Executive Director

A Chartered Accountant (CA) and an MBA from the Kellogg School of Management, Mr Vijay Sankar brings extensive expertise in managing diverse businesses. He serves on the Boards of several esteemed companies, including Oriental Hotels Limited, TVS Motor Company Limited, and Transport Corporation of India Limited. Currently, he is the Vice President of the Federation of Indian Chambers of Commerce and Industry (FICCI).

Area of Expertise - Leadership, Business Strategy & Development, Commercial acumen, Finance, Economics & Global Business, Corporate Governance and General Management.

Related Committees

Mr. Ramkumar Shankar
Managing Director

With qualifications as a CA and Cost Accountant, Mr Ramkumar Shankar has held key leadership roles in the industry. He served as the President of the Alkali Manufacturers' Association of India from 2014 to 2016 and actively contributes as a member of the Confederation of Indian Industry's (CII) National Committee on Chemicals and Petrochemicals. Currently, he holds the position of the President at The Madras Chamber of Commerce and Industry.

Area of Expertise - Business Strategy & Development, Commercial acumen, Finance, Sales and Marketing, General Management.

Related Committees

Mr. Vikram Taranath Hosangady
Independent Director*
(w.e.f May 13, 2025)

A qualified CA and Cost Accountant, Mr Vikram brings over 26 years of experience as a strategic advisor to leading Indian and global corporations. He held key leadership roles at KPMG (India and Global) from 2005 to 2022. He is also on the Board of Directors of MRF Limited, Rane (Madras) Limited, Bajaj Electricals Limited, and Indef Manufacturing Limited.

*Mr Vikram Taranath Hosangady was appointed as a Non-Executive and Independent Director by the Board of Directors with effect from May 13, 2025, subject to the approval of the Shareholders of the Company.

Area of Expertise - Finance, Commercial acumen, Business Strategy, Economic Affairs, Corporate Governance, General Management & HR.

Related Committees

Dr. (Mrs.) Lakshmi Vijayakumar
Independent Director

A distinguished medical practitioner, Dr. (Mrs.) Lakshmi holds a Postgraduate Diploma in Psychological Medicine from the University of Madras. She is an Honorary Associate Professor at the University of Melbourne and the founder of SNEHA, a Chennai-based NGO dedicated to mental health and suicide prevention.

Area of Expertise - General Management, Human Resources, and Corporate Governance.

Related Committees

Mr. Aditya Jain
Independent Director

Mr. Aditya holds a Master's degree in Business Administration from Brunel University. He is the Chairman and Editorial Director of International Market Assessment India (IMA). He also serves as a Non-Executive Independent Director on the Board of SAMHI Hotels Limited and holds board positions in other companies.

Area of Expertise - Finance, Business Strategy & Development, General Management & Human Resources, Economic Affairs & Corporate Governance.

Related Committees

Mr. Sanjay Vijay Bhandarkar
Independent Director

Mr. Sanjay, former Managing Director of Rothschild India, holds a Postgraduate Diploma in Management from XLRI, Jamshedpur. He serves as a Director at Tata Consultancy Services, Tata Power, Tata Projects, HDFC AMC, Newage Power, and NIIF Limited.

Area of Expertise - Finance, including audit and taxation, Business Strategy & Development, and Corporate Governance.

Related Committees

Mr. Prasad Raghava Menon
Independent Director

Mr. Prasad is a seasoned industry leader with extensive experience. He is the former CEO of Tata Power and Tata Chemicals, and former Chairman of Tata Vistara. An alumnus of IIT Kharagpur, he currently acts as an Independent Director at Data Patterns India Limited and Neuland Laboratories Limited.

Area of Expertise - Business Strategy & Development and Finance, including taxation, General Management & Human Resources, and Corporate Governance.

Related Committees

Mr. Sumit Maheshwari
Non-Executive Director
(w.e.f May 20, 2024)

Mr. Sumit is a CA with a Postgraduate Programme in Management from the Indian School of Business, Hyderabad. He also holds Bachelor's and Master's degrees in Commerce from the University of Mumbai. Joining Fairbridge Capital in 2011, he has been the Managing Director & CEO since May 2018. With prior experience in audit and accounting advisory at KPMG in India and the UK, he currently sits on the Boards of Thomas Cook (India) Limited, CSB Bank Limited, and other companies.

Area of Expertise - Leadership, Finance, Business Strategy & Development, Economics & Global Business, Corporate Governance, General Management.

At Chemplast Cuddalore Vinyls Limited

Mr. Ramkumar Shankar
Managing Director

Mr. Aditya Jain
Independent Director

Dr. Amarnath Ananthanarayanan
Non-Executive Director

Dr. (Mrs.) Lakshmi Vijayakumar
Independent Director

GRI 2-21

Particulars	CSL	CCVL
The ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for employees (excluding the highest-paid individual)	77.57	41.24
The ratio of the percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	NA	NA

Board Performance Evaluation

GRI 2-18

At Chemplast, the Board's annual performance evaluation was conducted in line with the Companies Act. The process assessed the Board and individual Directors based on criteria such as attendance, participation, industry insight, and strategic guidance.

GRI 2-16

We maintain open and transparent communication with stakeholders through regular engagement, including interactions with operational heads. Critical concerns identified during internal audits are reported to the Board via the Audit Committee and are promptly addressed. These concerns are delegated to relevant functional heads for timely and appropriate action.

No critical concerns were reported during FY 2024–25

Board's Nomination and Remuneration Committee (NRC)

GRI 2-10 GRI 2-19 GRI 2-20

At Chemplast, the Nomination and Remuneration Committee, comprised mostly of Independent Directors, oversees a transparent and merit-based process for Board and Committee appointments. The NRC defines clear selection criteria and periodically reviews the process to align with evolving business needs. Shareholders play a key role, with final appointments subject to their approval at the Annual General Meeting.

The NRC also ensures a fair and objective approach to remuneration, linking compensation to performance. Our Nomination and Remuneration Policy can be accessed here: Nomination and Remuneration Policy and Board Evaluation Policy.

Sustainability Governance

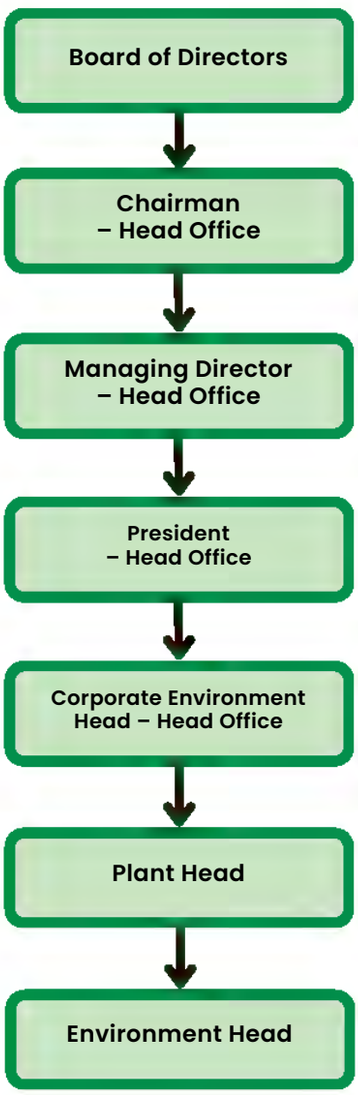
GRI 2-13

At Chemplast, governance is embedded in strategic decision-making and operational practices. We aim to safeguard ecological balance and ensure our actions do not compromise the needs of future generations. We follow a well-defined ESG governance framework, with key ESG KPIs assigned to designated personnel and department heads across all five locations of our plants.

The ESG governance structure is led by the Board of Directors, which provides overall oversight and guidance on ESG-related matters. The Chairman and Managing Director at the Head Office is responsible for converting the Board's vision into actionable priorities. The President plays a vital role in advancing ESG initiatives, ensuring they align with corporate policies, regulations, and stakeholder expectations, with support from the Corporate Environment Head. Operational implementation is facilitated by the Plant Head, who ensures plant-level compliance and execution of ESG programs. The Environment Head across plants supports by integrating ESG goals into day-to-day functions and reporting progress.

A dedicated committee of Directors, including the Chairman and Managing Director, leads sustainability efforts and engages with the Board to review progress, either half-yearly or annually, based on business priorities.

ESG Governance Structure



GRI 2-14

Key ESG aspects are monitored with a defined frequency:

- **Monthly**: Safety and procurement metrics, including incidents, audits, and responsible sourcing
- **Quarterly**: Environmental KPIs such as emissions, energy use, and waste management
- **Annually**: Consolidated ESG data shared through our Sustainability Report, reviewed and approved by senior management and The Sanmar Group Chairman

The Board plays a vital role in shaping our sustainability vision, setting strategic objectives, and approving key policies. Senior executives are accountable for implementation and work closely with the Board to realise the Company's ESG goals.

GRI 2-12

The Company has a familiarisation program for Directors and KMPs with regard to the nature of the industry in which the Company operates, the business models of the Company, and the strategy and plan in operation. During the year, strategic presentations were made to Directors to familiarise themselves with the updates and current trends of the industry, Government policy/Trade measures relating to the products of the Company, ESG Practices, among other subjects, and operations of the Company, besides presentations made to Directors on significant regulatory updates.

GRI 2-17

Implementation of Sustainability-focused training:

During the year 2024-25, a total of 37 training programs were conducted for the Independent Directors, covering all nine principles.

Governance Framework & Policies

At Chemplast, we go beyond statutory compliance to embed good governance as a continuous and evolving practice. By aligning our governance practices with evolving stakeholder expectations and regulatory developments, we ensure that integrity remains the foundation of our long-term value creation.

Our approach aligns with key international and national frameworks, including the International Labour Organization (ILO) Conventions, the National Guidelines on Responsible Business Conduct (NGRBC), and the United Nations Guiding Principles on Business and Human Rights (UNGPs). These commitments reflect our dedication to responsible and inclusive growth. All relevant policies are publicly accessible on our website at Corporate Governance Policies.

Key Governance Policies

- Supplier Code of Conduct
- Business Responsibility and Sustainability Policy
- Risk Management Policy
- Archival Policy and Policy on Preservation of Records
- Code of Conduct for Board and Senior Management
- Code of Prevention of Insider Trading and Fair Disclosure Policy
- CSR Policy
- Dividend Distribution Policy
- Familiarisation Programme for IDs
- Nomination and Remuneration Policy and Board Evaluation Policy
- Policy on Material Subsidiaries
- Policy on Materiality of Events
- Related Party Transaction Policy
- Vigil Mechanism or Whistleblower Policy

Policy Development & Implementation

At Chemplast, we follow a structured and integrated approach to policy implementation. Our sustainability efforts begin with the development of clear and comprehensive policies that reflect a commitment to responsible growth and create impact. These policies are translated into strategic action plans to enable effective execution at the operational level.

The Corporate team plays an important role in this process by setting measurable KPIs that act as performance indicators aligned with our ESG objectives. These targets are then shared with plant-level teams, who are responsible for carrying out the plans and achieving the defined outcomes. This top-down approach ensures consistency, accountability, and ongoing improvement across all our sites.

Approach To Policy Implementation

Code of Conduct for Board and Senior Management

GRI 2-15

We have established a comprehensive Code of Conduct that sets out clear standards, guiding principles, and expectations for the behaviour of our Directors, Key Managerial Personnel (KMPs), and Senior Management. The Code addresses critical areas such as conflict of interest, insider trading, ethical decision-making, and the Company's responsibility towards society and stakeholders.

All designated personnel are expected to uphold and adhere to the Code in letter and spirit. In instances of non-compliance, the Code outlines a structured process for investigation and resolution, reinforcing our commitment to accountability and ethical governance. The Code of Conduct is publicly available and can be accessed here at Code of conduct for board and senior management.

Business Responsibility and Sustainability Policy

At Chemplast, we have instituted a Business Responsibility and Sustainability Policy aligned with the National Guidelines on Responsible Business Conduct (NGRBC). The policy encompasses all nine NGRBC principles, covering key focus areas such as ethical business practices, accountability, sustainable production, employee wellbeing, stakeholder engagement, human rights, environmental stewardship, inclusive growth, and customer responsibility.

This policy reflects our commitment to conducting business in a responsible, transparent, and inclusive manner. It is publicly available and can be accessed here at Business Responsibility Sustainability policy.

Anti-Corruption and Anti-Bribery

At Chemplast, we maintain a zero-tolerance approach towards corruption and bribery across all levels of the organisation. We are committed to conducting business with integrity, in compliance with applicable anti-corruption laws and ethical standards. Our Code of Conduct and related policies prohibit all forms of bribery, facilitation payments, and unethical influence in business dealings.

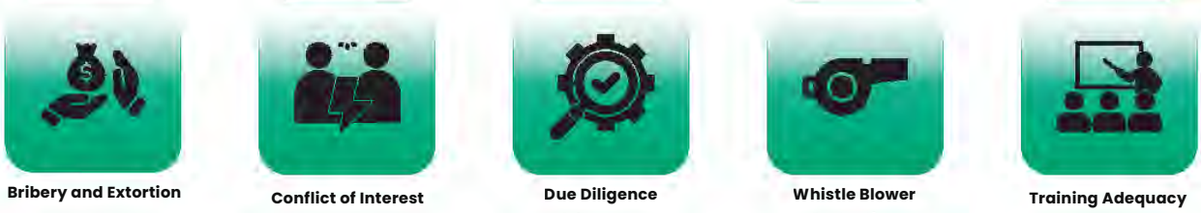
Our Ethics Policy outlines a strong stance against corruption and bribery, applicable to all employees, including senior management. Violations are thoroughly investigated, with strict adherence to internal protocols. We uphold these standards across our value chain through our Supplier Code of Conduct, which mandates legal and ethical compliance for suppliers and service providers.

Our Code of Conduct is designed to prevent misconduct and uphold a culture of integrity and accountability, to promote:

- Honest, fair, and ethical conduct, including responsible management of conflicts of interest
- Protection and appropriate use of company assets and confidential information
- Compliance with all applicable laws, regulations, and internal policies
- Transparent reporting of any violations of the Code

We conduct regular assessments across all operations to identify and evaluate corruption-related risks. During the reporting period, no significant risks of corruption were identified. The assessment covers key activities such as procurement, supply chain, and business relationships. The risk assessment is based on:

GRI 205-1



GRI 205-2 GRI 205-3

Our anti-corruption policies and procedures are communicated across all levels of the organisation, including governing body members, employees (across regions and roles), and value chain partners such as suppliers and contractors. We also share these policies with other relevant stakeholders, as needed. All employees and Board members receive regular training on these policies to ensure awareness and compliance.

No cases of corruption or bribery were reported or registered against the Company or its employees during the reporting period.

Vigil Mechanism

GRI 2-26

At Chemplast, we are committed to upholding ethical conduct across the organisation. Our Vigil Mechanism enables employees to confidentially report any concerns related to misconduct, unethical behaviour, or policy violations. Reports can be submitted directly to the Audit Committee or through a designated ombudsman. The mechanism includes safeguards to protect whistleblowers from retaliation, ensuring their identity remains confidential throughout the process. Concerns can be raised via our dedicated email address: ombudsman@sanmargroup.com.

This reporting period, we did not have any ethical/misconduct violations.

Regulatory Compliance & Transparency

GRI 2-27

At Chemplast, regulatory compliance is integral to our governance and risk management framework. We are committed to adhering to all applicable laws, regulations, and industry standards governing our operations. To ensure continued compliance, we have implemented internal audits, robust management systems, and department-wise checklists. Our teams stay updated on regulatory developments to proactively manage risks and avoid potential non-compliances. Our Environmental Management System is certified under ISO 14001, and our Health and Safety Management System complies with ISO 45001. These certifications support systematic monitoring, documentation, and improvement of our compliance performance. We have also initiated a formal Compliance Management System, which is currently in its early stages, complementing existing manual monitoring processes across departments.

This reporting period, Chemplast recorded no instances of regulatory or statutory non-compliance.

Cyber Security and Data Privacy

We have established a comprehensive Cyber Security framework consisting of 19 policies, all aligned with the ISO 27001 standard. This framework addresses key areas of information security and includes documented risks associated with data privacy across specific business domains. The draft of India's Digital Personal Data Protection (DPDP) Act has been notified and is expected to come into force from April 2026 or later. We are in the process of formulating a dedicated Data Privacy Policy aligned with the key provisions of the DPDP Act. This upcoming policy will align with the provisions of the DPDP Act and will integrate Chemplast-specific privacy requirements and the relevant and applicable notified framework of the DPDP Law to ensure comprehensive compliance and responsible data management. Currently, our Cyber Security Policy is maintained as an internal governance document. It is not hosted on our intranet or website but is made available as a secure virtual document when required. This controlled access ensures confidentiality while enabling relevant stakeholders to access the policy as a virtual document when required.

This reporting period, Chemplast did not encounter any cybersecurity or data privacy breach.

RISK AND RESILIENCE MANAGEMENT

At Chemplast, we actively monitor both internal and external developments, audit findings, and historical events to identify risks that could affect our company's objectives. We categorise risks based on their nature, including economic, regulatory, environmental, competitive, governance, and internal factors such as project execution, operational efficiency, and environmental management.

Risk identification and assessment are integrated across all functions and aligned with strategic planning and internal audits. Mitigation strategies encompass risk transfer, appropriate internal controls, risk elimination, and establishing risk tolerance.

Our Risk Management Policy is designed to create a comprehensive framework for risk management and mitigation, applicable to all divisions, subsidiaries, and acquired entities. It outlines a clear reporting process for regular review at the Board level, with the MD, the CFO, and the Chief Compliance Officer responsible for implementation and reporting. This policy is publicly accessible and can be found here at Risk Management Policy.

The framework undergoes biannual reviews to assess a wide range of risks, including financial, operational, sectoral, sustainability, information security, and cybersecurity. To learn more about our risk management approach, click here: AR 2024-25 LINK.

Risk Management Philosophy

Our risk management philosophy aims to facilitate the attainment of strategic objectives by systematically identifying, assessing, mitigating, and monitoring risks that may affect business performance. While our strategy remains central, this approach is rooted in our company's values, culture, and commitment to employees, customers, investors, regulators, and the communities we serve. By promoting early risk detection and timely responses, our framework enhances decision-making, protects business continuity, and improves operational effectiveness.

Risk Governance Framework

- In adherence to the Companies Act 2013 and SEBI regulations, our board and risk management committee have developed and mandated a structured enterprise-wide risk management. Independent Directors also play an essential role in ensuring the strength and autonomy of the risk management system by offering necessary guidance.
- The Board is supported in its oversight of risk management by a dedicated Risk Management Committee.
- The Risk Management Committee oversees ERM implementation and ensures timely compliance reporting by management.
- ERM is reinforced through micro-level controls, including Internal Financial Controls (IFC) and controls for Financial Reporting (ICFR).

Approach to Risk Identification & Mitigation

Chemplast integrates a Risk Management Approach into its sustainability framework to address Environmental, Social, and Governance (ESG) challenges. The process ensures alignment with the company's commitment to sustainable growth and stakeholder wellbeing, as outlined below:

Identification of Risk

Risk identification is a continuous process focused on recognising events that may negatively impact the achievement of business objectives. Key processes and their essential activities are outlined for assessment. Risks, risk events, and their interdependencies are identified through consultations with risk owners, as well as through the analysis of related data, previous internal audit reports, past incidents, and other pertinent sources.

Risk Assessment and Analysis

Risk assessment involves prioritising risks by evaluating both internal and external factors. Responsible managers throughout the organisation regularly assess the likelihood and impact of risk events to determine their significance. Risks are evaluated based on their probability and potential effects on operations and sustainability goals.

Risk analysis considers existing controls. Risks identified as highly critical are prioritised for mitigation planning and implementation, while those rated as medium or low are added to a watch list for ongoing monitoring and periodic review.

Risk Mitigation

Mitigation strategies are employed to reduce identified risks. Chemplast utilises measures such as risk transfer, internal controls, risk elimination, and risk tolerance. To ensure their effectiveness, all functions participate in risk identification, and risks are periodically evaluated and addressed through appropriate actions, integrating the process with strategic planning and internal audits. The Risk Management Committee is granted full access to relevant information to facilitate effective oversight and informed decision-making.

Risk Control and Monitor

Continuous monitoring guarantees the effectiveness of our mitigation efforts. Risk management is informed by the outcomes of risk assessments and involves implementing countermeasures to reduce identified risks to acceptable levels. This policy delineates the process for assessing and mitigating risks across various functions and associated processes. For risks that cannot be fully mitigated, their status is continually monitored and periodically reported to the Risk Management Committee for review. We consider risks and uncertainties as opportunities to enhance our leadership. Our proactive approach to managing economic, social, and governance-related risks is outlined in the table below.

Economic Risks

Key Risks Identified	Our Strategic Approach
Failure to sustain leadership in Paste PVC and Suspension PVC production could erode market share due to competitive pressures or shifts in demand, impacting revenue and profitability.	• Enhance product differentiation by delivering superior quality and customer-centric innovation. • Expand production capacity to accommodate increasing demand. • Strengthen customer relationships through effective engagement and customised solutions. • Minimise costs through optimised sourcing and energy efficiency.
Rising energy prices could increase operational costs, impacting profitability in a competitive market.	• Implement energy conservation measures, including advanced power reduction technologies in caustic soda production. • Optimise surplus power generation from captive plants.
Improper effluent management could result in consequences.	• Maintain Zero Liquid Discharge (ZLD) systems at all facilities. • Implement real-time monitoring of effluents. • Improve the operational efficiency of our ZLD plants. • Foster community engagement through transparent communication. • Boost the reuse and recycling rates of effluents.
Chemplast relies on specific materials for its complex chemical synthesis. Disruptions due to supplier issues, geopolitical tensions, or price volatility could halt production or increase costs, impacting profitability.	• Establish contracts with multiple suppliers to decrease reliance on a single source for critical raw materials. • Maintain strategic stockpiles to mitigate short-term supply disruptions. • Explore local or regional suppliers to lessen dependence on unstable international supply chains.
Continuous improvement in production and energy efficiencies is essential to sustaining operational excellence and cost competitiveness.	• Conduct routine maintenance to ensure optimal production capability. • Perform regular reviews and audits to identify and address operational bottlenecks. • Implement energy conservation measures to improve efficiency.

Social Risks

Key Risks Identified	Our Strategic Approach
Workplace accidents, chemical exposure, or unsafe conditions could harm employees, leading to health impacts, legal liabilities, and reduced productivity.	• Implement comprehensive safety training programs for all employees who handle hazardous materials. • Conduct risk assessments through Hazard Identification and Risk Assessment (HIRA) and third-party audits by external auditors. • Maintain Responsible Care codes of practice to minimise HSE risks for employees and the surrounding communities. • Develop an emergency preparedness plan and conduct periodic mock drills. • Enforce strict compliance with safety protocols, including the use of personal protective equipment (PPE). • Implement Process Safety Management Systems across all plants.
Transporting hazardous chemicals risks accidents or spills, impacting communities.	• Enforce safety protocols using GPS monitoring for transport vehicles. • Implement journey risk management and provide defensive driving training. • Participate in “Nicer Globe,” a Responsible Care initiative by the Indian Chemical Council focused on transport distribution safety, emergency response, and transport security. • Introduce safety initiatives such as journey risk management, defensive driving techniques, establishing useful life periods for transport vehicles, and providing safety videos for transport crews.
Chemical operations may raise environmental concerns, such as air or water pollution, leading to community distrust and protests, threatening operational continuity.	• Conduct regular environmental Surveillance monitoring of air, water, and soil. • Collaborate with the Ministry of Environment for independent assessments. • Implement a Leak Detection and Repair (LDAR) system to eliminate fugitive emissions of targeted chemicals, such as Vinyl Chloride, from the environment.
Effectively responding to the needs of local communities is critical to maintaining positive community relations and the Company’s social license to operate.	• Gather feedback from local communities to evaluate their needs and guide CSR program development. • Engage regularly with community stakeholders and maintain an effective grievance resolution system. • Implement CSR initiatives that address community needs while also responding to and mitigating concerns raised during public interactions.

Environmental Risks

Climate change-related Risks aligned to TCFD framework as adapted by IFRS

Risk Categories	Key Risks Identified	Our Strategic Approach
Physical Risk		
Acute Risk	Operational interruptions due to cyclones, floods (especially in coastal areas), or other climate-related disruptions.	• Develop and consistently update disaster preparedness plans, including evacuation and emergency response protocols. • Strengthen infrastructure with climate-resilient designs, such as flood barriers and storm-resistant structures. • Maintain business interruption insurance to protect against losses resulting from natural disasters.
Chronic Risk	Long-term climate change effects, such as rising temperatures or water scarcity, could increase operational costs (e.g. cooling systems) or disrupt water-intensive processes like caustic soda production.	• Implement water conservation measures, including recycling systems, to address water scarcity risks. • Invest in energy-efficient cooling technologies to manage increasing temperatures. • Conduct climate risk assessments to identify vulnerabilities and prioritise adaptation investments.
Transition Risk		
Policy and Legal Risk	Emerging environmental regulations such as carbon pricing, mandatory disclosures, or stricter emission standards could impose significant compliance costs.	• Continuously monitor regulatory developments, align early with proposed policies, utilise internal carbon assessment models, and engage with policymakers. • Enhance governance frameworks to incorporate climate risk into board-level decision-making.
Technology Risk	The shift to low-carbon technologies requires significant capital investment and technical expertise.	• Conduct feasibility studies for low-carbon technologies • Phase investments to balance cost and impact, starting with energy-efficient retrofits • Create an asset management plan to retire or repurpose carbon-intensive equipment, thereby minimising the risks of stranded assets.
Market Risk	Shift in customer preferences toward low-carbon or sustainable products could reduce demand if they fail to meet ESG criteria. Competitors offering greener alternatives could capture market share.	• Develop low-carbon alternatives or bio-based chemicals to meet market demand. • Engage in ESG-aligned communication with customers and investors, and participate in responsible sourcing initiatives.
Reputational Risks	Increased stakeholder expectations on climate action and ESG performance may impact brand perception. Community pressure for cleaner operations could damage reputation.	• Publish transparent sustainability reports that detail progress on emissions, waste, and water management to foster stakeholder trust. • Obtain third-party verification of environmental data. • Engage communities through CSR initiatives centered on environmental restoration to counter negative perceptions.
Cyber Security Risk	Rising frequency and sophistication of cyber threats may compromise sensitive data, disrupt operations, lead to regulatory non-compliance or damage to the Company's reputation.	• Encrypt sensitive data, such as R&D and customer records. • Perform regular penetration testing to identify vulnerabilities in operational technology systems. • Train employees on cybersecurity protocols to mitigate phishing risks.

Risk Categories	Key Risks Identified	Our Strategic Approach
Growing Demand for Speciality Chemicals	Increasing demand for Paste PVC, Suspension PVC, and Custom Manufactured Chemicals presents revenue growth potential.	• Increase production capacity by leveraging projects across the locations • Create customer-centric products to target niche segments. • Perform routine maintenance to ensure optimal production capability.
Energy Cost Optimisation	Advances in energy-efficient technologies and surplus power export potential can reduce operational costs and generate additional revenue.	• Implement energy efficiency initiatives for power generation units at Mettur and Karaikal. • Transition to cleaner fuels such as hydrogen and natural gas. • Expand captive power export agreements to take advantage of surplus generation. • Shift towards renewable energy sources by purchasing Renewable Energy Certificates (RECs) to reduce long-term costs. • Utilise solar, wind, and IEX Green power.
Managing Carbon Footprint of Operations	Proactively reducing GHG and air pollutant emissions through innovative technologies and minimising carbon footprint through process optimisation and renewable energy adoption.	• Invest in energy-efficient processes and renewable energy to decrease emissions. • Shift to renewable energy sources to minimise Scope 1 and 2 emissions. • Expand the use of hydrogen and natural gas as transitional fuels to reduce dependency on coal. • Monitor Scope 3 emissions and implement strategic actions to reduce carbon footprint throughout the value chain. • Install high-efficiency chillers and enhance steam condensate recycling at Berigai.
Advanced Waste Management	Implementing innovative waste reduction and recycling solutions can lower disposal costs, and comply with regulations.	• Invest in waste-to-energy technologies for non-recyclable waste. • Utilise a common waste disposal facility (TSDF) instead of relying on captive secured landfilling. • Safely dispose / reuse of brine sludge after recovering sulphate to reduce waste volume. • Incinerate organic waste from the VCM Plant and Chloromethane Plant using a captive incinerator. • Source low-ash coal for the power plant to minimise fly ash generation. • Explore co-processing of operational waste to avoid landfilling.
Supply Chain Resilience	Diversifying and localising supply chains can reduce costs and improve reliability, strengthening operational stability.	• Establish strategic partnerships with local suppliers. • Invest in supply chain digitisation to enhance visibility and forecasting. • Create contingency plans to ensure a continuous supply of feedstock.
Workforce Development	Investing in employee training and safety can enhance productivity, reduce turnover, and build a skilled workforce, improving operational performance.	• Provide advanced training programs focused on safety and technical skills. • Implement employee wellness initiatives to enhance morale and retention. • Develop career advancement pathways to attract top talent.
Water Management Innovation	Advanced water recycling and conservation technologies can reduce costs and ensure process continuity in water-scarce regions.	• Expand Zero Liquid Discharge (ZLD) systems to optimise water usage. • Implement rainwater collection systems to decrease water requirements. • Recycle treated effluent for use in production processes. • Optimise the desalination plant at CCVL to eliminate dependency on ground or river water sources. • Install raw water bulk storage with a capacity of 75,000 KL at the Mettur location to address uncertain water availability during summer for industrial supply from the reservoir. • Initiate measures to collect and recycle roof water at all plants in Mettur as an alternative water source.
Capacity Expansion	Expanding custom manufactured chemicals can solidify market leadership and capture growing demand in the Indian Market.	• Collaborate with R&D partners to expedite product innovation. • Invest in high-quality human resources. • Introduce new products and molecules that meet strong market demand.
Community Engagement Leadership	CSR programs and community partnerships can strengthen social license to operate, enhance reputation, and foster long-term stakeholder trust.	• Gather community feedback to guide CSR programs. • Expand CSR initiatives to strengthen community goodwill. • Maintain a grievance resolution system for timely issue resolution.

ECONOMIC PERFORMANCE AND SUSTAINABLE GROWTH

At Chemplast, our primary objective is to create enduring value for our investors, stakeholders, and society. We adopt a proactive and forward-thinking approach, consistently adapting to changing market dynamics and emerging risks. Our investments in advanced technologies aim to enhance both sustainability and financial performance, ensuring that our growth is responsible and resilient.

We leverage our robust asset base and strategically planned expansion efforts to generate long-term value and maintain our competitive edge in the marketplace. Throughout our processes, we integrate sustainability considerations into our financial planning and decision-making, allowing us to balance profitability with our broader responsibilities to the people and planet.

GRI 201-2

Our understanding of climate-related financial risks is evolving. We recognise that physical risks, such as disruptions from extreme weather events, can lead to financial consequences, including potential downtime and increased maintenance costs. Simultaneously, our proactive adoption of cleaner technologies and sustainable practices positions us to capitalise on emerging opportunities, such as government incentives and shifting customer preferences. We also integrate regulatory risks, including carbon pricing and future emissions targets, into our strategic planning to avoid compliance gaps and maintain competitiveness.

Looking ahead, we are committed to enhancing value creation by:

- Pursuing strategically selected investments to strengthen our product offerings and market position.
- Integrating sustainability into all financial and operational decisions.
- Leveraging digitalisation to improve efficiency and responsiveness.
- Proactively managing risks and seizing opportunities arising from the transition to a low-carbon economy.

Through this balanced approach, we aim to sustain our momentum and deliver lasting value to our investors, customers, employees, and society.

GRI 201-1 GRI 201-4

Financial Highlights	Amount (INR Crore)	
	CSL	CCVL
Gross Sales and Other Income	**2408.74**	**2323.80**
Profit Before Tax (PBT)	(111.90)	(56.16)
Capital Employed	6000.43	821.07
Direct Economic Value Generated	2408.74	2323.80
Economic Value Distributed	2927.56	3126.94
Interest and Finance Charges	86.81	149.06
Community Development	2.98	2.10
Contribution to the National Exchequer, through taxes and duties (Taxes Paid to the Government)	577.93	842.37
Personnel Cost (Salaries, wages and amenities to staff)	184.04	75.27
Contribution to Employee Gratuity Fund	2.46	1.44
Total Environmental Expenditure	37.07	6.15
Procurement from Local Markets	48%	19.07%
Purchase of Materials and Services from Suppliers	2234.33	2049.98

Defined Benefit Plan Obligations and Other Retirement Plans

GRI 201-3

At Chemplast, we comply with all government-mandated retirement plans across all locations covered in this report. We are committed to ensuring that employees receive the benefits necessary for a smooth transition into retirement.

Environmental Expenditure

GRI 203-1

In FY 2024-25, CSL and CCVL collectively invested INR 43.22 crore in various targeted environmental initiatives, including ongoing advancements in research and development. The use of briquettes and sawdust at Mettur and Cuddalore reduces coal consumption, while the adoption of grey hydrogen gas and natural gas provides cleaner energy alternatives. In line with regulatory expectations, we ensured compliance with statutory requirements, securing the necessary certifications and approvals.

Our investments also emphasised energy-efficient technologies, enhanced integration of renewable energy, and resource conservation strategies aimed at reducing greenhouse gas emissions, optimising water and energy use, and minimising waste. We undertook infrastructure upgrades to elevate environmental, health, and safety standards across the organisation.

Through these proactive measures, we continued to mitigate environmental impact, strengthen operational resilience, and contribute to our long-term sustainability goals.

CSR Expenditure

GRI 203-1

We remain committed to supporting the social values and cultural heritage of communities around us, while contributing to their overall development and wellbeing. During FY 2024-25, we engaged in a range of CSR initiatives that addressed community needs. A detailed account of these activities is provided in the CSR section of this report.

Significant Indirect Economic Impact

GRI 203-2

The indirect economic impact of Chemplast extends well beyond its immediate business operations, influencing a wide network of stakeholders and contributing to the broader economy. These impacts span multiple sectors and communities, promoting economic growth, generating employment, strengthening supplier ecosystems, driving innovation, and supporting community development.

Our indirect economic performance is assessed through various factors, such as our contributions to regional economic growth, job creation, skills development, expansion of supplier and service networks, adoption of innovative technologies, and improvements in community wellbeing.

The following are the reportable performances related to indirect economic performance during FY 2024-25:

Mettur	Cuddalore-CCVL	Berigai	Karaikal
183	13	37	43

- Students are provided with “On-the-Job Practical Training” to enhance their skill sets through the Industry Integrated Training Program (IITP) Earn and Learn scheme.

OPERATIONAL RESPONSIBILITY

Sustainable Climate Actions

At Chemplast, environmental protection is a core operational responsibility embedded in our business and decision-making processes. We fully recognise our capacity and obligation to create meaningful environmental impact through proactive, sustainable, and forward-looking practices.

Our approach to operational responsibility extends beyond regulatory compliance. We are committed to reducing environmental impact and conserving natural resources. This commitment is demonstrated through the systematic monitoring, assessment, and enhancement of our environmental performance across all our facilities.

We consistently invest in cleaner technologies, resource optimisation, and efficient processes to align our operations with national and global sustainability goals.

This section outlines our strategic initiatives, measurable outcomes, and ongoing efforts to integrate environmental sustainability into the core of our operational responsibility, ensuring that our growth aligns with the needs of the planet and future generations.

Emissions Management

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4

Chemplast recognises the environmental impact of emissions and has adopted a robust and transparent methodology for accounting and reporting Greenhouse Gas (GHG) emissions. These emissions primarily originate from chemical manufacturing processes, transportation, and other operational activities. In alignment with the Paris Agreement's goal of limiting global temperature rise to below 1.5°C, we are actively implementing a carbon reduction action plan focused on enhancing energy efficiency and integrating renewable energy sources.

The GHG accounting and reporting process follows the GHG Protocol's Corporate Accounting and Reporting Standard.

In addition to GHG emissions, we also conduct regular assessments of air pollutants generated from our operations. Air quality is carefully monitored and maintained within permissible standards across all our facilities in compliance with local and national regulations.

GHG Emission Inventory

The Greenhouse Gas (GHG) inventory comprehensively covers Scope 1, Scope 2, and Scope 3 emissions, in alignment with the GHG Protocol.

- Scope 1 (Direct Emissions): These include emissions from sources owned or controlled by the Company. Specifically, this covers fuel combustion within the premises, emissions from company-owned vehicles, and refrigerant use associated with on-site cooling systems.
- Scope 2 (Indirect Emissions): This refers to indirect emissions from purchased electricity, steam, heating & cooling for the company's own use. At Chemplast, indirect energy includes purchased electricity from the grid (RE and Non-RE) and wind energy.
- To reduce Scope 2 emissions and promote the use of renewable energy, we procured a total of 26,514 Renewable Energy Certificates (RECs) during the reporting period. This includes Mettur Plant-2 (5,869 RECs), Mettur Plant-3 (17,909 RECs), CSL Cuddalore (237 RECs), and CCVL Cuddalore (2,499 RECs).

- Scope 3 (Other Indirect Emissions): Scope 3 includes 15 categories as defined by the GHG Protocol. The current inventory accounts for the following categories:
  - Category 4: Upstream Transportation and Distribution, which includes emissions from the transportation of goods and materials purchased by the Company.
  - Category 9: Downstream Transportation and Distribution, which includes emissions associated with the distribution of products sold to end customers.

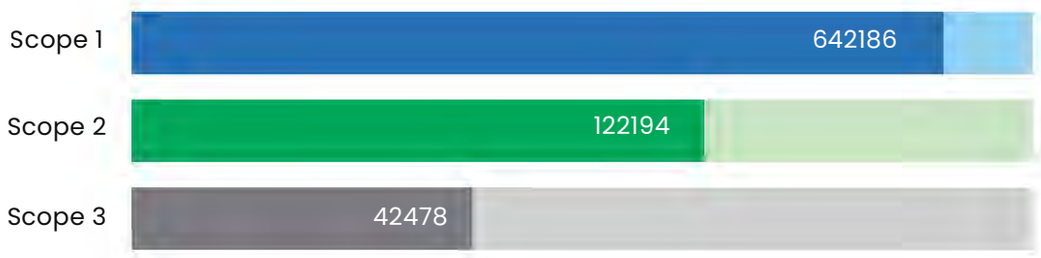
This structured approach ensures transparency and helps to identify high-impact areas for emission reduction across the value chain. In FY 2024-25, Scope 3 emissions have been calculated using emission factors derived from credible databases, including EcoInvent and the India GHG Program. These sources provide region-specific and activity-based data that improve the accuracy and relevance of Scope 3 estimations, particularly in the context of Indian operations and supply chains.

S. No.	Scope	Units	FY 24-25	FY 23-24
1	Scope 1 Emission	tCO2e	642,186	556,126
2	Scope 2 Emission	tCO2e	122,194	88,521
3	Scope 3 Emission	tCO2e	42,478	54,638
4	Total GHG emission	tCO2e	**8,06,859***	**699,285**

Note: The use of briquettes at the Mettur plant and sawdust at the Cuddalore-CCVL plant contributes biogenic emissions, amounting to 19,490 tCO2e and 377 tCO2e, respectively.

*The overall emissions have increased due to the addition of a new plant — the Cuddalore PVC Paste Plant, which has been newly included within the reporting boundary for this year.

GHG Emissions for FY 24-25 (tCO2e)



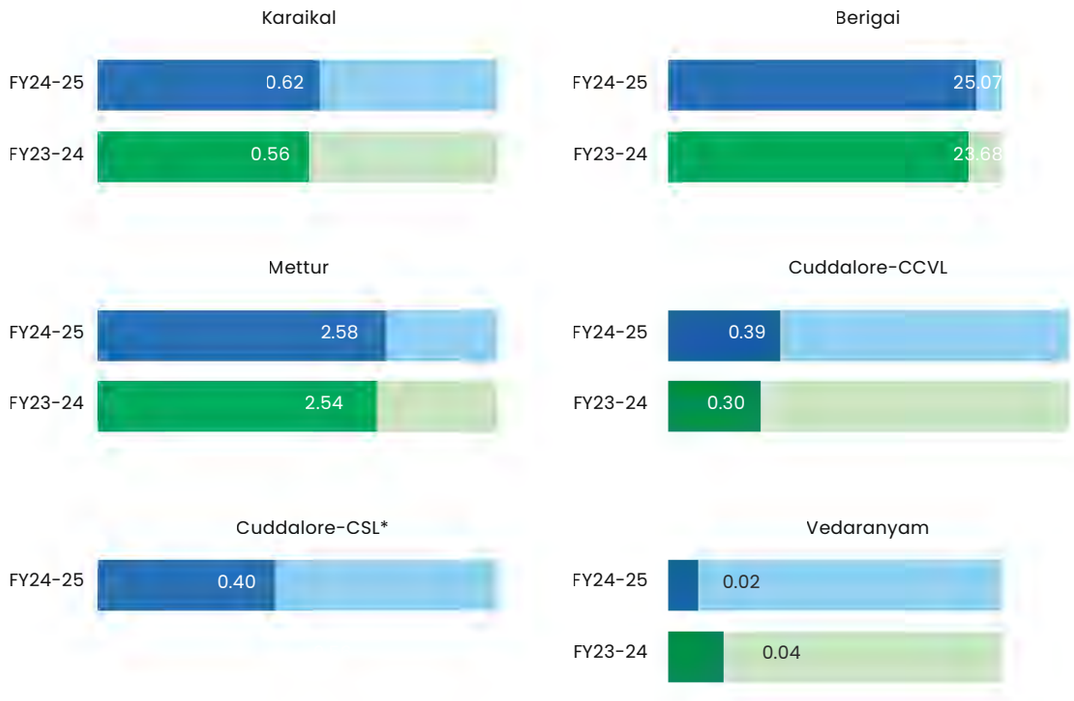
Avoided GHG Emissions are accounted for Mettur, Cuddalore, and Karaikal

GRI 305-5

Source	Avoided Emissions- Direct and Indirect (tCO2e)
Electricity- Purchased RE & IEX at Cuddalore-CCVL	4,335
Electricity- Purchased Wind (RE) at Mettur	595
Incineration of Distillation Residue at Mettur	435,474
Replacement of Natural Gas with Hydrogen at Karaikal	1,450
Total Avoided Emission (tCO2e)	441,854

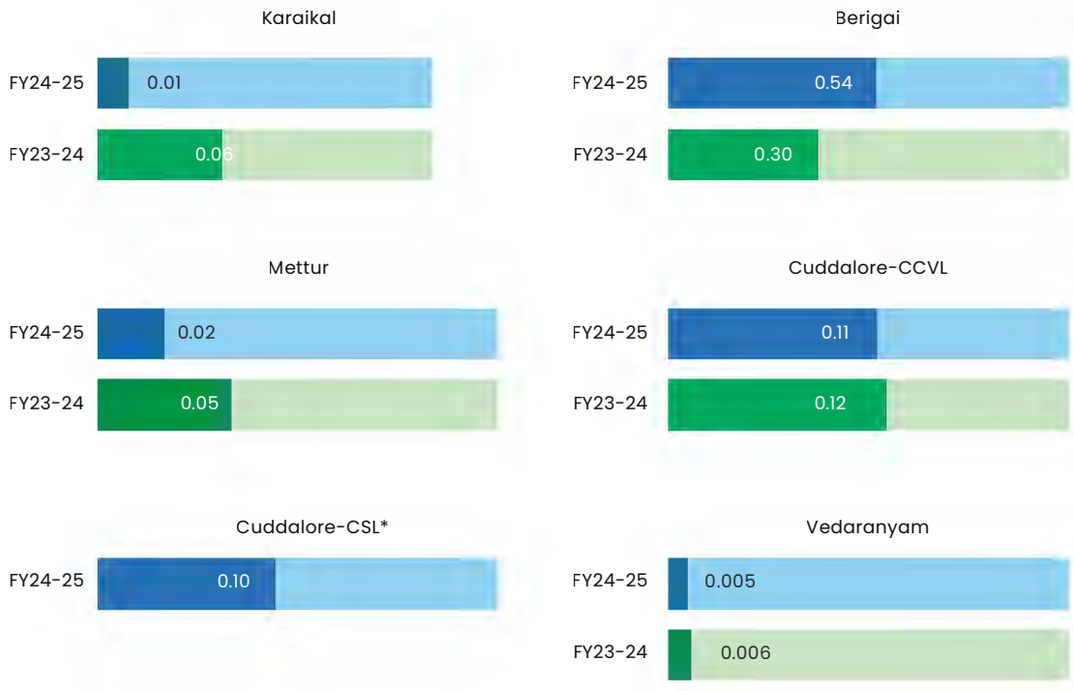
In FY 2024-25, a total of 4,41,854 tCO2e of emissions were avoided through a combination of renewable energy sourcing and cleaner fuel alternatives across multiple plant locations. At the Cuddalore-CCVL facility, avoided emissions amounted to 4,335 tCO2e by purchasing RE and IEX (Indian Energy Exchange). The Mettur plant contributed to emission reductions by sourcing wind energy, avoiding 595 tCO2e, and incinerating distillation residue, which significantly avoided 4,35,474 tCO2e. Additionally, at the Karaikal unit, the replacement of natural gas with hydrogen—a clean fuel alternative, led to the avoidance of 1,450 tCO2e. These initiatives collectively underscore the company's transition towards low-carbon operational practices.

Scope 1 & 2 GHG Emissions Intensity by Plant (tCO2e/MT)



*Cuddalore-CSL is a newly commissioned plant, operational from FY24-25

Scope 3 Emission Intensity(tCO2e/MT)



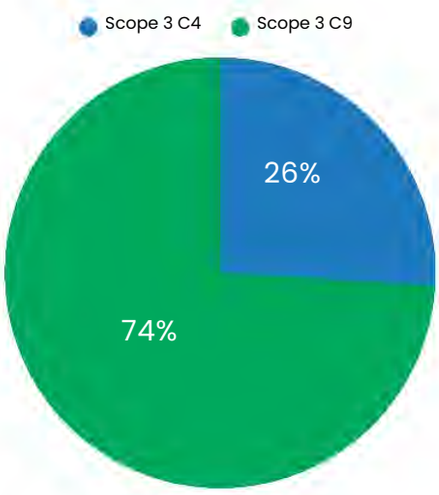
*Cuddalore-CSL is a newly commissioned plant, operational from FY24-25

Scope 3 - Category-wise Emission

GRI 305-3

Scope 3 Category	Units	FY 24-25
S3C4 - Upstream Transportation and Distribution	tCO2e	31,478
S3C9 - Downstream Transportation and Distribution	tCO2e	11,000
Total	**tCO2e**	**42,478**

Scope 3 Emission (%)



GRI 305-6

Emissions of Ozone-Depleting Substances (ODS)

The refrigerant gases R-22, R-404A, and R-134A used by our Company during the reporting period amount to total emission of 17,108 tCO2e. Our maintenance protocols for refrigeration and air conditioning systems ensure proper handling, recovery, and disposal of refrigerants to prevent any accidental release.

Measures For Carbon Emission Mitigation

Alternative Fuels Adoption
Utilisation of briquettes, sawdust, and other renewable energy sources to reduce dependence on conventional fossil fuels.

Hydrogen-Fueled Incinerator
Deployment of a hydrogen-fueled captive incinerator at Mettur Plant-1 to eliminate the impact of R-23, a high-GWP refrigerant.

Waste Heat Recovery Systems
Waste heat recovery boilers are installed at Captive Power Plants at Karaikal, improving energy recovery and lowering emissions.

Transition to Cleaner Fuels
Adoption of grey hydrogen and natural gas to meet energy requirements in a cleaner, more sustainable manner.

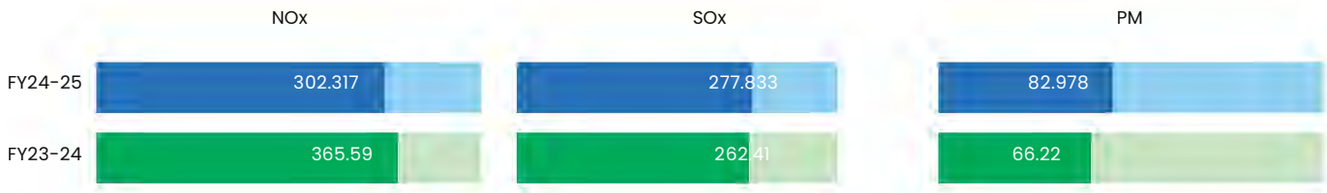
Air Emission

GRI 305-7

At Chemplast, effective air emission management is a key component of our environmental stewardship. We have implemented a robust emission control framework backed by advanced technologies to monitor, regulate, and reduce air pollutants such as Sulphur Oxides (SOx), Nitrogen Oxides (NOx), and Particulate Matter (PM). These efforts are aimed at preserving air quality in and around our operational sites and nearby communities. Our operations do not involve any sources of Hazardous Air Pollutants (HAPs) or Persistent Organic Pollutants (POPs).

To mitigate potential fugitive emissions of Volatile Organic Compounds (VOCs), we have adopted a Leak Detection and Repair (LDAR) program, implemented through an agency accredited by the Ministry of Environment, Forest and Climate Change (MoEF&CC). As a result, no significant VOC emissions have been reported. Additionally, Continuous Emission Monitoring Systems (CEMS) have been employed at our Mettur and Cuddalore facilities for continuous monitoring of SPM, SOx, and NOx, etc. These systems are seamlessly integrated with the Care Air Centre of the Tamil Nadu Pollution Control Board (TNPCB) and Puducherry Pollution Control Committee (PPCC), ensuring continuous compliance monitoring.

Air Emission (MT)



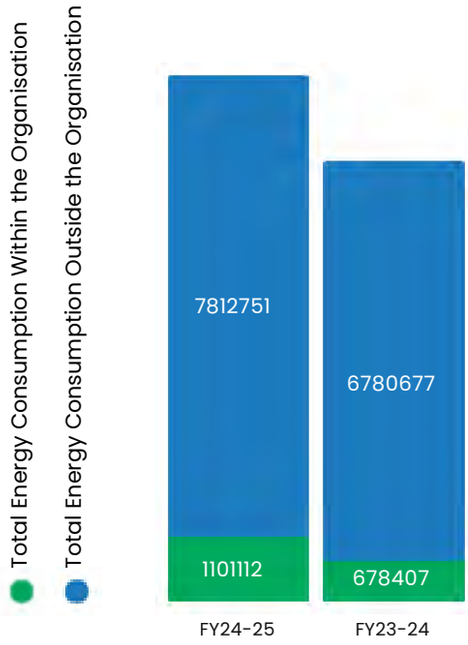
Energy Management

GRI 302-1 GRI 302-2 GRI 302-5

Chemplast has adopted a robust and integrated energy management strategy focused on the efficient use of energy resources across its operations. This approach not only aims to improve operational efficiency and achieve significant cost savings but also reflects the Company's commitment to reducing its overall environmental footprint.

We have implemented several targeted measures. These include retrofitting older machinery, upgrading pump systems with Variable Frequency Drive (VFD) technology, and replacing lower-efficiency motors (IE1 and IE2) with higher-efficiency IE3 motors, etc. These efforts reduce energy consumption, enhance energy savings, and optimise equipment performance, contributing to the Company's broader sustainability goals. The company produces chemicals and related products, which are commodities that find use in diverse applications. The energy consumption would depend on specific applications and their requirements. Hence, the requirement on reporting the reduction in energy requirements of sold products and services is not feasible to the products manufactured by us.

Total Energy Consumption (GJ)



The graph illustrates our continued commitment to operational growth while maintaining responsible environmental performance. In FY 2024–25, energy consumption (Scope 1 & 2) rose to **78,12,751 GJ,** up from **67,80,677 GJ** in the previous year, with the inclusion of the PVC division at Cuddalore. Chemplast's energy management practices and investments into cleaner technologies are effectively helping to manage emissions in proportion to rising energy demand. The performance underscores our continued efforts to integrate sustainability into business operations & expansion.

Energy Intensity

GRI 302-3

Energy Intensity is a key indicator that reflects the efficiency of our energy usage by measuring the total energy consumed per unit of production output, expressed in Giga-Joules per metric ton (GJ/MT). The scope of this metric includes both direct and indirect energy consumption.

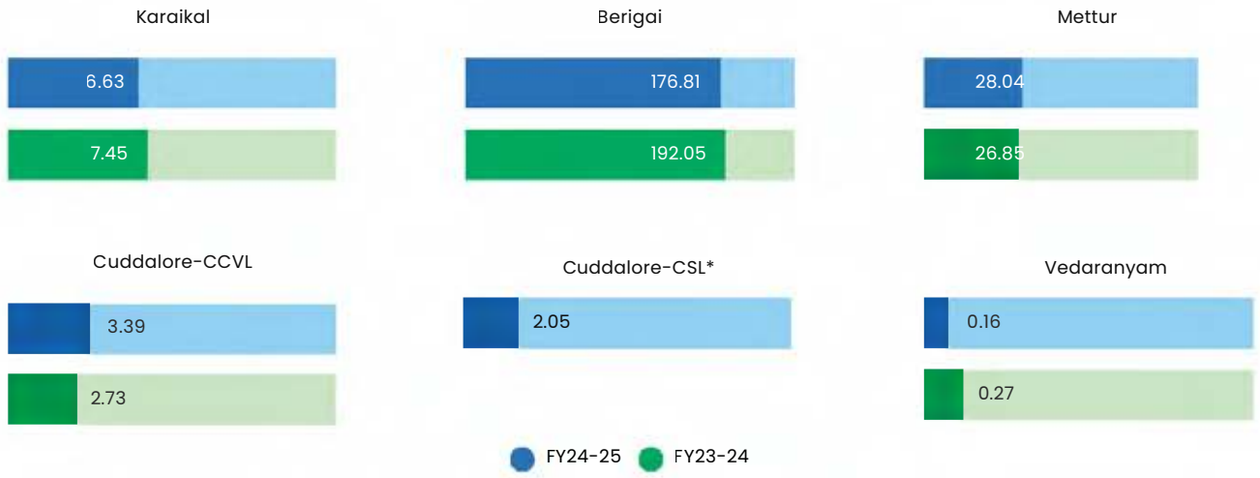
Energy Consumption within the organisation:

Direct energy consumption is from fuels such as diesel, petrol, sub-bituminous coal, superior kerosene, natural gas, grey hydrogen, furnace oil, and LSHS (a type of residual fuel oil). The indirect energy includes energy consumed from the purchased electricity. The company does not sell electricity, heating, cooling, or steam for external commercial use; all energy generated is utilised for internal operations.

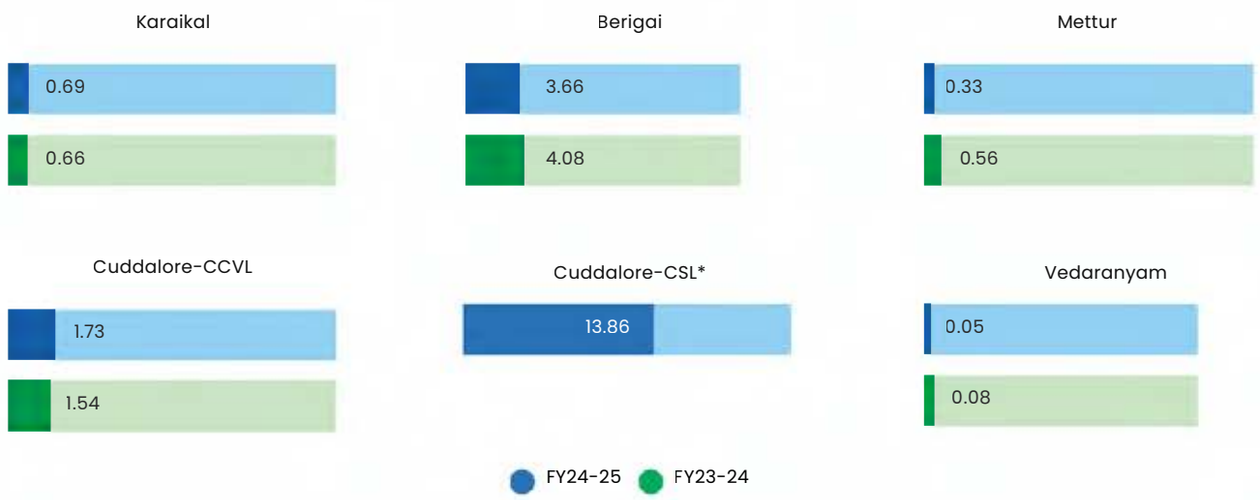
Energy Consumption outside the organisation:

The energy consumed outside the organisation per unit of output reflects the energy used for transporting raw materials to the facility and distributing finished goods to customers. Tracking this consumption helps us to identify opportunities for improved efficiency and emission reduction in logistics.

Intensity Ratio for Energy Consumption within the Organisation (GJ/MT)



Intensity Ratio for Energy Consumption Outside the Organisation (GJ/MT)



*Cuddalore-CSL is a newly commissioned plant, operational from FY24-25

The graph clearly shows that, despite increased energy demand from business expansion, we have maintained energy intensity per metric tonne of product, driven by our sustained focus on energy efficiency initiatives.

Key Energy Conservation Measures

GRI 302-4

Initiative Taken	Location	Energy Savings (GJ)	Emission Reduction (tCO2e)
Energy reduction-fuel (waste heat recovery-based steam generation in CPP I)	Karaikal	99,761	7,746
Energy reduction-fuel (waste heat recovery-based steam generation in CPP II)	Karaikal	44,554	3,459
Energy reduction-fuel (usage of hydrogen in caustic fusion unit)	Karaikal	25,828	1,450
Retrofitting of electrical equipment	Karaikal	570	115
PU-7B/4 Seal Cooling Water Pump Motor VFD Installation	Mettur Plant - 2	69	26
P 103 Crystalliser feed pump Motor VFD installation	Mettur Plant - 2	81	31
Installation of Hydrogen Compressor KPCL - 550 nm3/Hr	Mettur Plant - 3	591	224
Installation 270 TR VCM Chilled water unit-1	Mettur Plant - 3	24,331	2,713
Optimisation of Rectifier cooling tower spray pump from two pump operation to one pump operation	Mettur Plant - 3	182	69
Installation of VFD in Raw water pump-01	Mettur Plant - 3	638	242
Installation of IE3 energy efficiency motors	Mettur Plant - 3	19	7
Replacement of ammonia compressor	Mettur Plant - 3	187	71
Installation of Solar lights	Mettur Plant - 4	8	3
Installation of energy efficiency motors (6 Nos)	Mettur Plant - 4	28	11
Installation of IE3 Energy Efficient Motors	Berigai	58	12
Energy savings due to staff commute through vehicle pooling	Cuddalore-CCVL	257	16.3
Energy saving due to the implementation of heat transfer from centrate water to DM water	Cuddalore-CCVL	24,206	2,337
Implementation of battery operated forklift instead of diesel-operated forklift	Cuddalore-CCVL	1,115	9
Energy savings due to the Implementation of energy recovery turbine at desalination plant	Cuddalore-CCVL	4,469	902
Total reduction in energy consumption (GJ) / emission reduction (tCO2e)		**226,953**	**19,443**

Sustainability in Action:

CASE STUDY

Energy Optimisation through VFD Installation in Pumping Systems at Karaikal

In traditional pumping systems, flow control is often achieved by throttling the pump's discharge valve. This method, however, causes significant energy loss as the pump operates against increased pressure and friction, converting much of the input energy into heat. This not only reduces overall efficiency but also puts additional mechanical stress on the pump.

To address this inefficiency, we implemented Variable Frequency Drives (VFDs) to regulate the speed of the pumps based on system demand. A VFD adjusts the frequency and voltage supplied to the motor, allowing precise control over the pump's speed and flow rate. As part of this initiative, VFDs were installed, and pump speeds were optimised to deliver the required flow without overconsumption of energy.

Power consumption was significantly reduced, leading to measurable energy savings and a corresponding decrease in carbon emissions due to lower electricity usage. Beyond the environmental benefits, the project also improved the operational reliability of our systems. By reducing the mechanical stress on pumps, we were able to minimise wear and tear, thereby extending the equipment's lifespan.

Additionally, the use of VFDs enhanced process control, allowing us to maintain precise flow and pressure levels tailored to specific process requirements.

This adaptability led to more efficient performance and reduced the reliance on control valves, further decreasing energy losses. The ability of VFDs to offer soft starting and stopping of motors reduced both electrical and mechanical stress, improving overall system stability and reducing incidents like water hammer. The project also helped in lowering operational costs, cutting peak demand charges, and delivering a more sustainable and responsive pumping solution. This initiative not only demonstrates a commitment to energy efficiency but also aligns with broader sustainability goals by reducing our environmental impact while improving the performance and cost-effectiveness of our operations.

CASE STUDY

Installation of Hydrogen Compressor

At Mettur Plant-3, we have initiated a project to streamline the hydrogen supply system to the Cabot plant by replacing the existing four reciprocating compressors with a single high-capacity unit. Currently, the setup includes two IR compressors (150 Nm^3/hr each) and two ICL compressors (350 Nm^3/hr each). The proposed replacement involves installing one compressor with a capacity of 550 Nm^3/hr, capable of maintaining continuous hydrogen delivery. The existing compressors operate at only 50–60% efficiency, posing risks of disruption. This upgrade aims to ensure a stable and reliable hydrogen supply, enhance energy efficiency, reduce operational risks, lower maintenance costs, and support long-term sustainability.

CASE STUDY

Installation of IE3 Energy Efficiency Motors:

At Mettur Plant-3, a pilot project was undertaken to replace lower-efficiency motors (IE1 and IE2) with higher-efficiency IE3 motors. The objective was to enhance energy efficiency, optimise operational performance, reduce power costs, lower the carbon footprint, and extend equipment lifespan. The trial was executed in collaboration with the plant's cross-functional team. Motors with constant load applications were selected for the study. Energy consumption data was recorded and compared between the existing lower-efficiency motors and the new IE3 motors. The conversion from IE2 to IE3 motors resulted in total energy savings of 19.07 GJ and an emission reduction of 7.00 tCO2e, contributing to the plant's overall sustainability goals.

Water Circularity through ZLD

GRI 303-1 GRI 303-2

Chemplast recognises that water is an essential yet increasingly scarce resource, and remains committed to its responsible use and conservation. Guided by our commitment to environmental stewardship, we have adopted a proactive approach to water conservation and sustainable water management. Leveraging advanced technologies and robust operational practices, we ensure the effective treatment and reuse of effluents, thereby preserving vital water resources. Our long-standing Zero Liquid Discharge (ZLD) status across all manufacturing locations reflects our dedication to responsible water usage and reinforces our resolve to reduce reliance on freshwater sources.

Water Withdrawal (In KL)

GRI 303-3

Particulars	Karaikal	Vedaranyam	Berigai	Cuddalore-CCVL	Cuddalore-CSL	Mettur	Total
Ground Water	223,387	-	83,440	-	-	-	306,827
Seawater	697,648	10,614,400	-	2,143,387	93,692	-	13,549,127
Surface Water	47,012	-	-	-	-	2,635,616	2,682,628
Total	968,047	10,614,400	83,440	2,143,387	93,692	2,635,616	16,538,582

Water Consumption (In KL)

GRI 303-5

Location	FY 24-25 Water Consumption (KL)	FY 23-24 Water Consumption (KL)
Karaikal	517,100	416,711
Berigai	83,439	68,792
Mettur	1,533,365	1,425,626
Cuddalore-CCVL	658,415	644,492
Cuddalore-CSL*	105,961	-
Vedaranyam	10,614,400	9,910,400
Total	**13,512,680**	**12,466,021**

*Cuddalore-CSL is a newly commissioned plant, operational from FY24-25

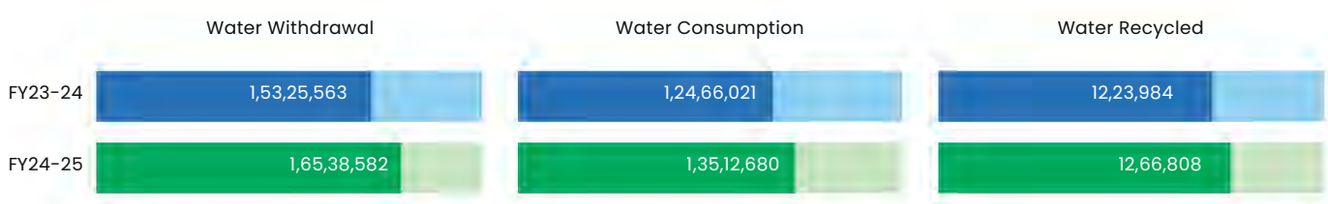
Note: There has been no change in water storage during the reporting period.

Water Discharge (In KL)

GRI 303-4

Location	FY 2024-25 Water Discharge (KL)	FY 2023-24 Water Discharge (KL)
Karaikal	561,245	415,048
Cuddalore-CCVL	1,306,323	1,140,162
Total	1,867,568	1,555,210

Comparison of Water Metrics: Withdrawal, Consumption and Recycled (in KL)



Despite the increase in operational scale this year, driven by business expansion and the addition of the new Cuddalore-CSL Plant, we managed our water resources efficiently. Water withdrawal and consumption rose moderately in line with increased production. Water recycling efforts saw a significant improvement. This reflects our continued commitment to sustainable water use and circular resource practices.

Recycled Water Consumption (In KL)

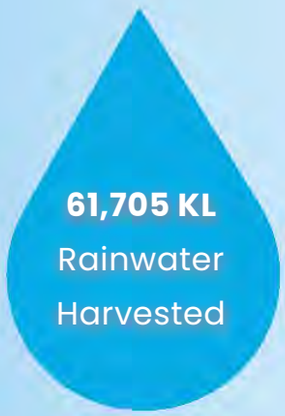
Chemplast takes a focused approach to reducing freshwater withdrawal by prioritising the reuse and recycling of water across its operations. Treated water from the Effluent Treatment Plant (ETP) is systematically recovered and redirected for use in various industrial processes, reducing dependency on external freshwater sources. Additionally, water treated through the Sewage Treatment Plant (STP) is effectively utilised for non-process applications such as Greenbelt and landscape maintenance. These practices not only support our Zero Liquid Discharge (ZLD) commitment but also reinforce our broader goal of sustainable water stewardship.

Plant	ETP Recycled water (KL)	STP Recycled Water (KL)
Karaikal	51,287	3,494
Berigai	59,911	6,801
Mettur	344,445	89,178
Cuddalore-CCVL	653,175	2,387
Cuddalore-CSL	54,651	1,478
Vedaranyam	-	-
Total	**1,163,470**	**103,338**

Rainwater Harvesting

As part of sustainable water management initiatives, Chemplast has adopted rainwater harvesting at select operational sites to strengthen water resilience and reduce reliance on freshwater sources. During the reporting period, the Company successfully harvested a total of 61,705 KL of rainwater. This includes 47,012 KL at the Karaikal facility, 4,272 KL at Mettur Plant-2, 8,896 KL at Mettur Plant-3, and 1,525 KL at Mettur Plant-4.

These initiatives play a critical role in recharging local groundwater levels while aligning with our broader commitment to water stewardship, conservation, and responsible resource management. By capturing and utilising rainwater, the Company continues to take proactive steps toward ensuring long-term water sustainability at the site level.



CASE STUDY

Comprehensive Rainwater Harvesting at Mettur Plant-2

As part of its sustainable water management strategy, Chemplast has implemented Rainwater Harvesting (RWH) schemes across Mettur Plant-2. These initiatives are designed to capture rooftop rainwater from various buildings, including the Admin Building, Engineering Stores, Civil Department Building, and Resin Storage Buildings. Each scheme follows a structured process involving initial collection tanks or runoff points, followed by an Intermediate Collection Sump.

The harvested rainwater from all schemes is ultimately directed to a central Raw Water Storage Tank with a capacity of 25,000 m^3. This integrated system helps reduce dependency on external water sources, supports groundwater recharge, and contributes to the company's larger sustainability goals.

Roof Water Collection System Mettur Plant-2

ZLD Approach

GRI 303-4

Chemplast has upheld its Zero Liquid Discharge (ZLD) status across all manufacturing sites since 2009, reflecting its commitment to sustainable water management. By treating and recycling all wastewater generated in our operations, we ensure that no effluent is discharged into the environment. Our facilities are equipped with advanced ZLD systems and desalination units, particularly in coastal areas, significantly reducing dependence on freshwater sources.

To ensure transparency and regulatory compliance, the ZLD infrastructure is closely monitored through state-of-the-art surveillance.

IP-enabled night vision cameras have been installed to capture real-time water flow data 24/7, with automated transmission of metered data to the Tamil Nadu Pollution Control Board's (TNPCB) / PPCC (Puducherry Pollution Control Committee) water quality watch centres. Additionally, treated industrial and sewage water is effectively reused for irrigation, supporting the development and upkeep of green belts within our campuses.

Responsible Waste Management

GRI 306-1 GRI 306-2

Our operations generate both hazardous and non-hazardous waste, primarily from manufacturing processes, utilities, and packaging activities. To address the impact, we uphold responsible waste management through our integrated 5S framework, ensuring safe handling, regulatory compliance, and operational efficiency, all guided by the 4R principle — Reduce, Reuse, Recycle, and Recover.

5S Implementation in Waste Management:

1. **Sort:** We systematically identify and eliminate non-essential material from the workplace. Unused or obsolete items are discarded appropriately, reducing clutter and preventing potential safety hazards.
2. **Set in Order**: Waste collection areas are clearly labelled and organised for easy access and correct segregation. This minimises the risk of mishandling.
3. **Shine**: We maintain cleanliness in all waste handling zones through routine inspections and cleaning schedules, which help detect leaks, contamination, and unsafe storage conditions early.
4. **Standardise**: Standard Operating Procedures (SOPs) are in place for every aspect of waste management — from segregation and labelling to storage and vendor handover. This ensures consistency across departments and shifts.
5. **Sustain**: We promote a culture of discipline and continuous improvement through regular employee training and awareness sessions. This ensures long-term adherence to best practices.

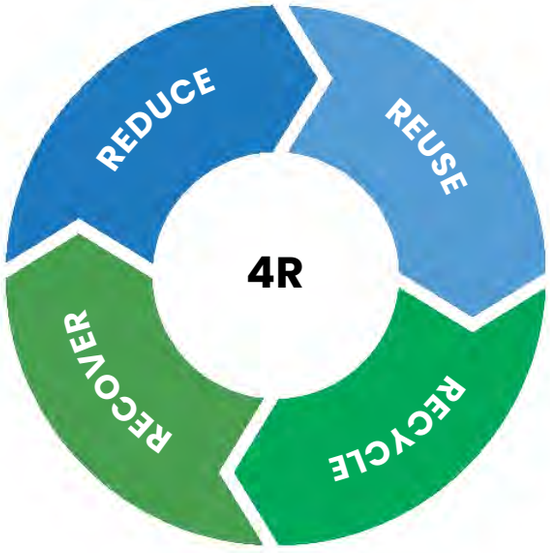
Our operations remained compliant with all chemical handling protocols, recording zero spill incidents this year.

Circular Resource Utilisation Across Sites

- Distillation residue generated at Mettur Plant-3 is safely incinerated at Mettur Plant-2, ensuring compliant and efficient waste disposal.
- Chemical sludge from wastewater treatment at Mettur Plant-2 is reused as a raw material input in the production processes at Mettur Plant-3, promoting circularity and reducing waste generation.
- Generated plastic waste is disposed of as per EPR guidelines across all plants.
- The R-23 gas generated as hazardous waste at Mettur Plant-1 is incinerated in compliance with safety protocols, ensuring effective disposal of this non-recyclable substance.

5S Framework

The 4R Plan



Total Waste Generated (in MT)

GRI 306-3

Plants	Waste Generated (MT)
Karaikal	3,113.688
Mettur	25,691.394
Berigai	2,847.956
Cuddalore–CCVL	3,429.141
Cuddalore-CSL	64.539
Total	**35,146.718**

The Vedaranyam plant operation involves seawater intake and salt production, having minimal environmental impact and generating very negligible waste.

Total Waste Disposal

GRI 306-4 GRI 306-5

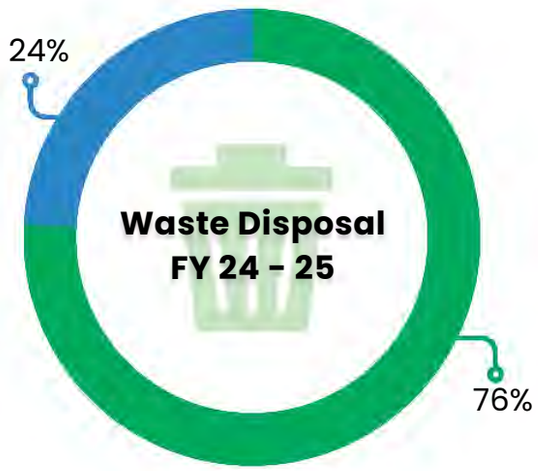
Location	Waste Directed to Disposal (in MT)
Incineration	
Karaikal	0.0162
Mettur	1729
Berigai	1.312
Cuddalore-CCVL	0.006
Cuddalore-CSL	0.0077
Total	**1730.37**

Location	Waste Directed to Disposal (in MT)
Landfill	
Karaikal	598.9
Mettur	2315.16
Berigai	2492.1
Cuddalore-CCVL	884.7
Total	**6290.86**
Total Waste Disposed (Incineraton+Landfilling)	**8021.23**

Location	Waste Directed from Disposal (in MT)
Via Reusing	
Karaikal	100.105
Mettur	20528.486
Total	**20628.591**

Location	Waste Directed from Disposal (in MT)
Via Recycling	
Karaikal	11.778
Mettur	806.418
Berigai	371.313
Cuddalore-CCVL	2538.845
Cuddalore-CSL	45.46
Total	**3773.814**

Location	Waste Directed from Disposal (in MT)
Via Waste to Energy	
Karaikal	16.76
Mettur	353.93
Total (MT)	**370.69**
Total Waste Disposed (Recycling + Reusing+ Waste to Energy)	**24773.095**



Waste Directed to Disposal

Waste Directed from Disposal

Disposal of Hazardous Waste

GRI 306-1 GRI 306-2

Disposal of Hazardous Waste	
Type of Waste	**Handling Process**
Process or distillation residue	Managed through captive incineration at Mettur Plant - 2 or authorised common TSDFs
Used or Spent oil- Generated from Rotating Machineries	Disposed off through authorised recyclers
Empty Barrels/Containers -Generated from Oil or chemical storage barrels or containers	Disposed off through authorised recyclers
Spent Solvents & Spent Catalyst - Generated from the production process at the Berigai Location	Disposed off through authorised recyclers
ETP Sludge	Sent to an authorised Common TSDF (Treatment, Storage, and Disposal Facility) for secure landfilling
Brine Sludge - Generated during salt purification process at Mettur Plant - 3 and Karaikal	Sent to an authorised Common TSDF (Treatment, Storage, and Disposal Facility) for secure landfilling
Evaporator Solids & Desalination Plant Sludge - Generated from multiple evaporators & desalination pre-treatment process	Sent to an authorised Common TSDF for secure landfilling
ZLD Salt & ZLD Sludge -Generated from ZLD Evaporator at Mettur Plant - 2	ZLD Salt is reused as raw material for brine preparation and ZLD Sludge is co-processed at cement manufacturing plants
E-Waste and Battery Waste	Disposed off through authorised recyclers, ensuring safe handling and recycling practices
Bio-Medical Waste	Incineration through TSDF

Disposal of Non-Hazardous Waste

Non-hazardous waste like metal scrap and wood waste, generated during operations and maintenance, are sold to authorised recyclers. Waste like fly ash and bottom ash is sold to brick manufacturers for reuse.

Beyond Manufacturing Boundaries:

Plastic Waste Management with EPR Compliance

Every year, we proactively engage a certified waste management agency to ensure the responsible collection, recycling, and disposal of post-consumer plastic waste, in line with Extended Producer Responsibility (EPR) guidelines.

In the current reporting year, we successfully:

- **Recycled**: 1,064 MT of plastic waste
- **Co-processed**: 2,041 MT of plastic waste
- **Total managed:** 3,105 MT – equivalent to 100% of the plastic sold with our products

Total post-consumer plastics were diverted from landfills, reflecting our commitment to circular economy principles and regulatory compliance.

This post-consumer plastic waste primarily covers:

- **Category I** plastics: Rigid plastics
- **Category II** plastics: Flexible plastics

Through our efforts to divert 100% of plastic waste away from landfills, we have achieved significant reductions in its environmental footprint.

GHG Emissions Avoided	**1,887.91 MTCO2e***
Energy Saved	**15,854,658.62 kWh***

*U.S. EPA WARM Tool V15

By proactively accounting for and managing all plastic waste in accordance with Circular Economy principles, we not only comply with national regulations and EPR mandates but actively contribute to sustainable material use and climate action.

Responsible Material Consumption

GRI 301-1

At Chemplast, we prioritise responsible sourcing and implement strategies for optimal resource utilisation to ensure the highest quality of raw materials. Additionally, due to the complexities involved in chemical packaging, we encourage our customers to take responsibility for managing packaging materials at the end of the product's life cycle.

Material Used by Weight (MT)

Raw Materials	Karaikal	Mettur	Berigai	Cuddalore-CCVL	Cuddalore-CSL	Total
Chloroform (Job Work)	-	572.845	-	-	-	572.845
Chloroform Pure	-	1317.866	-	-	-	1317.866
Liquid Chlorine	-	16.128	-	-	-	16.128
Washed salt	87751.609	14275.28	-		-	102026.889
Vinyl Chloride Monomer	-	-	-	319145.981	27130.165	346276.146
Chlorine	43348.97	-	-	-	-	43348.97
Hydrogen	-	10680654	-	-	-	10680654
Ethylene Dichloride	-	20760.33	-	-	-	20760.33
Ethylene	27126.213	-	-	-	-	27126.213
Pure Ethylene Di Chloride	-	94988.78	-	-	-	94988.783
Salt	-	1697.185	-	-	-	1697.185
Washed Salt - Purchased	-	83400.06	-	-	-	83400.06
Anhydrous Hydrofluoric Acid (AHF)	-	502.287	-	-	-	502.287
Sodium Cyanide	-	-	156.15	-	-	156.15
Methanol	-	11166.593	307.934	-	-	11474.527
Vanillin	-	-	377.175	-	-	377.175
D-Serine	-	-	770.646	-	-	770.646
Potassium methoxide	-	-	1941.625	-	-	1941.625
Anhydrous Hydrofluoric Acid	-	218.4	-	-	-	218.4
Total (in MT)						11,417,626.23

Safety Protocols during Transportation of Hazardous Chemicals / Products

Safety Measures	Description
Material Safety Data Sheet (MSDS)	Suppliers are made to furnish Material Safety Data Sheets (MSDS) for hazardous goods supplied, detailing comprehensive information about environmental and safety ramifications with the materials provided.
HAZCHEM Label	Vehicles comply with motor vehicle rules by displaying HAZCHEM labels as per regulatory requirements.
Periodic Safety Check	• Drivers undergo alcohol breath analyser tests. • Vehicles exceeding a 15-year threshold are not eligible for transporting hazardous materials.
Chemical Transport Safety Film for Truck Crews	Awareness related to safety practices is raised among truck crews (involved in transportation) through educational videos.
Pollution Check Certificate	Vehicles have active emission certificates, and drivers require endorsements for the transportation of hazardous materials.
Periodic Training	Drivers receive periodic training for handling emergencies and mitigating risks during transportation.
Safeguarding Valves	Trucks have sturdy metallic frames installed to protect non-metallic valves and to withhold impact during collisions.
ISO 14000 and ISO 45000 Certification	Suppliers are urged to acquire ISO 14000 and ISO 45000 certifications for rigorous compliance pertaining to environmental and occupational health benchmarks.
Safety Review with Truck Crews	Periodic evaluations are conducted with truck crews every quarter to check on safety considerations for chemical transportation. This alleviates transportation risks. A designated transport safety officer also oversees transportation practices and regulatory adherence.
Rubber Lining Certification	Vehicles transporting acids undergo quarterly certification by pre-qualified agencies to verify the integrity of rubber linings and mitigate the risk of failure. Thorough inspections and cleaning of all tankers are done to decrease the probability of rubber lining failure arising from high temperatures resulting from exothermic reactions between incompatible materials.
GPS Tracking	Vehicles utilised for transportation are equipped with GPS systems for real-time monitoring and communication.

Details of Recycled Input Materials

GRI 301-2

At Chemplast, we emphasise responsible sourcing and implement an 'Optimal Resource Utilisation' strategy to preserve raw material quality, enhance efficiency, and minimise waste. Our production processes are designed to enable maximum reuse and recycling of key inputs such as process salt, chloroform, chlorine, and hydrogen. For instance, crystallised salt recovered from the ZLD – Reject Management System at Mettur is reused in brine preparation for caustic soda production. Similarly, chloroform generated at the Chloromethane plant is used as recycled input material to manufacture R-22, while chlorine produced at our Mettur and Karaikal facilities is utilised in the production of chloromethanes and EDC. Due to the complexities involved in reclaiming packaging waste in the chemical industry, we encourage customers to take responsibility for end-of-life packaging management.

Raw Materials	Karaikal	Mettur	Berigai	Cuddalore-CCVL	Cuddalore-CSL	Vedaranyam	Total
Chloroform	-	1,317.87	-	-	-	-	1,317.87
Chlorine	43,348.97	16.128	-	-	-	-	43,365.098
Hydrogen	-	10,680,654	-	-	-	-	10,680,654
Process Salt (ZLD)	-	718.598	-	-	-	-	718.598

Products Reclaimed

GRI 301-3

At Chemplast, we are dedicated to operationally efficient and environmentally responsible manufacturing. Although not all products can be directly reclaimed after use, we strive to minimise waste and drive sustainability through a strong focus on quality, operational efficiency, and responsible manufacturing practices across our product portfolio. We make conscious choices in selecting packaging materials that reduce environmental impact and align with recycling and recovery initiatives. Internally, we actively seek opportunities to reuse and recover materials within our processes, guided by the principles of the 4R and the 5S framework for efficiency and resource optimisation.

Green Collaborations & Partnerships

As part of our journey from commitment to impact, Chemplast has taken a significant step forward in advancing sustainability goals through a strategic collaboration with a green energy provider focused on renewable power generation in Tamil Nadu. This forward-looking alliance is formed under the Sanmar Group Captive Power Scheme, where Chemplast Sanmar has acquired an 18.46% equity stake in the SPV.

The partnership will facilitate the development of 92.80 MW of solar and 20 MW of wind power capacity, marking a transformative shift toward clean, reliable, and climate-resilient energy for our operations.

Through the execution of a Power Purchase Agreement (PPA), Chemplast Sanmar ensures long-term access to renewable electricity, significantly reducing its carbon footprint and reinforcing its position as a responsible manufacturer.

Key Highlights of the Green Energy Collaboration:

- Total Renewable Capacity: 112.8 MW (92.8 MW Solar + 20 MW Wind)
- Long-Term PPA Signed: Ensures consistent, clean power supply
- Sustainable Shift: Major step toward energy self-reliance
- Significant carbon footprint reduction

HUMAN CAPITAL RESPONSIBILITY

Material Topics

At Chemplast, our dedication to making a positive impact guides every action we take towards sustainability. We understand that true sustainable growth relies not only on innovation and operational excellence but also on the capacity to foster inclusive opportunities, enhance employee wellbeing, implement effective OHS practices, and manage natural resources responsibly. Our goal is to create a future where our commitments yield meaningful and lasting benefits for society—conserving resources for generations to come while ensuring access to quality education, affordable healthcare, clean water, and sustainable livelihoods, particularly for marginalised communities.

Total Employees-**1212**

21% Increase in Training Hours

Diversity, Equity & Inclusion Initiatives

Building a Stronger Workforce Together

At Chemplast, our employees are the drivers of our innovation and long-term success in the industry. We are committed to attracting, developing, and retaining top talent by fostering a supportive and inspiring work environment based on mutual trust, respect, and a shared pursuit of excellence. Our aim is to create a safe, engaging, and inclusive atmosphere that empowers our people and aligns them with a common purpose. We recognise that sustainable and responsible growth is closely tied to the strength of our workforce and our relationships with communities and stakeholders.

To support our employees in adapting to industry changes, we invest in structured training programs, upskilling workshops, career development plans, and performance reviews. As we strive for growth, the expertise of our employees and our partnerships with communities are crucial for creating lasting value and building a better future. To ensure awareness of our work policies and conduct, we provide resources such as HR policy manuals and code of conduct, keeping our employees informed and aligned with our core values.

Employee Diversity

GRI 405-2

We are committed to creating a workplace where everyone is treated fairly, regardless of their background, to foster inclusivity and diversity within our workforce. As a fundamental principle of our hiring strategy, our practices align with our commitment to providing equal opportunities for all individuals, irrespective of gender identity, age, colour, religion, sexual orientation, disability, ethnicity, faith, or marital status. Our Code of Conduct and Ethics Manual explicitly promotes inclusive business practices and sets clear expectations for non-discriminatory behaviour throughout the organisation. Employees are encouraged to engage openly with supervisors, department heads, or the designated Ombudsman for support and inquiries. During the reporting period, one female employee was employed at the Berigai location; therefore, the ratio of basic salary and remuneration between men and women is not considered significant.

At Chemplast, contractual employees are essential to our daily operations and site functionality. We ensure that all contractual staff work in a safe and regulated environment, supported by regular oversight, training, and compliance checks in line with our internal safety protocols and statutory obligations. They contribute to various non-core yet operationally significant functions, including industrial cleaning, mechanical component fabrication and fitting, infrastructure maintenance, and daily upkeep. The demographic breakdown of permanent and contractual employees—by gender and age group—as of March 31, 2025, is provided below, offering valuable insights into our workforce composition and diversity.

GRI 2-7 GRI 2-8

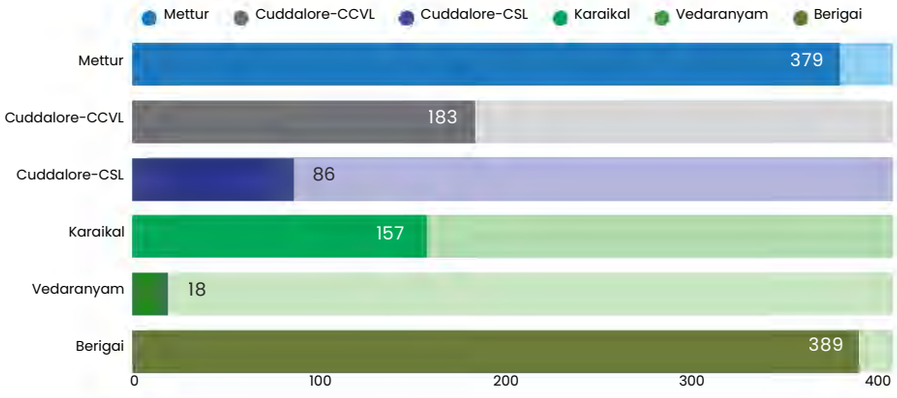
Permanent Employee

Plant Name	<30 years	30-50 years	>50 years	Male	Female	Total
	No.	No.	No.	No.	No.	No.
Mettur*	175	176	28	379	0	379
Cuddalore-CCVL	52	98	33	183	0	183
Cuddalore-CSL	54	29	3	86	0	86
Karaikal	65	71	21	157	0	157
Vedaranyam	2	13	3	18	0	18
Berigai	251	127	11	388	1	389
Total	599	514	99	1211	1	1212

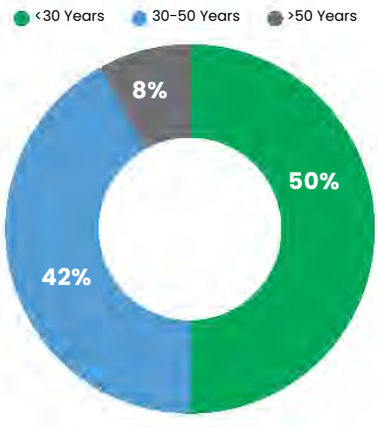
*No. of employees at Mettur comprising 16, 81, 145, 54, 36 and 47 at Plant 1, 2, 3, 4, common employees and pool trainees respectively.

Note: Mettur Plant-2 has 135 union employees and Vedaranyam has 52 union employees classified as permanent workers.

Employee Distribution



Employee-Age wise



Contract Employee/Other than Permanent Workers

Plant Name	Male	Female	Total
	No.	No.	No.
Mettur	761	77	**838**
Cuddalore-CCVL	533	25	**558**
Cuddalore-CSL	163	6	**169**
Karaikal	157	11	**168**
Vedaranyam	215	234	**449**
Berigai	428	1	**429**
Total	**2257**	**354**	**2611**

Employee Hire and Turnover

GRI 401-1 GRI 402-1

We have maintained our focus on strengthening human capital across all operational sites. During this period, we successfully onboarded 282 employees at key manufacturing facilities, including Mettur, Karaikal, Cuddalore, Berigai, and Vedaranyam. Our hiring strategy emphasises aligning workforce capabilities with long-term operational needs while promoting local employment and inclusivity. The employee turnover rate for this reporting period was 16.29%, reflecting our ongoing commitment to enhancing engagement, development, and retention through structured programs and targeted interventions that support workforce stability and organisational continuity.

Our notice period policy complies with the provisions of the Industrial Disputes Act, 1947. Junior and non-management employees are required to serve a notice period ranging from 21 days to 4 weeks, while executives have notice periods that vary from 8 to 16 weeks, depending on their level of seniority. In line with our commitment to transparent and responsible workforce management, we proactively communicate any operational changes that may affect employees, ensuring prior consultations with plant authorities. These communications are supported by necessary training and guidance to minimise disruptions and ensure that employees are well-prepared to adapt to changes.

Employee Diversity - Age Group Wise

Age Group	Permanent Employees	New Hire	Employees left during the period
<30 years	599	228	121
30-50 years	514	50	55
>50 years	99	4	14

New Employee Hire

Plant Name	<30 years	30-50 years	>50 years	Male	Female
	Nos.			Nos.	
Mettur	79	13	0	92	0
Cuddalore-CCVL	24	3	1	28	0
Cuddalore-CSL	16	2	0	18	0
Karaikal	27	6	1	34	0
Vedaranyam	1	1	0	2	0
Berigai	81	25	2	107	1

New Employee Left

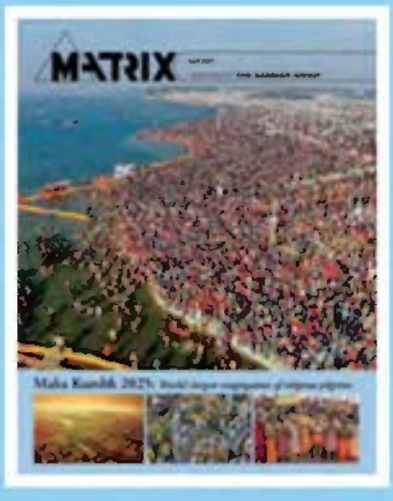
Plant Name	<30 years	30-50 years	>50 years	Male	Female	Turnover Rate
	Nos.			Nos.		Rate (%)
Mettur	13	1	0	14	0	15.22
Cuddalore-CCVL	1	0	0	1	0	3.57
Cuddalore-CSL	2	0	0	2	0	11.11
Karaikal	0	0	0	0	0	0
Vedaranyam	0	0	0	0	0	0
Berigai	7	1	0	8	0	7.4

Employee Left & Turnover Rate

Plant Name	<30 years		30-50 years		>50 years		Male		Female	
	Nos.	Rate (%)	Nos.	Rate (%)	Nos.	Rate (%)	Nos.	Rate (%)	Nos.	Rate (%)
Mettur	37	24.02	21	11.66	5	16.39	63	17.28	0	0
Cuddalore-CCVL	9	20.22	8	7.96	1	3.03	18	10.11	0	0
Cuddalore-CSL	11	21.35	4	13.33	1	28.57	16	18.82	0	0
Karaikal	11	19.29	8	11.11	4	17.77	23	15.18	0	0
Vedaranyam	1	50	1	7.69	2	50	4	21.05	0	0
Berigai	52	21.98	13	10.74	1	9.52	66	17.95	0	0

Employee Well Being & Development

Recognising and Rewarding Excellence



Our employee engagement strategy is designed to foster a positive work environment through various initiatives, including regular training sessions, career guidance, performance reviews, and surveys. We strive to create a workplace where employees feel valued, heard, and empowered to achieve their professional goals. These engagement efforts allow us to proactively identify and address employee concerns, ensuring alignment between organisational objectives and individual growth.

We encourage stakeholders to explore Matrix, our quarterly publication, available on the company website, which provides detailed insights into our people-centric initiatives and community engagement activities.

The Group Annual Day (GAD) is a cherished tradition that embodies our culture of recognition and unity. GAD offers an opportunity to celebrate outstanding performance, long-term commitment, and collective achievements. This year's theme —"Together We Excel: Create Our Future"— represents a unified vision and a strong commitment to shared growth and excellence.

Employee Benefits

GRI 401-2 GRI 406-1

We are committed to the wellbeing of our workforce and take several proactive steps to enhance their productivity and support their personal growth. Our comprehensive employee benefits program, outlined below, reflects this dedication.

Management level

- Comprehensive Provident Fund
- Competitive compensation packages
- Gratuity schemes
- Performance-based statutory bonuses
- Personalised insurance coverage
- Career development opportunities

Junior and Non-Management

- Negotiated Compensation
- Dearness Allowance
- Employee Provident Fund
- Contributions Towards ESIC, as applicable
- Gratuity Scheme
- Group Personal Accident and Hospitalisation Insurance
- Statutory Bonus, as applicable
- Production Incentive

Contractual Employees

- Statutory Bonus
- Payment of Minimum Wages
- Employee Provident Fund
- Employee's State Insurance Corporation
- Group personal accident and Hospitalisation insurance
- Statutory Bonus

GRI 401-3

All full-time employees receive competitive salaries along with a range of allowances that support daily living and overall wellbeing. These include House Rent Allowance (HRA), medical allowance, and travel allowance. Additionally, a portion of each employee's salary is contributed to a Provident Fund, serving as a long-term savings mechanism to support financial security after retirement.

We provide various types of paid leave earned leave, sick leave, and casual leave, to ensure employees can address personal or health-related needs without financial burden. Under the current policy framework, plant-level employees are not eligible for parental leave or stock ownership benefits. While maternity leave is offered, paternity leave is not currently provided for male employees.

In FY 2024–25, we reaffirmed our commitment to fair treatment and ethical workplace practices. There were no reported instances of discrimination, harassment, child labour, forced labour, or violations of labour laws. This outcome reflects the strength of our internal policies and our culture of respect, inclusivity, and accountability.

HR Governance: Driving Employee Development

Our Human Resources policies are designed to align employee welfare with organisational performance, ensuring that fairness, transparency, and accountability remain at the core of our operations.

Performance Development Review

At Chemplast, performance and career development reviews play a vital role in fostering a culture of continuous improvement and professional growth. Our structured evaluation processes are designed to align individual aspirations with organisational goals, ensuring both personal and collective success.

Performance evaluations are conducted biannually to assess employee development, monitor task completion, and identify areas for improvement. Each department establishes specific goals in alignment with the company's broader objectives, providing a clear and measurable framework for tracking progress.

Following each evaluation, detailed improvement plans are developed to support employees in enhancing their skills and excelling in their roles. For executive-level employees, we implement objective and metrics-driven evaluations to ensure accountability, leadership development, and alignment with strategic priorities.

SPARSH, our internal portal, plays a key role in managing performance reviews and promoting a culture of fairness and transparency. It provides employees with access to a comprehensive handbook on fair work practices, insightful case studies, and a structured grievance resolution mechanism—fostering trust and accountability across the organisation. All permanent employees across our plant locations have received performance and career development reviews. Our multi-level performance appraisal process is collaboratively conducted by plant heads, location heads, and HR personnel. This collaborative approach ensures that employees receive well-rounded support and constructive feedback, empowering them to achieve their career goals and contribute meaningfully to organisational growth.

Safety & Emergency Response

- Workplace safety protocols
- Chemical safety handling
- Firefighting techniques
- Emergency response procedures

Professional Development

- Career development planning
- Leadership training
- Performance optimisation
- Performance reviews-SPARSH

Health & Wellness

- Yoga and wellness activities
- Road safety programs
- Preventive healthcare
- Mental health support

Human Rights & Ethics

- Human rights awareness
- Workplace ethics
- Diversity & inclusion
- Code of conduct

Upholding Freedom of Association and Collective Bargaining:

GRI 2-30
GRI 407-1

Chemplast is firmly committed to upholding the Right to Freedom of Association and Collective Bargaining across all its operations. We ensure full transparency in discussions related to workforce welfare, compensation, and benefits. Any significant organisational changes—such as the adoption of advanced technologies, modifications to operational processes, automation initiatives, or system upgrades—are systematically reviewed and formally documented in agreements with trade unions. This provides a structured and collaborative platform for consultation and negotiation.

At our **Vedaranyam facility,** collective bargaining agreements cover **74% of employees (52 out of 70)**, while at **Mettur Plant-2,** they cover **63% of employees (135 out of 216)**. Employees not covered by these agreements are governed by individual appointment orders aligned with our internal "**People Philosophy**" manual, ensuring consistent and equitable employment terms across the company.

During the reporting period, **no risks or violations** related to the rights to freedom of association or collective bargaining were identified, underscoring our ongoing commitment to ethical labour practices.

Employee Training Details

GRI 404-1 GRI 404-2 GRI 404-3

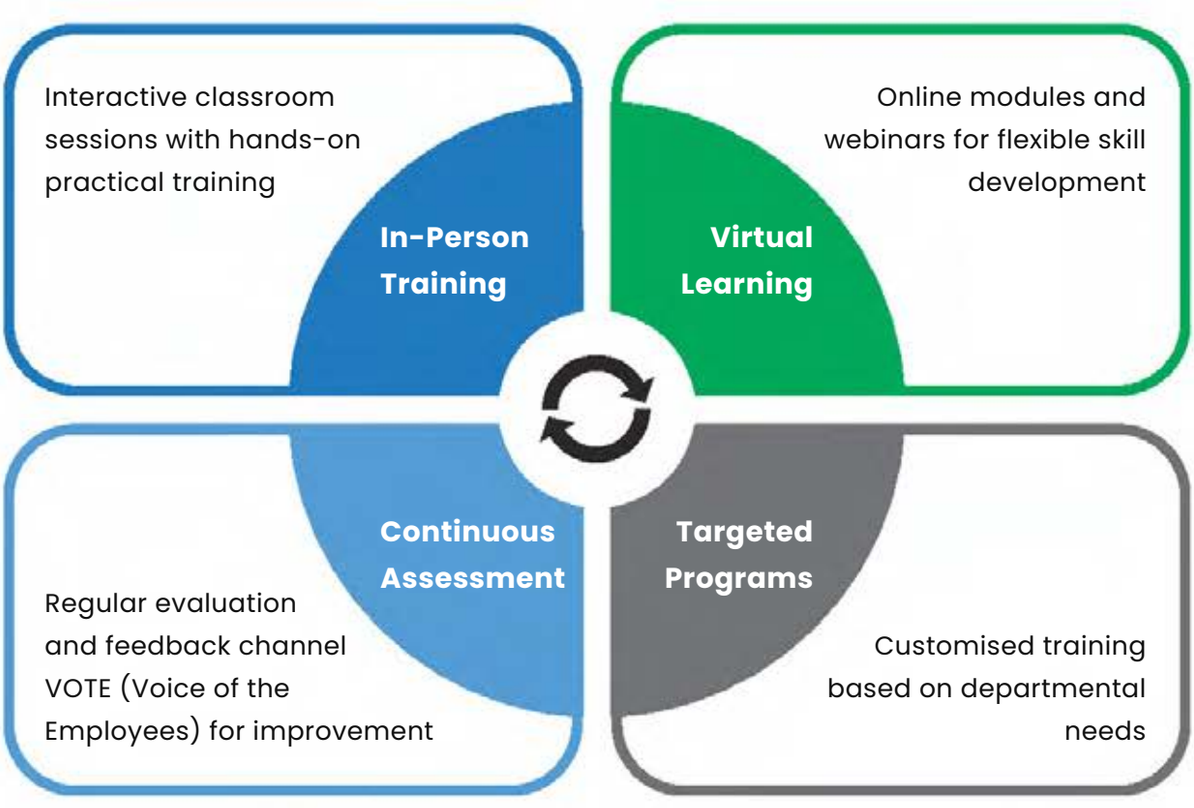
Average hours of training per year per employee

Plant Name	Permanent Employees		Contractual Employees	
	Male	Female	Male	Female
Mettur Plant - 1	60.6	0	37.31	38.45
Mettur Plant - 2	68.69	0	32.43	31.77
Mettur Plant - 3	25.99	0	20.72	20.49
Mettur Plant - 4	23.93	0	32.33	40.08
Cuddalore-CCVL	26.09	0	18.42	9.19
Cuddalore-CSL	29.33	0	14.78	3.25
Karaikal	20.31	0	26.27	48.91
Vedaranyam	52.11	0	4.77	0
Berigai	32.53	2	21.38	53
*Mettur Common	1.87	0	0	0

Total training hours for the contractual employees	**50928**	**Total training hours for the permanent Employees**	**35800**

Training Methodology- We believe that continuous learning is fundamental to individual and organisational success. Our training and development programs are designed to accommodate diverse learning preferences and operational needs. With a strong focus on safety, skill enhancement, and customised sessions, we ensure that employees are equipped to meet both current responsibilities and future challenges. At Chemplast, a period of transition between the incumbent and the successor, for certain positions, ensures seamless transitions. Additionally, we provide support and training to employees undergoing role changes, ensuring they are equipped with the necessary skills to perform effectively in their new positions.

To make learning flexible and accessible, we employ a blended approach that includes in-person classroom sessions, virtual modules, and department-specific programs tailored to role-specific competencies. This mix allows for dynamic and engaging learning experiences across all levels of the organisation. We also value employee input and actively seek feedback through platforms like VOTE (Voice of the Employees). This helps us continuously refine our training initiatives and better align them with employee expectations and organisational goals.



Human Rights and Labour Practices

GRI 406-1 GRI 410-1

With increasingly interconnected economic systems, the responsibility to uphold worker dignity, ensure fair compensation, and embed safety at the core of business operations has become central to meeting global ESG expectations. At Chemplast, we recognise this responsibility and have implemented a robust Human Rights Due Diligence system that proactively identifies, assesses, and mitigates potential risks across our operations.

This system specifically addresses risks related to child labour, young workers in hazardous roles, and forced labour, ensuring vigilant monitoring and preventive action. Our human rights agenda is aligned with internationally recognised frameworks, including the Universal Declaration of Human Rights (UDHR), International Labour Organization (ILO) Conventions, and the United Nations Guiding Principles on Business and Human Rights (UNGPs). Through this alignment, we strive to foster ethical, inclusive, and accountable operations across our entire value chain, reinforcing our commitment to responsible business conduct.

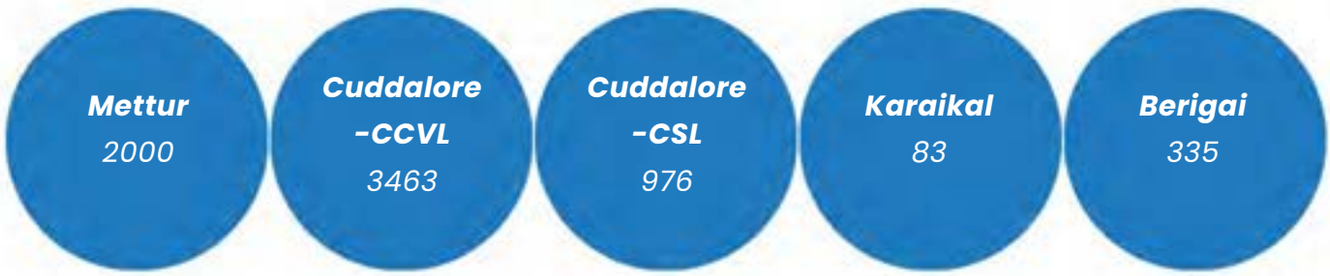
We maintain a strict zero-tolerance policy toward any form of human rights violation. To reinforce our commitment to ethical practices, a human rights clause is embedded in all relevant contracts, ensuring clear expectations and accountability across our operations and partnerships.

GRI 408-1 GRI 409-1

Our cross-functional team, comprising HR leaders, functional heads, and plant heads, works proactively to uphold and enforce human rights standards across all our operations. We adhere strictly to the provisions of the Factories Act, which defines the legal working age and prohibits the employment of children in hazardous or exploitative labour. In alignment with our zero-tolerance policy on child and forced labour, we have institutionalised a rigorous due diligence process to verify the age, identity, and medical fitness of all employees and suppliers both within India and across our international operations. This proactive screening ensures that every individual in our workforce and supply chain complies with legal requirements and is medically fit for their role. Through these robust measures, we reinforce ethical labour practices and protect the integrity of our operations, embedding human rights and responsible labour practices at the core of our business values.

GRI 410-1

Number of Training Hours to Security Personnel



Excellence in Process Safety and Workplace Safety

In alignment with our long-term vision for OHS and workspace excellence, we are driving a transformative shift toward achieving a Zero Harm Culture by 2027. This forward-looking goal reflects our focus on eliminating life-impacting injuries, mitigating process safety events, and proactively identifying and addressing at-risk behaviours across our operations.

GRI 403-1 GRI 403-3

Our approach to Process Safety and Workplace Safety demonstrates our rigorous safety standards and operational discipline. Our OHS policy applies to all individuals present at our sites, including regular employees, contract workers, and visitors. The safety training programs ensure alignment with safety requirements and help us proactively address plant-specific risks. We rigorously monitor all compliance-related activities to maintain safe workplaces and minimise hazards. As a result, we have received significant external recognition from the British Safety Council, EcoVadis, and Responsible Care. Our plants are certified under globally recognised ISO 45001 standards. To uphold the standard, we focus on identifying, managing, and minimising workplace risks. The standard encourages employee involvement in hazard identification and risk mitigation, integration of safety KPIs in performance monitoring, and reward and recognition in various methods.

Visible FELT leadership

The concept of engagement across all organisational tiers demonstrates dedication to safety culture transformation. Our leaders and site management personnel actively exemplify their safety commitment through structured safety interaction initiatives, which is an apt tool for behaviour modification, compliance with safety rules such as PPE, work permit, SOP, etc.

Safety Performance Indicators (FY 2024-25)

GRI 403-9 GRI 403-10

Overall Group

Zero Fatalities

Zero High Consequences Injuries

Zero Work Related ill Health

Recordable work-related injuries rate 1.205

Table 1 -Regular Employees

Description of Safety Performance Indicator		Mettur				Cuddalore		Karaikal	Vedaranyam	Berigai
		Plant-1	Plant-2	Plant-3	Plant-4	CCVL	CSL			
Fatalities -Work Related Injuries*	No.	0	0	0	0	0	0	0	0	0
	Rate	0	0	0	0	0	0	0	0	0
High Consequence-Work Related Injuries#	No.	0	0	0	0	0	0	0	0	0
	Rate	0	0	0	0	0	0	0	0	0
Recordable work-related injuries**	No.	0	2	0	0	0	0	0	1	0
	Rate	0	3.439	0	0	0	0	0	6.349	0
Man days lost Work related injuries	No.	0	116	0	0	0	0	0	1	0
Fatalities -Work Related ill Health***	No.	0	0	0	0	0	0	0	0	0
	Rate	0	0	0	0	0	0	0	0	0
Recordable work-related ill health	No.	0	0	0	0	0	0	0	0	0
Man days lost work-related ill health	No.	0	0	0	0	0	0	0	0	0
Manhours	Hours	39376	581550	379936	128347	401176	193728	356497	157493	831650

Table 2 -Contractual Employees

Description of Safety Performance Indicator		Mettur				Cuddalore		Karaikal	Vedaranyam	Berigai
		Plant-1	Plant-2	Plant-3	Plant-4	CCVL	CSL			
Fatalities - Work Related Injuries*	No.	0	0	0	0	0	0	0	0	0
	Rate	0	0	0	0	0	0	0	0	0
High Consequence-Work Related Injuries#	No.	0	0	0	0	0	0	0	0	0
	Rate	0	0	0	0	0	0	0	0	0
Recordable work-related injuries**	No.	0	1	5	0	0	0	0	2	0
	Rate	0	1.132	5.095	0	0	0	0	2.807	0
Man days lost Work related injuries	No.	0	20	194	0	0	0	0	108	0
Fatalities - Work Related ill health	No.	0	0	0	0	0	0	0	0	0
	Rate	0	0	0	0	0	0	0	0	0
Recordable work-related ill Health***	No.	0	0	0	0	0	0	0	0	0
Man days lost work-related ill health	No.	0	0	0	0	0	0	0	0	0
Manhours	Hours	280808	883197	981287	255723	1148044	387488	814558	712297	2230468

*Rate of fatalities related to work-related injury = (No. of fatalities as a result of work-related injuries)/ (man-hours worked) *10,00,000

** Injuries involving more than first aid and rate of recordable work-related injuries = (No. of recordable work-related injuries)/ (man-hours worked) *10,00,000

***Work-related ill health involving more than first-aid

High-consequence work-related injuries: work-related injuries resulting in more than 6 months of absence for the resumption of work by the employee

Safety Management System

We are working towards creating a "Zero Harm Culture," through strategic initiatives that represent a systematic commitment to eliminating workplace incidents through the integration of internationally recognised safety management standards and methodologies like the ISO 45001 Standards, Responsible Care Codes, British Safety Council Specifications, Process Safety Management, and Behaviour-Based Safety.

Responsible Care Codes- This voluntary initiative by the chemical industry represents a unified commitment among companies to elevate their standards in safeguarding health, safety, and the environment. It extends beyond basic legal and regulatory compliance, cultivating a culture of continuous improvement across all facets of Safety, Health, and Environmental (SHE) performance.

CSL has been a proud signatory of the Responsible Care logo since 2010, with CCVL joining as a signatory in 2017. In March 2025, the Indian Chemical Council (ICC) conducted the latest recertification audit for both CSL and CCVL, reaffirming the compliance of the Responsible Care Code initiative.

1. Process Safety Code

It helps in establishing risk-based awareness of the safety impact due to technology, facilities, and personnel. It is designed to enhance existing safety protocols by focusing on key concepts such as leadership, accountability, and safety culture with the goal of driving continuous improvement in process safety performance.

2. Employee Health and Safety Code

It is a fundamental responsibility for all companies under the Responsible Care® initiative. It empowers employees to proactively address safety concerns, enabling early identification and resolution of potential hazards before they turn into safety incidents. It enables to achieve Zero accidents and Zero injuries or harm to human health and the environment.

3. Pollution Prevention Code

It aims to continuously reduce emissions and discharges of pollutants and contaminants into the air, water, and land from company operations.

4. Emergency Response Code

It provides guidance to companies for preparing a set of detailed emergency plans, based on potential risks a facility might face.

5. Distribution Code

To prevent or mitigate the consequences of incidents during distribution activities to the general public, the environment, employees, customers, etc. It underscores the need for emergency response planning and real-time information sharing.

6. Product Safety and Stewardship Code

Product Safety focuses on sharing information about hazards, safe handling, intended uses, and risks, while Product Stewardship emphasises corporate responsibility for understanding, managing, and communicating the health and environmental impacts of their products.

7. Security Code

It seeks to prevent the misuse, theft, or intentional release of chemicals, as well as sabotage of chemical facilities and processes. It aims to strengthen security across fixed facilities, transportation networks, and cyber infrastructure.

Strategic Partnership for Safety Transformation

CSL & CCVL have embarked on a risk-based process safety journey with the support of dss+ (formerly called as Dupont) to elevate safety standards to the highest level. The programme, known as 'SANSAFE', embodies CSL's strategic vision for comprehensive safety culture transformation. The key objectives of SANSAFE program are:

- Creating a visible shift in safety culture
- Enhancing risk perception
- Improved line management ownership
- Achieving higher safe work standard
- Creating internal capabilities to sustain and continuously improve safety performance

SANSAFE performance monitoring encompasses a comprehensive 250 KPIs that are developed to monitor and analyse the performance of SANSAFE program. These KPIs are proactively helping the organisation with risk mitigation. KPIs are reviewed every month by the site-level Apex Committee and corporate-level Steering Committee.

GRI 403-4

Governance Setup

- Formation of Steering Committee
- Plant-Level Apex Committee
- Sub Committees

Workplace Risk Mitigation - Behaviour-Based Safety

- Contractor Safety Management
- Incident investigation and analysis
- Safe work practices

Leadership Training

- Training for Corporate Leaders
- Mid-Manager on Leading Safety Efforts
- Risk-Based Process Safety Management

Capability Development

- Safety Interaction
- Incident Investigation
- Process Hazard Analysis
- Mechanical Integrity and Quality Assurance
- Emergency Preparedness
- Job Cycle Check

Barrier Health Management

- Assessing Preventive and Mitigate Barrier

Operational Discipline through Governance

- Setting KPI for lead indicators
- Setting KPI for lag indicators
- Review and tracking

Mechanical Integrity and Quality Assurance

- Assessing Current State
- Review and Upgrade Current MIQA Procedure and Inspection Checklist
- Capability Building
- Implementation of MIQA

Safety Performance

GRI 403-8

CSL & CCVL accord paramount importance to leading indicators such as hazard reporting, safety interaction (Behaviour-Based Safety), near-miss reporting, training, etc. The company empowers and motivates employees to report leading indicators. To ensure effectiveness, timely action is taken on all reported observations. Digitalisation has been implemented to streamline and enhance the ease and efficiency of safety reporting across operations. Chemplast is deliberating third-party audit of sub-contractors.

100% employee coverage under an Occupational Health & Safety Management System across all plants.

11.0 Million safe man-hours

Custom Manufactured Chemicals Division

5.0 Million safe man-hours

Chemplast Cuddalore Vinyls Limited

4.0 Million safe man-hours

Chemplast, Karaikal

2.7 Million safe man-hours

Chemplast, Vedaranyam

2.0 Million safe man-hours

Coal Based Power Plant – Mettur

In-House Motivational Program - Group Safety Award

Sanmar has revised the in-house award system, considering the current improvements in the Safety Management System. This covers workplace safety, process safety, training, and statutory compliance, etc. Weightage for line management drive has also been considered in the revised award system. The audit was conducted by independent auditors who possess rich experience in process safety and workplace safety. Based on the audit scores and safety performance indicators, the following plants were awarded in the month of February 2025:

1. Chairman's Award for Excellence in Safety Management System under Chemicals Category - CSL Mettur Plant-3
2. Chairman's Award for Best Safety Performance – Chemicals
   a. CSL, Karaikal,
   b. CSL, Mettur Plant-4
   c. CMCD, Berigai
3. Special Award for achieving 10 million Safe Man-hours – CMCD Berigai
4. Special Award for achieving 5 million Safe Man-hours – CCVL

Major Awards

GRI 403-5

Mettur Plant-3 won the BSC five-star award for the second time and received the "Sword of Honor" for Occupational Health Safety and wellbeing Performance from the British Safety Council in October 2024.

Chemplast has received the "ICC-EPSILON CARBON" Certificate of Merit for Best Compliant Company for Distribution Code from the Indian Chemical Council.

Mock Drills

In collaboration with the National Disaster Rescue Force (NDRF), Arakkonam, and Salem District Collector, a Chemical Biological Radiological & Nuclear (CBRN) disaster Mock Drill was conducted at CSL Mettur Plant-3 on August 20, 2024. This collaborative approach with government agencies strengthens our integration within the broader community emergency response network, contributing to enhanced public safety and environmental protection.

Occupational Health Services

GRI 403-6

The occupational health services focus on preventing work-related illnesses and injuries by identifying hazards, minimising risks, and promoting a safe, healthy work environment.

1. Health Surveillance- We conduct structured health surveillance programs designed to monitor the physical condition of employees regularly. These programs include scheduled health evaluations, diagnostic tests, and risk-specific screenings that align with each job profile. The goal is to detect occupational illnesses at an early stage and implement timely preventive and corrective measures to safeguard workforce health.

2. Risk Assessment Support- The OHS services identify health risks by analysing how workplace hazards impact employees. It contributes to risk assessments by providing data on workers' health and the potential health impact of workplace hazards.

3. Medical Consultations- Our employees can consult with our occupational health specialists to discuss concerns tied to their work environment. These sessions offer personalised guidance on preventing and managing occupational health issues.

4. Emergency Response- In emergency scenarios, our health services play a critical role. We advise on immediate medical procedures, coordinate first-aid efforts, and ensure injured or ill workers receive professional care without delay.

5. Qualified Personnel- Our service team comprises experienced and qualified members that bring specialised knowledge of occupational medicine, industrial hygiene, and the workplace. These professionals address workplace health challenges and uphold the highest standards of care.

6. Continuous Improvement- We maintain a cycle of evaluation through a mechanism of audits, performance reviews, and stakeholder feedback. The ongoing process drives enhancements in service delivery, ensuring our health programs remain effective and aligned with evolving workplace needs.

7. Training and Awareness Programs- The workshops and informational campaigns educate employees on available health services and best practices for risk reduction. These initiatives inculcate a culture of safety and maximise awareness on accessing support.

OHS Risk Management at CSL & CCVL

GRI 403-1 GRI 403-7

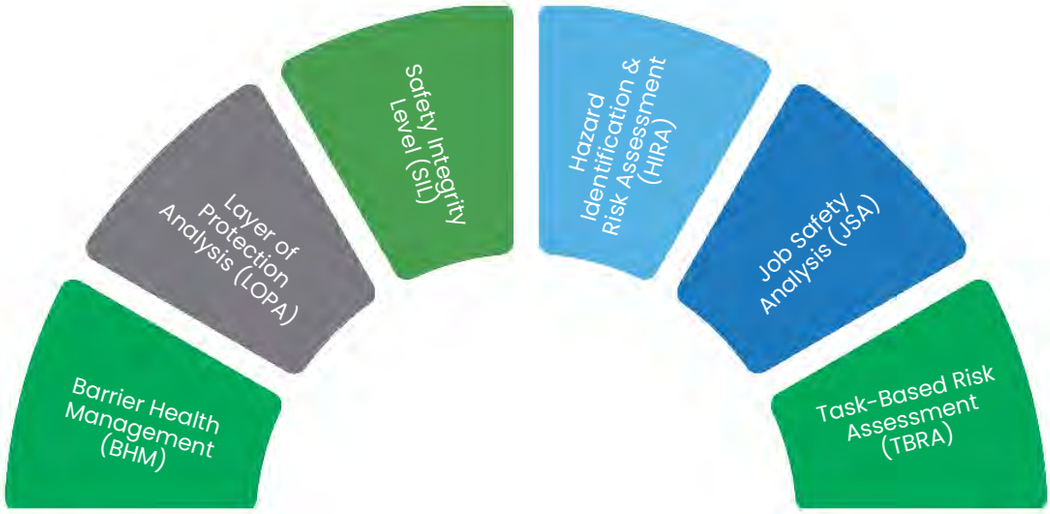
Our Occupational Health and Safety (OHS) Management System is designed to systematically identify, evaluate, and mitigate these risks through a hierarchy of controls and continuous improvement mechanisms. The system is fully aligned with legal and regulatory requirements, including the provisions outlined under the Manufacture, Storage, and Import of Hazardous Chemicals Rules. We regularly inspect our sites to ensure they meet EHS (Environment, Health, and Safety) standards and identify areas for improvement. To minimise chemical exposure, we have implemented a closed-circuit operation that restricts interaction with hazardous materials, ensuring containment at source. We proactively identify employees working in hazardous areas and conduct biannual health surveillance to identify potential illnesses. We have adopted the US-EPA protocol, namely LDAR (Leak Detection and Repair), through engagement, on an annual basis, with a competent agency to curb fugitive emissions of chemicals on the shop floor, and our chemical operations comply with the 'Chemical Weapons Convention' and its regulatory requirements.

The operational and work-related risks are managed through well-established management corporate guidelines that encompass People, Environment, Asset, and Reputation (PEAR) elements within the risk assessment.

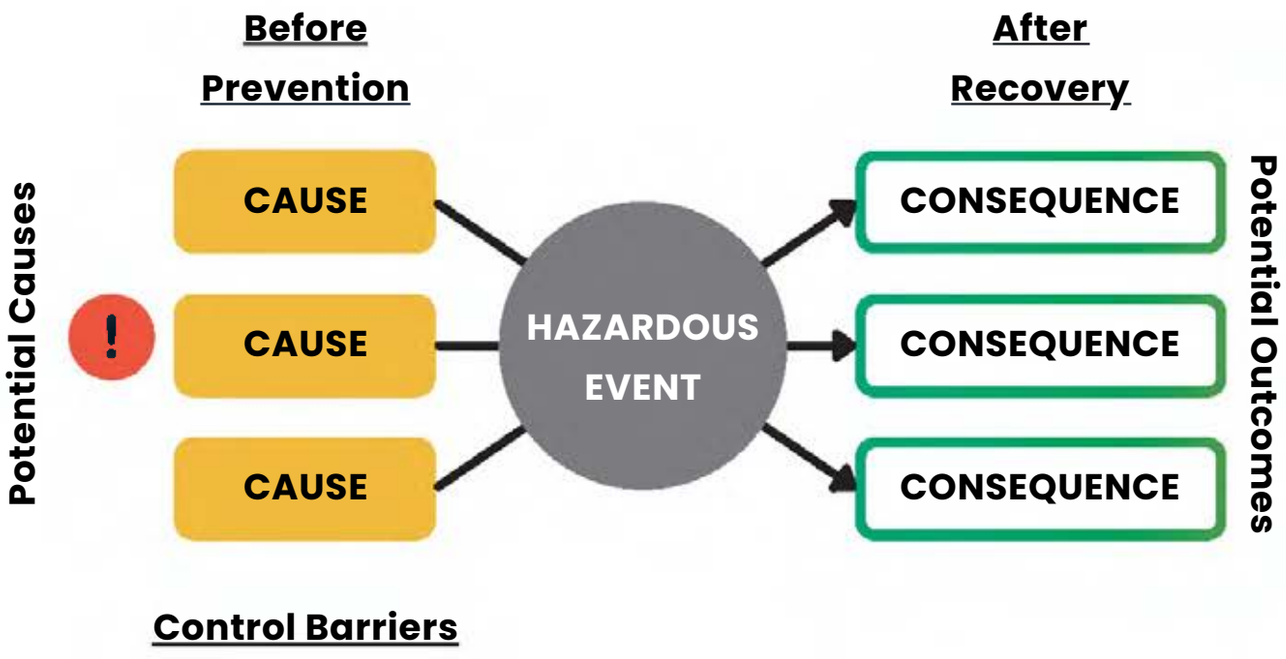
Hazard Identification Tools

GRI 403-2

These tools ensure comprehensive identification and mitigation of process-related safety risks. Our operational risks undergo assessment through Hazard Identification and Risk Assessment (HIRA) to establish appropriate safety and occupational health protective measures. The critical non-routine tasks are assessed through Job Safety Analysis (JSA) and Task-Based Risk Assessment (TBRA).



The model shows that effective risk management requires implementing multiple layers of defence-control barriers before prevention (addressing potential causes), including hazard identification protocols, safety training programs, equipment maintenance schedules, administrative controls, and defence barriers after recovery (mitigating potential consequences), such as emergency response procedures and incident investigation processes.



END-TO-END RESPONSIBILITY

At Chemplast, we are dedicated to maintaining the highest standards of sustainability and ethical practices across our entire value chain, from sourcing and production to distribution and post-consumer responsibility. Our commitment to sustainability starts at the foundational level, beginning with raw material sourcing and encompassing every facet of operations—manufacturing, distribution, product use, and end-of-life management. This commitment is guided by integrity, responsibility, and a vision for long-term environmental sustainability.

Commitment to Safe & Sustainable Products

We uphold the highest standards of safety, quality, and sustainability for our chemical products throughout their lifecycle, actively managing risks from design to disposal. Our R&D focuses on green chemistry, aiming to minimise hazards, maximise energy efficiency, and reduce waste. We stay attuned to evolving customer expectations through annual surveys, leveraging feedback to enhance product performance, service, and overall experience. Our safety assessments help minimise environmental hazards, promoting better wellbeing. We ensure **REACH** compliance at our Cuddalore and Mettur plants for PVC products and communicate safety information promptly. Our ongoing commitment to product responsibility enables us to deliver superior products, fostering stakeholder trust in line with international regulatory standards.

Customer Satisfaction Survey

We view customer satisfaction as a vital measure of our performance and as a cornerstone of long-term success. Our primary goal is to deliver high-quality products that consistently meet and exceed customer expectations. To reinforce our commitment to customer satisfaction, we conduct comprehensive annual surveys across all product segments. The insights gained from these surveys enable us to continually enhance our offerings and improve overall customer experience. Feedback is crucial for refining service delivery, product quality, and customer engagement strategies.

Customer complaints on product quality and dispatches are promptly shared with Marketing teams, either directly or through dealers, along with batch and invoice details.

- Issues relating to lack of quality are escalated to QC teams, which may visit customer sites or analyse samples for resolution.
- Dispatch-related issues are addressed by the Sales Logistics teams.

All complaints are prioritised, and corrective actions are taken as necessary.

Survey Highlights FY 2024-25:

- **PVC Products**: Out of 113 respondents, 86.7% reported being satisfied with Mettur plant, and out of 64 respondents, 75% reported being satisfied with the Cuddalore plant.
- **Caustic-chlor division**: Average rating of 4.7 out of 5 recorded (163 customers surveyed).
- **CMCD products:** 100% of participants were satisfied.

Our feedback mechanism is a crucial channel for actively listening to our customers and understanding their expectations. By analysing their inputs, we identify areas for improvement and take meaningful steps to enhance our products, services, and overall customer experience. This customer-centric approach strengthens relationships, builds trust, and reinforces long-term partnerships essential for sustained growth and success.

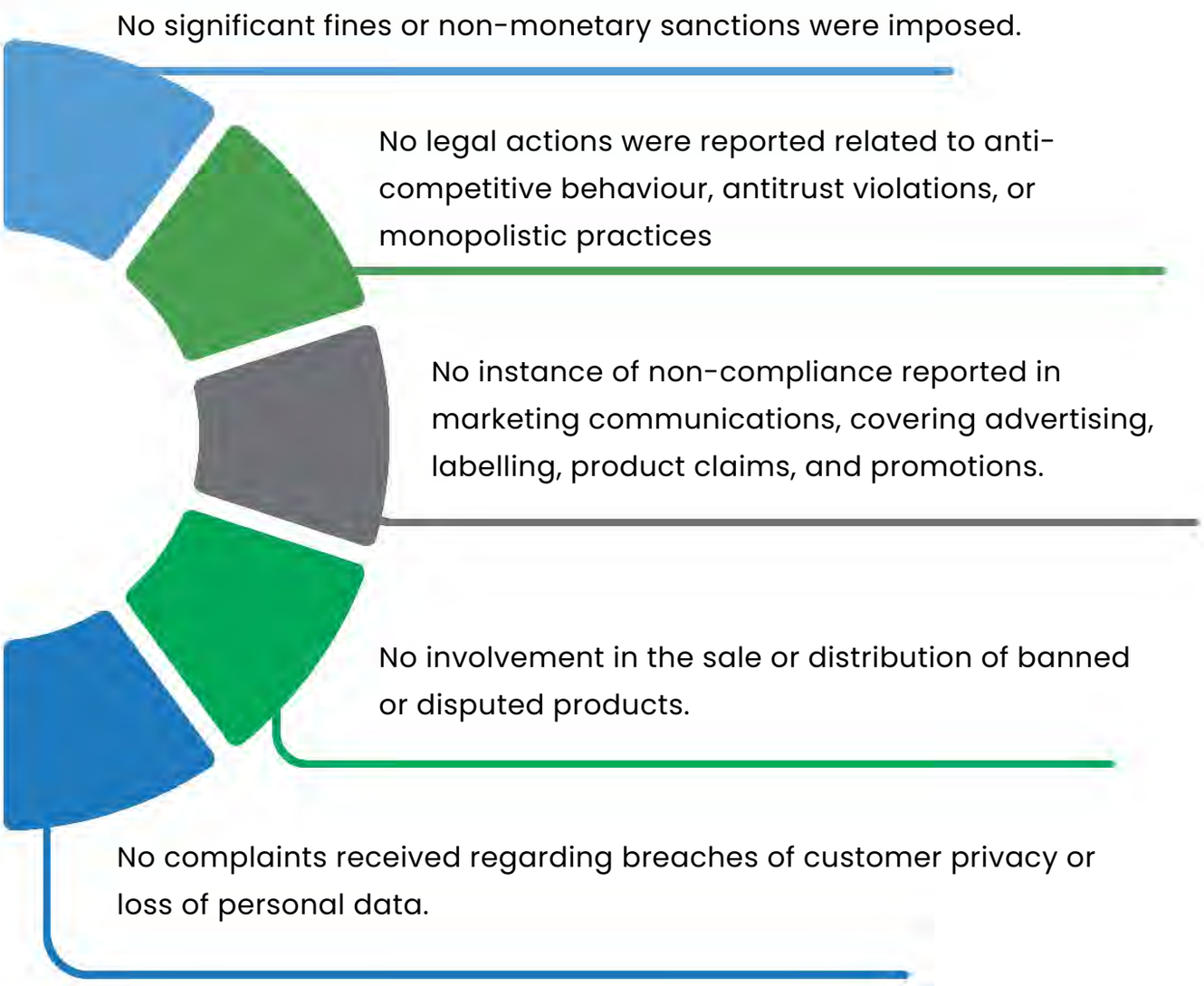
Responsible Marketing

GRI 206-1 GRI 417-1 GRI 417-2 GRI 417-3

We understand that providing transparent and accurate product information goes beyond regulatory requirements; it reflects our commitment to ethical business practices. During FY 2024-25, we enhanced our ethical marketing framework to ensure that all stakeholders receive comprehensive, accurate, and accessible information about our products.

To empower our customers and stakeholders, we continue to offer detailed product information through Material Safety Data Sheets (MSDS). Each MSDS includes crucial details such as chemical identification, hazards, first-aid measures, handling and storage guidelines, exposure controls, and environmental and regulatory data. These documents are essential resources for promoting workplace safety, regulatory compliance, and environmental responsibility, and are accessible to all relevant personnel.

We are dedicated to transparency in all advertising, packaging, and promotional material. We avoid exaggerated or misleading claims and adhere to a strict internal review protocol to ensure all marketing content is lawful and ethical.



Ethical Business Practices

GRI 2-23 GRI 2-24

Our Code of Conduct emphasises the significance of our corporate values and governance framework, ensuring responsible, transparent, and stakeholder-focused business operations. It outlines ethical standards and behavioural expectations for Directors, Key Managerial Personnel (KMPs), and Senior Management, reinforcing our commitment to legal and regulatory compliance.

The policy addresses critical areas such as conflict of interest, insider trading prevention, and corporate social responsibility. It empowers the leadership to maintain integrity and accountability while outlining clear procedures for addressing violations.

Our policy commitments are grounded in both international and national frameworks, including the International Labour Organization (ILO) Conventions, the United Nations Guiding Principles on Business and Human Rights, and the National Guidelines on Responsible Business Conduct (NGRBC). These instruments guide us in developing and maintaining robust, inclusive, and rights-based business practices.

All policies undergo formal review and approval by the Board of Directors to ensure they align with our core values and regulatory obligations. They are publicly accessible on our official website.

These policies encompass all areas of our operations, including internal functions, supply chain management, and our relationships with external stakeholders such as suppliers, customers, and business partners. We foster awareness and alignment with our policy commitments through employee training, supplier engagement, and public disclosures. Key functional departments oversee policy implementation: Human Resources manages labour rights and workforce standards, while EHS handles environmental obligations and regulatory compliance. Designated individuals support these departments by monitoring progress, addressing gaps, and reporting outcomes.

Integrating ESG commitments into our daily operations is essential for long-term value creation and stakeholder trust. By embedding ESG responsibilities across various roles and departments, we have established a robust internal governance system.

Supply Chain Management

GRI 308-1 GRI 308-2

We promote a sustainable and resilient supply chain by enhancing governance, deepening engagement, and integrating core principles into our procurement processes. Our sourcing approach prioritises transparency, accountability, and long-term partnerships, ensuring that business continuity aligns with environmental and social responsibility.

We have strengthened our supplier evaluation framework to include assessment of environmental performance, labour practices, legal compliance, and alignment with EHS policies, supplementing our existing quality and safety evaluations.

These regular assessments proactively identify risks within the value chain. We also assist suppliers in developing mitigation plans for identified issues.

Additionally, we have improved our supplier onboarding process with integrated screening to assess new suppliers on ethical business practices and sustainability, alongside commercial and technical criteria. This ensures alignment with our vision for all network members. We maintain collaboration through ongoing dialogue, regular reviews, and site visits, gaining valuable insights into supplier challenges and co-creating practical solutions to enhance performance.

Our Strengths

- ESG Align Sourcing Methods
- Traceable Supplier Actions
- Our Procurement Policy

Supply Chain Management Assessment

GRI 414-1 GRI 414-2

As part of our ongoing commitment to responsible sourcing and ESG integration, we conduct a structured assessment of supply chain partners annually through a standardised Supply Chain Questionnaire. This assessment evaluates suppliers not only on quality and regulatory compliance but also on their ESG performance. The questionnaire addresses key areas such as ISO certifications, sustainability practices, social responsibility, and potential negative social or environmental impacts. This exercise enhances our understanding of the supplier ecosystem, fosters greater transparency, and encourages partners to adopt and align with responsible and sustainable business practices.

Our supplier assessment process begins with the circulation of the comprehensive Supply Chain Questionnaire to all potential and existing partners. Based on their responses, we evaluate each supplier against defined parameters to guide onboarding decisions. Constructive feedback is then shared with suppliers, highlighting their strengths and areas for improvement. Where necessary, an action plan is developed to address identified gaps. Regular follow-ups are conducted to ensure that agreed improvements are implemented and sustained, reinforcing our commitment to responsible and collaborative supply chain management. The following table outlines the details for FY 2024–25:

Particulars	Karaikal	Berigai	Mettur	Cuddalore-CVCL	Cuddalore-CSL
New suppliers screened using social criteria (%)	100	100	100	100	100

Particulars	Karaikal	Berigai	Mettur	Cuddalore - CCVL	Cuddalore - CSL	Number of Suppliers
Supply chain responses received from vendor	17	8	46	18	3	92
New supplier responses	3	3	2	2	3	13
Suppliers evaluated for environmental & social parameters	17	8	46	18	3	92
Suppliers adhering to ISO 14001	3	6	17	8	2	36
Suppliers adhering to ISO 9001	12	7	32	8	2	61
Suppliers adhering to ISO 45001	4	5	18	2	2	31
Suppliers re-contacted for non-compliance or for improvement	0	0	0	0	0	0
Suppliers disengaged from material supply /services	0	0	0	0	0	0

EMPOWERING COMMUNITIES

GRI 413-1 GRI 413-2

At Chemplast, community empowerment is an integral part of our sustainability vision. The focus is on building long-term and trust-based relationships with the communities around our operations. Most of our CSR initiatives are aligned with the developmental needs of local communities. The approach is based on annual assessment studies and structured surveys, ensuring that initiatives are responsive, inclusive, and driven by local context and needs.

All CSR projects are approved by the Board of Directors. The progress of projects and outcomes are closely monitored, with improvements or scaling carried out as needed.

CSR Expenditure
CSL - INR 2.98 Cr.
CCVL - INR 2.10 Cr.

CSR Beneficiaries
1.73 Lakh

Strategic Impact Areas

Across our plant locations, we carry out a range of Corporate Social Responsibility (CSR) activities, including rural health services, mega health camps, veterinary camps, and infrastructure development for schools, anganwadis, hospitals, and other community facilities.

Our CSR Policy is guided by a dedicated CSR Committee and the Board of Directors. The Committee identifies and recommends initiatives permitted under applicable regulations. We are committed to a strategic approach that forms the basis of the choice of projects and their implementation.

Key CSR Initiatives by CSL

GRI 413-1

CSR Activities Undertaken	Description	Location	CSR Expenditure (in INR Lakhs)
Medical & healthcare expenses	Promoting healthcare	Mettur Berigai Karaikal Vedaranyam	38.45
Education and training expenses	Promoting education	Mettur Berigai Karaikal Vedaranyam	86.07
Expenditure towards social welfare	Promoting gender equality, empowering women	Mettur Karaikal Vedaranyam Cuddalore	26.52
Expenditure towards environmental sustainability	Ensuring environmental sustainability	Karaikal Berigai	5.50
Expenditure towards art, culture and heritage	Protection of national heritage, art and culture	Karaikal	2.00
Expenditure towards armed forces benefits	Measures for the benefits of armed forces and veterans	Mettur Vedaranyam	1.37
Training to promote sports	Training to promote nationally recognised sports	Karaikal	5.07
Expenditure towards rural development	Rural development projects	Mettur Berigai Karaikal	132.67
Total (in INR Lakhs)			**297.65**

Key CSR Initiatives by CCVL

CSR Activities Undertaken	Description	Location	CSR Expenditure (in INR Lakhs)
Medical & healthcare expenses	Promoting healthcare	Cuddalore	2.73
Education and training expenses	Promoting education	Cuddalore	33.64
Expenditure towards armed forces benefits	Measures for the benefit of armed forces and veterans	Cuddalore	0.10
Training to promote rural sports	Training to promote nationally recognised sports	Cuddalore	158.22
Expenditure towards rural development	Rural development projects	Cuddalore	15.37
Total (in INR Lakhs)			**210.06**

GRI 413-2

Chemplast's robust community and environmental engagement efforts span its operational locations. The table highlights these initiatives, demonstrating their positive impact and commitment to sustainability. The company has ensured its operations do not have actual or potential negative impact on local communities. Through desalination, Zero Liquid Discharge Systems, water recycling & rainwater harvesting, Chemplast has minimised reliance on natural water resources. The company's initiatives across health care, education, rural development, social welfare, environment, and disaster relief create a positive impact across locations of operation. A total of 93 local community development programs have been implemented based on the specific needs of the communities at Karaikal, Vedaranyam, Berigai, Mettur, and Cuddalore, with Mettur hosting the highest number at 44 initiatives. Additionally, broad-based local community consultations, including with vulnerable groups, have been carried out at Mettur to ensure inclusive dialogue and participation. The company maintains 100% of its operations under environmental impact monitoring with ongoing public disclosure, reflecting its commitment to transparency and environmental responsibility.

Activity	Unit	Karaikal	Vedaranyam	Berigai	Mettur	Cuddalore	Total
Local community development programs based on the local community's needs that were conducted this FY	Nos.	14	6	15	44	14	93
Broad-based local community consultation committees and processes including vulnerable groups that were set up this FY	Nos.	-	-	-	3	-	3
% of operations with environmental impact and ongoing monitoring (along with public disclosure)	%	100	100	100	100	100	100
% of operations with Stakeholder engagement plans based on stakeholder mapping	%	100	100	100	100	100	100

A brief description of CSR activities undertaken by CSL and CCVL are given below:

1. Healthcare

GRI 413-1

At Chemplast, we recognise healthcare as a fundamental pillar of human wellbeing and social equity. Our healthcare initiatives are guided by the belief that preventive and primary healthcare are critical enablers of inclusive growth. Our purpose is to contribute meaningfully to the creation of healthier communities by bridging healthcare gaps, especially in remote and rural locations, thereby reinforcing our long-term vision of inclusive and sustainable development. Our Key initiatives are:

- Renovations of Primary Healthcare Centers
- Free medical health services, mega medical camps, and distribution of medicines
- Medical infrastructure support to Government Hospitals
- Providing medical equipment to the Government Hospitals
- Construction of Health Sub Centres

Through sustained partnerships with local Government bodies, healthcare providers, and NGOs, we deliver long-lasting impact. By addressing critical healthcare gaps, we strive to make essential medical services accessible and affordable for vulnerable populations.

No. of Beneficiaries 41,000+

CASE STUDY

Free Medical Camp

At Berigai near Hosur in Tamil Nadu, residents of B. Kurubarapalli Panchayat lack adequate healthcare facilities. With little awareness of preventive healthcare, treatment is often delayed. We collaborated with the District Health Services Department to organise a medical camp at the B. Kurubarapalli Panchayat Union Primary School. The camp provided consultations with specialists (ENT, eye care, dental, paediatrics, dermatology, general medicine, surgery, Siddha, and Homoeopathy), diagnostic tests (blood sugar, BP, ECG, ECHO, malaria), and free medicines. Special screenings were also offered for pregnant women. The initiative promoted early diagnosis, enhanced health awareness, and ensured accessible healthcare for the local community.

Beneficiaries – 1,000+ People

GRI 413-1

CASE STUDY

Establishment of Health Sub Centers

We have established two new Health Sub Centers (HSC) in Panangadu and Thangamapuripattinam at Mettur, covering several local villages. Each center, staffed with a nurse, offers primary healthcare services such as maternal and childcare, immunisation, and disease prevention. The centers aim to serve as the first point of contact for timely medical attention, reduce travel time to healthcare facilities, and ensure better access in these villages.

Expenditure – INR 35.90 Lakh
Beneficiaries – 6,000+ Footfalls/Month

2. Education

Chemplast drives efforts to enhance the quality of education in schools and Anganwadis by improving infrastructure, providing material for child education, and renovation of facilities to ensure a safe, child-friendly learning environment.
Our key efforts include:

- Supply of play and learning materials
- Evening study centers
- Tuition support for students
- Workshops for teachers and Anganwadi workers
- Playground development

No. of Beneficiaries 2,200+

CASE STUDY

Infrastructure facilities at the Government Higher Secondary School

We improved infrastructure at the Government Higher Secondary School at Maruthi Nagar, Berigai. The school is the only higher secondary institution serving four panchayats in the vicinity.

The upgrades included raising the compound wall, constructing a secure entrance with gates, and renovation of a disused classroom block.

Beneficiaries – 1,400+ Students & 43 Teachers

CASE STUDY

Renovation of Anganwadi

At Mudalimedu village, Karaikal District, we carried out renovation of the local Anganwadi. The initiative aims to provide a safe, child-friendly environment.

Activities Undertaken:

- Repairs to the building
- Kitchen tiling
- Washroom renovation
- Installation of a new overhead water tank
- Construction of perimeter fencing with a gate
- Mural paintings on interior and exterior walls
- Installation of indoor and outdoor play equipment

Beneficiaries – 20 Children, ANC/PNC mothers in any given year

CASE STUDY

Infrastructure facilities at School and Anganwadi

In Thangamapuripattinam, Salem District, the infrastructure at the local primary school and anganwadi center was enhanced to support a better learning and childcare environment. A new wash station was installed for a hygienic environment. The traditional play area nurtures the intellectual growth of children and supports physical development. For safety, grills were added along school corridors.

Expenditure – INR 7.92 Lakh
Beneficiaries – 42+ Children and 12 ANC/PNC mothers

3. Social Welfare

GRI 413-1

Chemplast's social welfare initiatives empower women as the key catalysts for change within their communities. These programs provide access to education, skill-based vocational training, and essential resources that enable them to become self-reliant. By fostering economic independence and confidence, the initiatives not only improve individual livelihoods but also contribute to the broader social and economic wellbeing of the communities they serve.

- Skill Training Centre (Tailoring Training & Aari Work Training)
- Financial Literacy Training Program
- Artificial Jewellery Making Training Program

No. of Beneficiaries 300+

CASE STUDY

Training in Basic Tailoring and Aari Work

To support rural women in gaining financial independence, we run two tailoring centres in Thangamapuripattinam and Kozhipannai, Mettur. These centers provide comprehensive training in tailoring, Aari work, and embroidery, along with basic entrepreneurial skills such as pricing, marketing, and customer service. This initiative has benefited women through tailoring, aari embroidery training, and equipping them to pursue income-generating opportunities and build self-reliant livelihoods.

Beneficiaries – 100+ women

4. Environmental Sustainability

CASE STUDY

Pond Shrub Removal, Fencing, and Lighting Work

The restoration project was launched in response to a request from the Berigai Panchayat, aiming to transform the neglected pond area into a functional and welcoming public space. The vision includes future development plans such as walkways, seating areas, and recreational facilities to encourage community use and engagement.

The Berigai pond, once a vital drinking water source connected to Berigai Lake, had deteriorated due to reduced rainfall, increased bore-well usage, and neglect. Revival of the pond was carried out by:

- Clearing of overgrown shrubs using JCB machinery to reclaim the pond
- Installation of wire fencing to prevent encroachment and littering
- Setup of lighting around the pond for safety and evening use

Beneficiaries – 7,179 People of Berigai Panchayat

CASE STUDY

Veterinary Camp

At Cuddalore, to strengthen rural livelihoods and promote animal welfare, veterinary camps were organised in collaboration with the Tamil Nadu Animal Husbandry Department. The initiative aimed to provide doorstep veterinary services, enhance livestock health, and educate farmers on sustainable animal husbandry practices.

Key Activities:

- Health check for cows, goats, and poultry
- Vaccinations, de-worming, artificial insemination, and pregnancy screening
- Free distribution of nutritional supplements
- Farmer education sessions on disease prevention and animal care
- Supply of essential veterinary medicines to local hospitals
- Awards for best livestock care and calf growth

Beneficiaries – 375 farmers and their 2,623 livestock

5. Rural Development

GRI 413-1

Rural development initiatives enhance the quality of life across underserved communities through improved infrastructure and essential services. At Mettur, a major focus has been uninterrupted supply of clean drinking water. For over 25 years, Chemplast has provided safe drinking water to nearby villages and panchayats through pipelines, street taps, overhead tanks, and pump houses.

Other rural development initiatives include:

- RO Plant in villages and RO Water Purifier facilities in schools
- Borewell setup with motor, electricals, and distribution lines
- Installation of mini mast lighting in villages
- Development of shuttle courts
- Renovation of Mettur Dam Park
- Drainage cleaning and covering of drains crossing roads
- Construction of cement concrete roads
- Construction of new public toilets
- Desilting of minor irrigation tanks
- Construction of bus shed
- Donation of notebooks to school children and Mega Book Fair

No. of Beneficiaries 1,37,000+

CASE STUDY

Renovation of Mettur Dam Park

The project focused on enhancing the upkeep and functionality of Mettur Dam Park, a prominent recreational space visited by local residents and tourists. As part of a program to improve park infrastructure and promote environmental sustainability, eco-friendly materials and resources were distributed.

Materials Distributed:

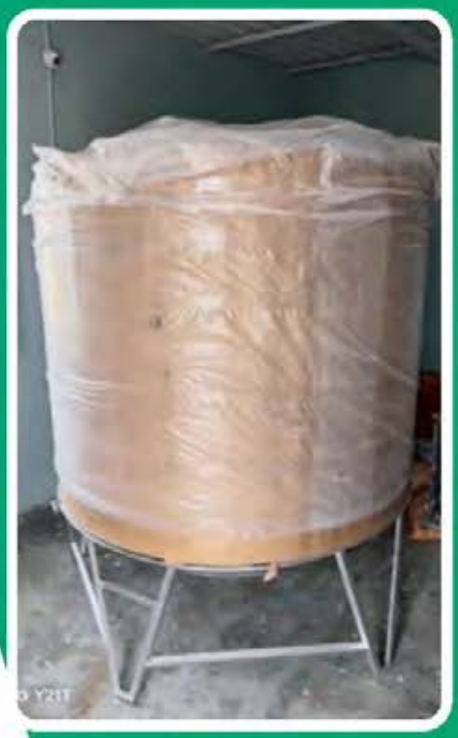
1. Eco-Friendly Infrastructure:
    a. Electric 3-wheeler for waste collection
    b. Lawn mower for garden upkeep
2. Safety Tools:
    a. Supply of reflective safety jackets
    b. Supply of full-body safety belts, hand gloves, and gumboots

These enhancements have improved the efficiency of park maintenance, including cleanliness, landscaping, and repairs—leading to a better visitor experience and helping maintain the park's image as a clean and inviting space. The material distribution effort stands as a model of sustainable development, blending infrastructure upgrade with environmental care and community involvement.

Beneficiaries – 72,000 people

CASE STUDY

Installation of RO Plant



At Mudhukurukki village in Pannapalli Panchayat, Berigai, access to clean drinking water had been a long-standing challenge. The villagers had to travel 10–12 kilometres to Berigai to collect water from an existing RO plant. To resolve this, a new 2000 LPH RO plant was installed in the village. To protect the unit from adverse weather conditions and potential theft, a dedicated protective shed was constructed. With this project, the entire village now benefits from improved water access, reduced risk of waterborne diseases, and enhanced public health.

Beneficiaries – 4,400+ villagers

Quantification Methodologies

GRI 302-1 GRI 302-2 GRI 305-6

The reporting boundary for this Sustainability Report is defined based on the organisational boundary. Since all facilities are owned and operated by Chemplast, the operational control approach has been adopted to consolidate energy consumption and greenhouse gas (GHG) emissions.

GHG emissions, including air emissions, are reported in line with the GHG Protocol Corporate Accounting and Reporting Standard and in line with the requirements of ISO 14064-1:2018. For Scope 3 emissions, Category 4 (Upstream transportation and distribution) and Category 9 (Downstream transportation and distribution) have been considered, as per the Corporate Value Chain (Scope 3) Accounting and Reporting Standard developed by the GHG Protocol Initiative (a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD)).

Energy and GHG emission calculations are based on Net Calorific Values (NCV) and Emission Factors (EF) provided in the IPCC 2006 Guidelines. For conversion of emissions to tonnes of carbon dioxide equivalent (tCO2e), the Global Warming Potential (GWP, 100-year timeframe) values of CO_2, CH_4, and N_2O, as specified in the IPCC Sixth Assessment Report (AR6), have been applied.

For fuel-related emissions, the density and emission factors for Diesel Oil, LSHS, and Superior Kerosene have been referred from the IPCC Guidelines for Greenhouse Gas Inventories – Manufacturing Industries. Similarly, the density and emission factors for Coal and Biomass (sawdust and bio-briquettes) have been referred from the IPCC Guidelines for Greenhouse Gas Inventories – Energy Industries.

For Scope 2 emissions, the emission factors are adopted from the Central Electricity Authority (CEA), Version 20. The company has purchased 26,514 Renewable Energy Certificates (RECs) at Mettur, Cuddalore-CSL, and Cuddalore-CCVL, and the associated GHG emissions are zero. Hence, the market-based Scope 2 emission is zero. For Ozone Depleting Substances (ODS), the GWP values of refrigerants such as R22, R404, and R134a are derived from the GHG Protocol and IPCC AR6.

Emission Factor References

S. No.	Particulars	References
1	Scope 1-Diesel, Natural Gas, LSHS and Superior Kerosene	2006 IPCC Guidelines for National Greenhouse Gas Inventories - Emission factors under manufacturing industries ^
2	Scope 1- Coal and Biomass (sawdust and bio briquettes)	2006 IPCC Guidelines for National Greenhouse Gas Inventories - Emission factors under energy industries ^
3	Scope 2- Electricity Consumed	CO2 baseline database for the Indian Power Sector - Ministry of Power, CEA 2024, Version 20*
4	Scope 1- Refrigerant- (R22, R-404A, R-134A)	GHG Protocol -AR6** IPCC_AR6_WGIII_FullReport.pdf***
5	Scope 3 - Upstream and Downstream Transportation and Distribution	India GHG# Ecoinvent (Version3.10) ##

References:
^https://www.ipccnggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_2_Ch2_Stationary_Combustion.pdf
*https://cea.nic.in/wp-content/uploads/2021/03/User_Guide_Version_20.0.pdf
**https://ghgprotocol.org/sites/default/files/2024-08/Global-Warming-Potential-Values%20%28August%202024%29.pdf
***https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_FullReport.pdf
#https://indiaghgp.org/transport-emission-factors
##https://ecoinvent.org/ecoinvent-v3-10/

Annexure: Plant Wise Data FY 2024-25

1) Total Green House Gas (GHG) Emissions (tCO2e)

Locations	Net Scope 1 Emissions (tCo2e)	Net Scope 2 Emissions (tCo2e)	Net Scope 3 Emissions (tCo2e)	Biogenic Emission (tCo2e)
Karaikal	41906	47441	980	-
Berigai	18451	18559	803	-
Mettur	499213	2780	4142	19490
Cuddalore-CCVL	82237	41309	33511	377
Cuddalore-CSL*	87	10961	2738	-
Vedaranyam	293	1144	303	-
Total	642186	122194	42478	19867

*Cuddalore-CSL is a newly commissioned plant, operational from FY24-25

2) Total Energy Consumption (GJ)

Locations	Energy Consumption Within the Organisation (GJ)	Energy Consumption Outside the Organisation (GJ)	Total Energy Consumption (GJ)
Karaikal	956420	99621	1056042
Berigai	261054	5409	266463
Mettur	5452352	63871	5516223
Cuddalore-CCVL	1077023	547711	1624734
Cuddalore-CSL*	56298	381529	437827
Vedaranyam	9603	2971	12574
Total	7812751	1101112	8913863

*Cuddalore-CSL is a newly commissioned plant, operational from FY24-25

GRI INDEX

Statement of use	Chemplast Sanmar has reported the information cited in this GRI content index for the period April 1, 2024 to March 31, 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
GRI 2: General Disclosures 2021	2-1 Organizational details	8				
	2-2 Entities included in the organization's sustainability reporting	3				
	2-3 Reporting period, frequency and contact point	3 & 4				
	2-4 Restatements of information	4				
	2-5 External assurance	4				
	2-6 Activities, value chain and other business relationships	8 & 11				
	2-7 Employees	85				
	2-8 Workers who are not employees	85				
	2-9 Governance structure and composition	36 - 42				
	2-10 Nomination and selection of the highest governance body	35 & 44				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	2-11 Chair of the highest governance body	39 - 42				
	2-12 Role of the highest governance body in overseeing the management of impacts	45				
	2-13 Delegation of responsibility for managing impacts	44				
	2-14 Role of the highest governance body in sustainability reporting	4 & 44				
	2-15 Conflicts of interest	46				
	2-16 Communication of critical concerns	43				
	2-17 Collective knowledge of the highest governance body	45				
	2-18 Evaluation of the performance of the highest governance body	43				
	2-19 Remuneration policies	44				
	2-20 Process to determine remuneration	44				
	2-21 Annual total compensation ratio	43				
	2-22 Statement on sustainable development strategy	5				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	2-23 Policy commitments	110				
	2-24 Embedding policy commitments	110				
	2-25 Processes to remediate negative impacts	25 - 26				
	2-26 Mechanisms for seeking advice and raising concerns	25 & 48				
	2-27 Compliance with laws and regulations	48				
	2-28 Membership associations	16				
	2-29 Approach to stakeholder engagement	22				
	2-30 Collective bargaining agreements	91				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	28				
	3-2 List of material topics	31 - 33				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
	201-1 Direct economic value generated and distributed	57				
	201-2 Financial implications and other risks and opportunities due to climate change	56				
	201-3 Defined benefit plan obligations and other retirement plans	57				
	201-4 Financial assistance received from government	57				
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	57 - 58				
	203-2 Significant indirect economic impacts	58				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	47				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	205-2 Communication and training about anti-corruption policies and procedures	47				
	205-3 Confirmed incidents of corruption and actions taken	47				
Anti-competitive behaviour						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	109				
Materials						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	77				
	301-2 Recycled input materials used	79				
	301-3 Reclaimed products and their packaging materials	80				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	65 & 125				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	302-2 Energy consumption outside of the organization	65 & 125				
	302-3 Energy intensity	65				
	302-4 Reduction of energy consumption	67				
	302-5 Reductions in energy requirements of products and services	65				
Water and effluents						
GRI 3: Material Topics 2021	3-3Management of material topics	31 - 33				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	69				
	303-2 Management of water discharge related impacts	69				
	303-3 Water withdrawal	69				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	303-4 Water discharge	70 & 72				
	303-5 Water consumption	70				
Emission						
GRI 3: Material Topics 2021	3-3Management of material topics	31 - 33				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	60				
	305-2 Energy indirect (Scope 2) GHG emissions	60				
	305-3 Other indirect (Scope 3) GHG emissions	60 & 63				
	305-4 GHG emissions intensity	60				
	305-5 Reduction of GHG emissions	62				
	305-6 Emissions of ozone-depleting substances (ODS)	63 & 125				
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	64				
Waste						
GRI 3: Material Topics 2021	3-3Management of material topics	31 - 33				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
GRI 306: Waste 2020	306-1 Waste generation and significant waste related impacts	73 - 76				
	306-2 Management of significant waste related impacts	73 - 76				
	306-3 Waste generated	74				
	306-4 Waste diverted from disposal	75				
	306-5 Waste directed to disposal	75				
Supplier environmental assessment						
GRI 3: Material Topics 2021	3-3-Management of material topics	31 - 33				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	110				
	308-2 Negative environmental impacts in the supply chain and actions taken	110				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	86				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	401-2 Benefits provided to full time employees that are not provided to temporary or part time employees	89				
	401-3 Parental leave	89				
Labour/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	86				
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	94 & 105				
	403-2 Hazard identification, risk assessment, and incident investigation	105				
	403-3 Occupational health services	94				
	403-4 Worker participation, consultation, and communication on occupational health and safety	100				
	403-5 Worker training on occupational health and safety	102				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
	403-6 Promotion of worker health	104				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	105				
	403-8 Workers covered by an occupational health and safety management system	101				
	403-9 Work related injuries	95				
	403-10 Work related ill health	95				
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	91				
	404-2 Programmes for upgrading employee skills and transition assistance programmes	91 - 92				
	404-3 % of employees receiving regular performance and career development reviews	91				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	35				
	405-2 Ratio of basic salary and remuneration of women to men	84				
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 406: Non discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	89 - 93				
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
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	91				
Child labour						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	93				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
Forced or compulsory labour						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	93				
Security practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	93				
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	114 - 124				
	413-2 Operations with significant actual and potential negative impacts on local communities	114 & 116				
Supplier social assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				

GRI Standards	Disclosure	Location	Requirement Omitted	Omission Reason	Explanation	GRI Sector Standard Ref. No.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	111				
	414-2 Negative social impacts in the supply chain and actions taken	111				
Marketing and labeling						
GRI 3: Material Topics 2021	3-3 Management of material topics	31 - 33				
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	109				
	417-2 Incidents of non-compliance concerning product and service information and labeling	109				
	417-3 Incidents of non-compliance concerning marketing communications	109				

INDEPENDENT ASSURANCE STATEMENT

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Independent practitioner's assurance report

Chemplast Sanmar Limited
9,Cathedral Road
Chennai -600086
Tamil Nadu, India

Scope

We have been engaged by Chemplast Sanmar Limited (hereafter "Chemplast Sanmar") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements 3000 (Revised), here after referred to as the engagement, to report on select non-financial KPI's contained within Sustainability Report (the "Subject Matter") as of 09th October 2025 for the year ended on 31st March 2025 for the period covered from 1st April 2024 to 31st March 2025 as included in Annexure 1.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Chemplast Sanmar

In preparing the select non-financial KPIs contained within the Sustainability Report, Chemplast Sanmar applied the Global Reporting Initiative (GRI) Standards and Disclosures of the Global Reporting Initiative (Criteria). As a result, the subject matter information may not be suitable for another purpose.

Chemplast Sanmar's responsibilities

Chemplast Sanmar's management is responsible for selecting the Criteria, and for presenting the select non-financial KPIs contained within the Sustainability Report FY 2024-25 in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)')*, and the terms of reference for this engagement as agreed with Chemplast Sanmar on 16th April 2025.

Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the subject matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Obtained an understanding of the subject matter and related disclosures. Made inquiries of Company's management, including those responsible for preparing the subject matter and those with the responsibility for managing the Company's Sustainability Report. Checking of consistency of data / information against selected non-financial KPI's contained in the sustainability report.
- Obtained an understanding of the key systems and processes for recording, processing and reporting on the subject matter at below locations /offices on a sample basis;
    - Berigai CSL
    - Karaikal CSL
    - Vedaranyam CSL
    - Mettur CSL
    - Cuddalore CSL
    - Cuddalore CCVL
- Undertook analytical procedures of the data and made inquiries of management to obtain explanations for any significant differences we identified.
- Tested, on a sample basis, underlying source information to check the accuracy of the subject matter.

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- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the Company's management in the preparation of the subject matter.
- Obtained representations from Company's management.

We also performed such other procedures as we considered necessary in the circumstances.

The assurance scope excludes:

- Data and information outside the defined reporting period of 1st April 2024 to 31st March 2025
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Sustainability Report, or other sources;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
  The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.
- Aspects of the GRI and the data/information (qualitative or quantitative) included in the GRI other than the Identified Sustainability Information;

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the subject matter as of 09th October 2025 for the period 1st April 2024 to 31st March 2025 , in order for it to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of Chemplast Sanmar and is not intended to be and should not be used by anyone other than those specified parties.

Ernst & Young Associates LLP

09th October 2025
Delhi, India

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Annexure 1

S. No	GRI Disclosures	
1.	GRI 301-1	Materials used by weight or volume
2.	GRI 301-2	Recycled input materials used
3.	GRI 302-1	Energy consumption within the organisation
4.	GRI 302-4	Reduction of energy consumption
5.	GRI 303-3	Water withdrawal
6.	GRI 303-4	Water consumption
7.	GRI 303-5	Water discharge
8.	GRI 305-1	Direct Scope 1 emissions
9.	GRI 305-2	Indirect Scope 2 emissions
10.	GRI 306-3	Waste generated
11.	GRI 306-4	Waste diverted from disposal
12.	GRI 306-5	Waste directed to disposal
13.	GRI 308-1	New suppliers that were screened using environmental criteria
14.	GRI 401-1	New employee hires and employee turnover
15.	GRI 403-5	Worker training on occupational health and safety
16.	GRI 403-8	Workers covered by an occupational health and safety management system
17.	GRI 403-9	Work-related injuries
18.	GRI 403-10	Work-related ill health
19.	GRI 404-1	Average hours of training per year per employee
20.	GRI 413-1	Operations with local community engagement, impact assessments, and development programs
21.	GRI 414-1	New suppliers that were screened using social criteria

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CHEMPLAST SANMAR LIMITED