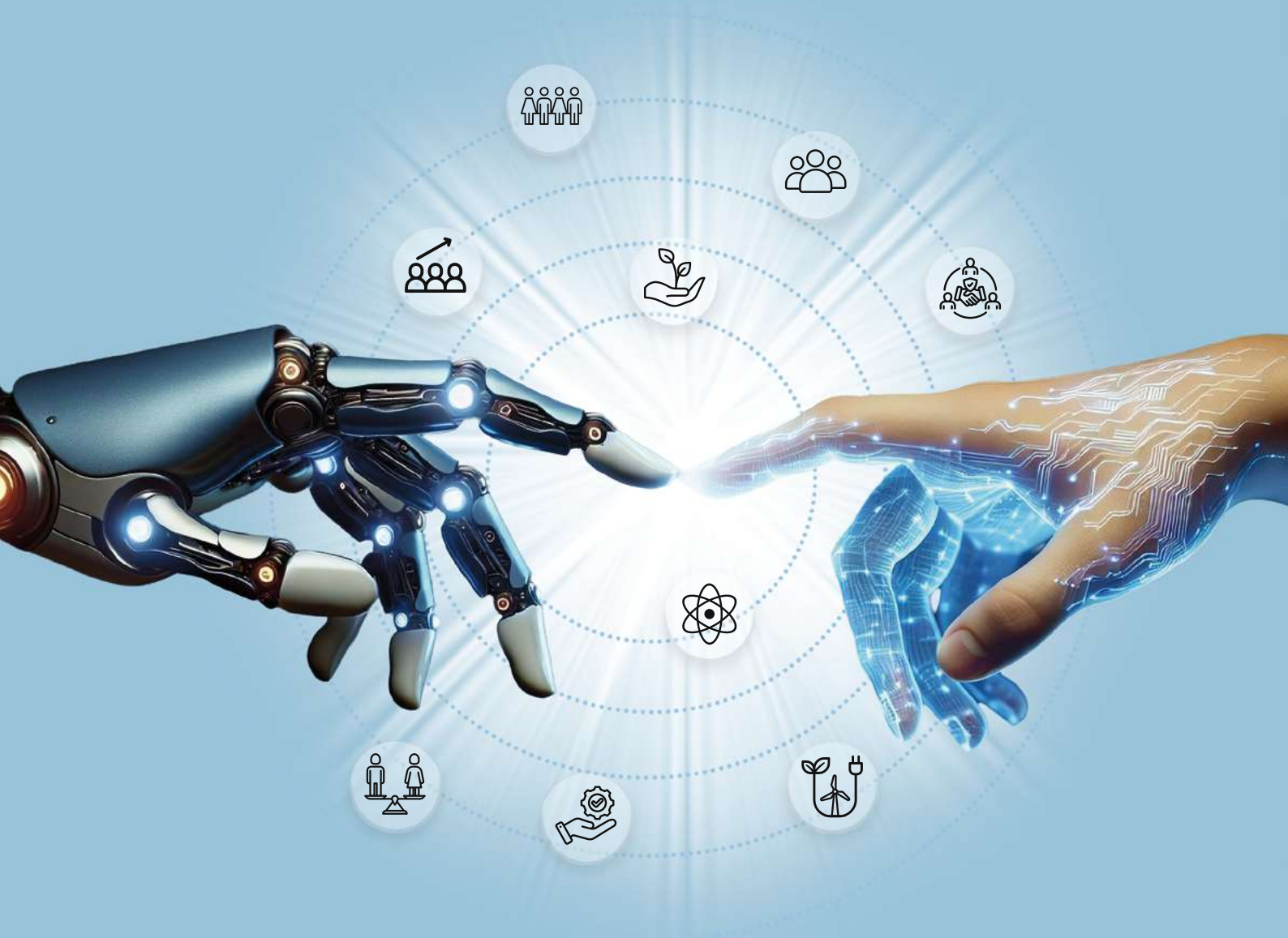


# Together Towards Tomorrow



**Himadri Speciality Chemical Ltd**  
**Sustainability Report FY24-25**



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## Report overview

This Sustainability Report of Himadri Speciality Chemical Ltd (Himadri) presents the Company's environmental, social, and governance (ESG) performance and progress for the financial year 2024-25 (1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025). The report underscores Himadri's steadfast commitment to transparency, accountability, and responsible growth, reflecting its guiding philosophy - **"Together Towards Tomorrow."**

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (2021 edition), Comprehensive option, and aligned with the Business Responsibility and Sustainability Report (BRSR) requirements prescribed by the Securities and Exchange Board of India (SEBI). It also references global sustainability frameworks such as the United Nations Global Compact (UNGC), Sustainable Development Goals (SDGs), Taskforce on Climate-related Financial Disclosures (TCFD), and the Science Based Targets initiative (SBTi).

The scope of this report covers the standalone operations of Himadri Speciality Chemical Ltd, encompassing all its manufacturing units and corporate offices across India. Quantitative and qualitative data have been compiled from internal management systems, audited financial statements, and validated operational records. All monetary figures are presented in Indian Rupees (INR), unless otherwise specified.

The report outlines Himadri's strategic approach and achievements across key sustainability dimensions, climate action, circular economy integration, occupational health and safety, employee empowerment, ethical governance, and community development. It captures the Company's progress toward its commitment to achieve Net Zero carbon emissions by 2050, aligned with the Science Based Targets Initiative (SBTi).

To ensure credibility and accuracy, this report has undergone independent external assurance by TÜV SÜD South Asia Private Limited, in accordance with globally accepted assurance standards. The assurance process covered the reported data, disclosures, and management systems related to sustainability performance.

For further information or feedback, please visit [www.himadri.com](http://www.himadri.com) or write to [info@himadri.com](mailto:info@himadri.com)


Scan the QR to view the report





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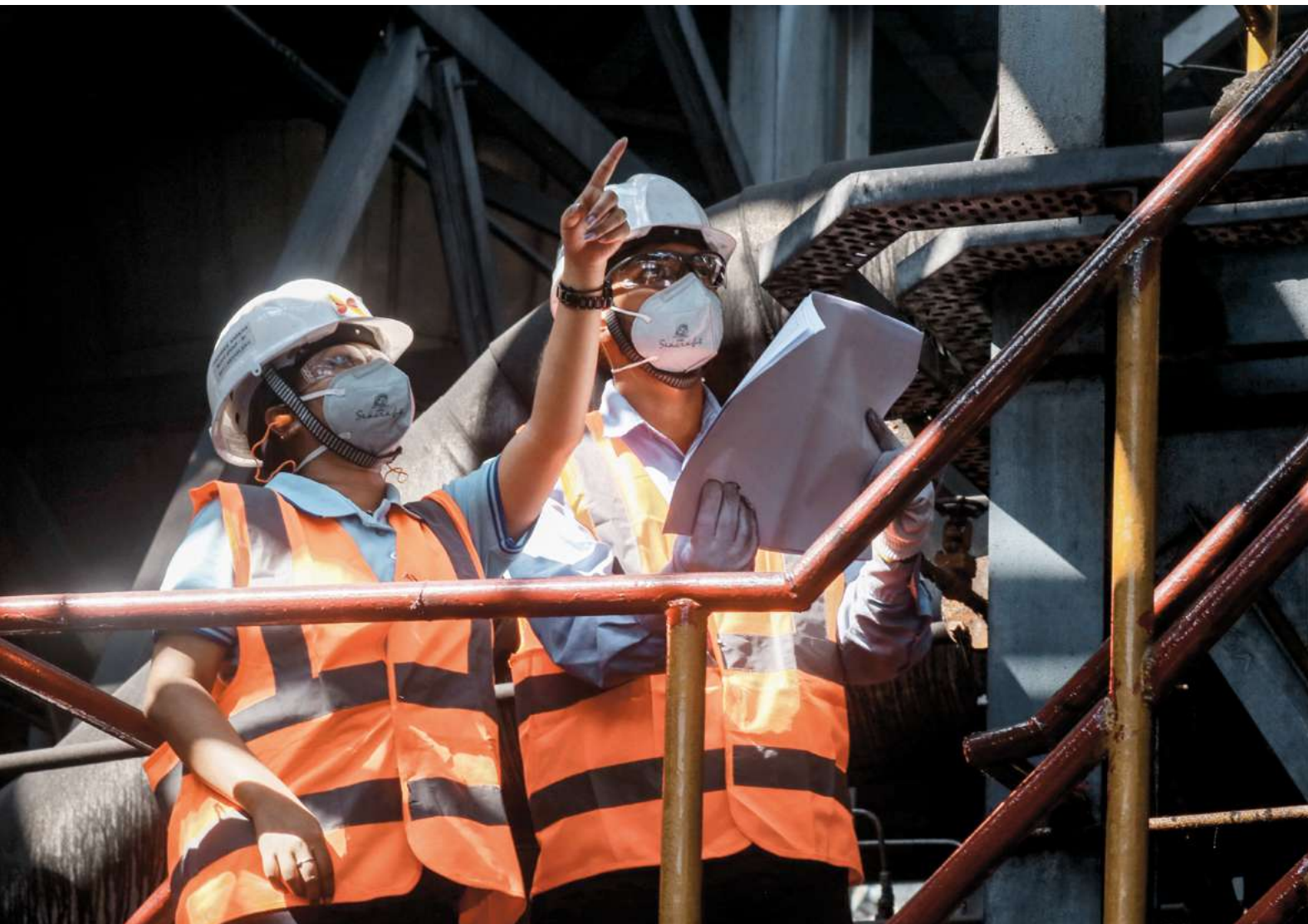
 Read more in this report



## About Himadri

### Vision

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



### Mission

1. To be a company that constantly innovates new products and technologies.
2. To have an unrelenting customer focus while being the customer's clear choice.
3. Be a company that attracts, and develops individual to build a proud Himadrian team.
4. Stay connected to a sustainable future and to improve the social, economic and environmental wellbeing of communities in the region of our operations.



### Values

**Integrity:** We shall be thoroughly professional in all our activities with absolute honesty and will never compromise on our principles in any way.

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

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

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



# Corporate snapshot

## Background

Himadri Speciality Chemical Ltd is a leading manufacturer of carbon materials and speciality chemicals. The Company is India's leading coal tar pitch manufacturer and the only domestic producer of advanced carbon materials. It is the largest producer of naphthalene and SNF in India, catering to industries such as aluminum, tyres, paints, plastics, lithium-ion batteries, and construction.

## Product offerings

Himadri's portfolio includes coal tar pitch, carbon black, speciality carbon black, naphthalene, SNF, PCE and speciality oils.

Emerging segments include LFP cathode active materials, anode materials, high-value coal tar derivatives (anthraquinone and carbazole), and Li-ion battery recycling.

Between FY21-22 and FY24-25, the revenue grew 65%, supported by a 48% increase in volume and 12% higher realisation per MT.

## Presence

Himadri exports to 56 countries, with India contributing 73.21% and exports 26.79% of revenue in FY24-25.

Major clients include CEAT, Apollo Tyres, Bridgestone, MRF, Vedanta, Pidilite, NALCO, Graphite India, and Hwaseung.

## Credit rating

The Company continues to maintain a robust financial position, underpinned by prudent capital management and stable cash flows. Its strong credit profile is reflected in the reaffirmation and assignment of ratings across its borrowings, including fund-based and non-fund-based facilities, unallocated limits, and commercial paper programmes. The total rated limits stand at INR 2,480.86 Crore, with long-term ratings at ICRA AA- (Positive) and short-term ratings at ICRA A1+, highlighting the Company's sound financial health and operational resilience.

## Employees

The Company's competitive edge lies in its talented workforce, which combines expertise across multiple domains with technological proficiency. This skilled team drives the Company's growth and enhances its ability to meet diverse challenges. As on 31<sup>st</sup> March, 2025, Himadri possessed 970 permanent employees, forming the backbone of its operations.

## Listing

The Company is listed on BSE and NSE and enjoyed a market capitalisation of INR 20,934 Crore (as per NSE) as on 31<sup>st</sup> March, 2025.

## Manufacturing facilities

Himadri operates seven manufacturing facilities in India and one unit in China, with an installed capacity of 5,00,000 MTPA of coal tar distillation, 1,20,000 MTPA of carbon black, and 60,000 MTPA of speciality carbon black.

A 28 MW captive power plant meets over 90% of its energy needs.

Ongoing projects include:

- Speciality Carbon Black expansion of 70,000 MTPA (INR 220 Crore) to

raise capacity to 2,50,000 MTPA by Q3 FY25-26.

- Speciality Chemicals facility (INR 120 Crore) for anthraquinone and fluorene production.
- Li-ion Battery Materials project (INR 4,800 Crore, 2,00,000 MTPA capacity) to be developed over 5-6 years, fully funded through internal accruals.

Strategic acquisitions such as Birla Tyres, Invati Creations, and Sicona Battery Technologies strengthen its presence in speciality and battery materials.

# Our recognitions and industry engagements

## Awards and accolades



Awarded the 'Company of the Year' among listed companies at India Chem 2024, organised by the Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, Government of India, in partnership with FICCI and E&Y.



Awarded 'Golden Peacock Award for HR Excellence 2024' at Institute of Directors 19<sup>th</sup> International Conference.



Presented with the DET Hurun Award at the India Manufacturing Excellence Awards 2023, for its significant contribution to India's manufacturing economy.



EXCEED Green Future Awards 2024



Awarded Eastern India Leadership Award 2024 for the best overall sustainable performance



Recognised in three prestigious categories at the Global CSR Excellence & Leadership Awards 2023:

- Best Corporate Social Responsibility Practices
- Best Workplace Practices
- Carbon Footprint Accounting

## Accreditations and recognitions



Awarded 'Exceptional' ESG combined rating of 80 by ICRA ESG Ratings Limited



Awarded the prestigious 'Platinum Medal' by EcoVadis.

This is a significant achievement as it positions Himadri among the top 1% of over 150,000 companies globally assessed by EcoVadis.



We achieved a **B** rating from CDP for Climate and Water Security, recognising our strong environmental management.



We achieved an **A** rating from CDP for Supplier Engagement Assessment, recognising our strong supplier engagement process.



# Himadri's development strategy: Safe, secure and sustainable

Himadri is committed to embed sustainability in every aspect of its identity, operations, and direction.

At the Company, sustainable development is not a business add-on; it is fundamental to long-term value creation for all stakeholders.

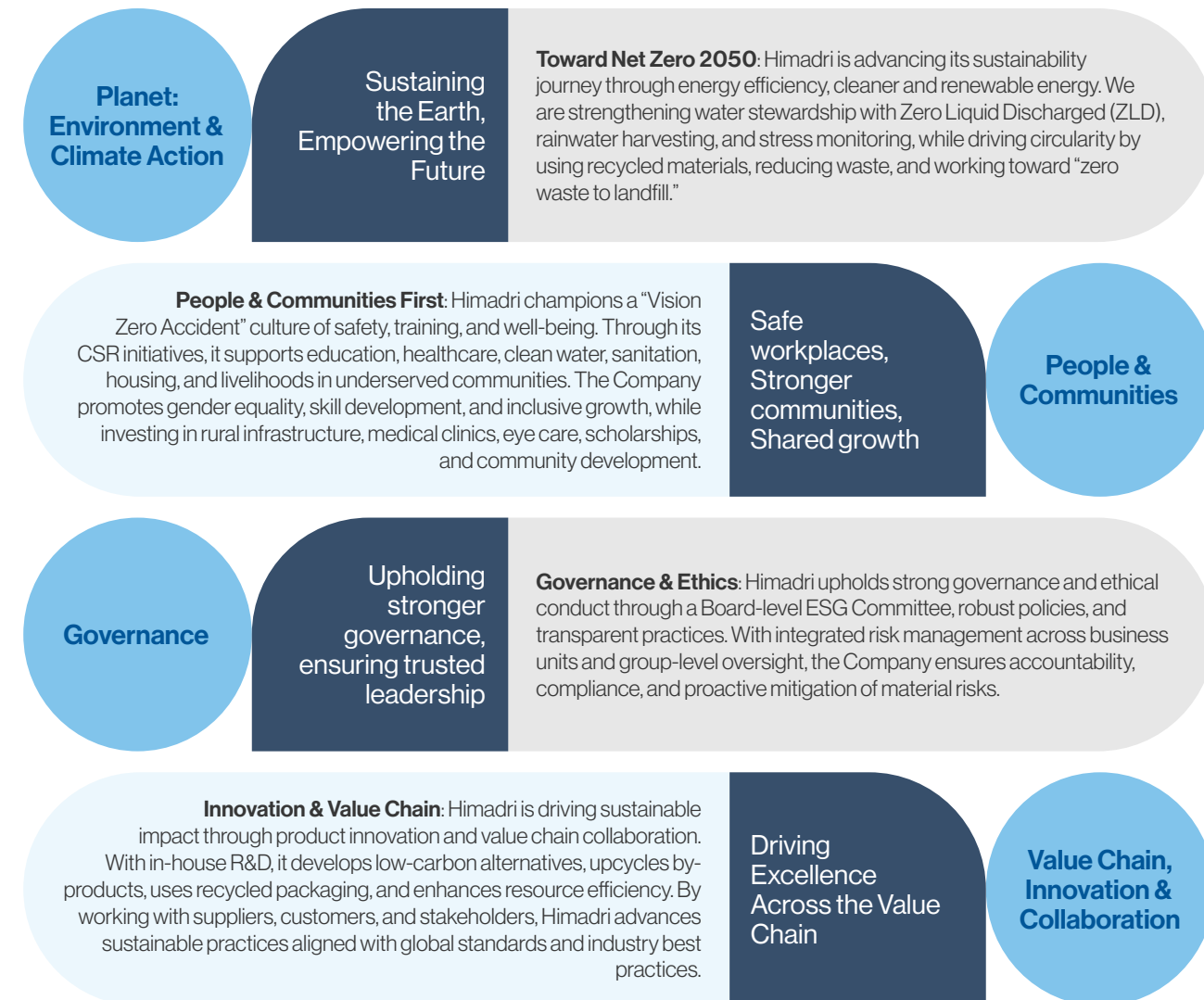
The Company recognises that incremental improvements towards sustainability will not do. The time has come for a holistic, extensive and integrated approach.

The Company's development strategy is built around four dimensions. Each is supported by a defined objective,

priorities, measurable targets, governance and oversight.

The result is that Himadri is not only aligned with global frameworks (United Nations Global Compact and Sustainable Development Goals); it is committed to achieve Net Zero carbon emission by 2050.

This document represents an annual reporting discipline towards that objective.





Himadri's response to climate change is underlined by a single word. That word is *'Together'*.

**'Together'** indicates collaborations

**'Together'** emphasises critical mass

**'Together'** underlines a consolidated approach

**'Together'** indicates that humankind can succeed only if we are in it with each other



**‘Tomorrow’.**  
One word that  
is galvanizing  
the world to  
action.

#### A hotter, more volatile planet

- Average global temperatures may rise by 1.5°C as early as 2030, intensifying droughts, floods, heatwaves, and cyclones.
- Extreme weather will become multi-regional and simultaneous - e.g. floods in Asia, fires in Europe, droughts in Africa - creating cascading crises.
- Without collaboration, national boundaries will fail to contain global heat.

#### Industrial transition and carbon lock-in

- Existing global infrastructure could lock in 1,000+ Giga Tons of CO<sub>2</sub> emissions if not rapidly retooled.
- Industries cannot decarbonize in isolation - cross-sector alliances (chemicals, cement, steel, power) are essential.
- Circular economies will only function through shared logistics, innovation and accountability.

#### Energy transition pressures

- Global energy demand may rise by 30% by 2040 even as fossil fuels decline.
- Collaboration is essential to build renewable grids, green hydrogen infrastructure, and storage systems at continental scale.
- No single nation can meet the technology and mineral needs of this shift alone.

#### Vanishing water security

- Melting glaciers and erratic monsoons will threaten water supply for billions.
- Transboundary rivers (Ganga, Mekong, Nile) will become flashpoints unless nations cooperate.
- Industrial and agricultural water demand will exceed renewable supplies by 40% in many economies.

#### Escalating cost of inaction

- Climate-related disasters already cost the world over USD 300 Billion annually, expected to triple by 2050.
- Insurance losses, asset write-downs, and stranded investments will ripple across economies.
- Collective resilience - through green finance, adaptation funds, and risk pooling - becomes economic necessity.

#### Information and technology divides

- Access to climate data, green technologies, and digital tools will define who adapts and who suffers.
- Shared knowledge platforms - open-source, transparent, global - are the only equitable way forward.

#### Food system disruption

- Climate shocks will cut yields of rice, wheat, and maize - staples for half the world.
- Soil fertility loss, pest migration, and salinity intrusion will demand farmer-scientist-government collaboration.
- Climate-smart agriculture and shared R&D will be vital to ensure global nutrition security.

#### Climate-health interlinkages

- Vector-borne diseases (malaria, dengue, Zika) will spread into temperate zones.
- Air pollution and heat stress will increase mortality, especially among the poor.
- Health systems, urban planners, and environmental regulators must coordinate responses - one sector cannot cope alone.

#### Rising inequality and climate justice

- The poorest 50% contribute least to emissions but face the harshest impacts.
- Climate justice requires joint frameworks among governments, corporates, financiers, and civil society to ensure fairness in adaptation funding and technology transfer.

#### Urban overheating and unlivable cities

- By 2050, 68% of humanity will live in cities - many facing heat indices beyond human endurance.
- Without joint action by urban planners, architects, energy utilities, and citizens, megacities will become energy-hungry heat islands.
- Collaborative green-infrastructure projects will decide city survival.

#### Climate migration and social instability

- Up to 200 Million people may be displaced by climate impacts by mid-century.
- Migration across borders will demand humanitarian, political, and economic cooperation.
- Shared policies are vital to prevent xenophobia, resource conflict, and inequity.

#### Moral and generational accountability

- Future generations will inherit the consequences of today's inaction.
- Shared stewardship - educators, media, parents, and youth networks - must cultivate planetary consciousness.
- Climate change is no longer a technical issue; it is an ethical one.



At Himadri,  
**‘Together’** represents  
its engagement with  
stakeholders across  
the world to achieve a  
sustainable outcome

### Global governance and multilateral bodies

These factors set the  
frameworks, commitments,  
and global mechanisms for  
cooperation.



- United Nations Framework Convention on Climate Change (UNFCCC)
- Intergovernmental Panel on Climate Change (IPCC)
- United Nations Development Programme (UNDP)
- World Bank, International Monetary Fund (IMF)
- Organisation for Economic Co-operation and Development (OECD)
- International Energy Agency (IEA)
- World Economic Forum (WEF)
- Global Environment Facility (GEF)
- International Renewable Energy Agency (IRENA)
- Regional blocs (EU, ASEAN, AU, SAARC, etc.)

### National governments and policy makers

They shape laws, incentives,  
and national pathways toward  
Net Zero.



- Central and federal governments
- Environment, energy, and finance ministries
- Climate policy Task Forces and national missions (e.g., India's NAPCC, Mission LiFE)
- Legislative and regulatory bodies
- Regional/state governments and municipal authorities

### Corporate sector and industry coalitions

They drive technological  
innovation, decarbonisation, and  
circular economy practices.



- Manufacturing and heavy industry (cement, steel, chemicals, oil & gas)
- Energy producers (fossil, renewable, hydrogen, nuclear)
- Transport and logistics (aviation, shipping, automotive)
- Financial institutions and green investors
- Startups and clean-tech innovators
- Industry chambers and business alliances (CII, FICCI, ICC, WBCSD, etc.)

### Financial and investment ecosystem

Climate finance is the bridge  
between intent and action.



- Multilateral development banks (ADB, IFC, World Bank)
- Sovereign wealth funds
- Private equity and venture capital funds
- ESG-focused investors
- Green bond issuers and rating agencies
- Insurance and reinsurance companies (climate risk modelling)



### Research, academia, and innovation institutions

They generate the science, solutions, and policy intelligence for adaptation and mitigation.



- Universities and climate research institutes
- Technology incubators and innovation labs
- Think tanks (TERI, CEEW, Brookings, WRI, etc.)
- Interdisciplinary R&D collaborations between academia and industry
- Students, scientists, and researchers contributing to local innovations

### Local governments and urban administrations

Cities are both - emitters and incubators of solutions.



- Municipal corporations and smart city missions
- Urban planners and architects
- Public transportation authorities
- Waste and water management boards
- Housing and infrastructure departments

### Civil society and Non-Governmental Organisations (NGOs)

They amplify awareness, mobilise action, and anchor climate justice.



- Environmental NGOs (WWF, Greenpeace, The Nature Conservancy)
- Community-based organisations and rural collectives
- Faith-based and humanitarian organisations
- Youth-led climate movements (Fridays for Future, etc.)
- Policy advocacy and citizen science groups

### Rural and primary sector stakeholders

They are on the front lines of climate impact and adaptation.



- Farmers and agrarian cooperatives
- Fisherfolk and forest-dependent communities
- Local self-help groups and rural entrepreneurs
- Agricultural universities and extension services

### Technology and infrastructure providers

They create the enablers for a low-carbon economy.



- Renewable energy developers (solar, wind, bioenergy)
- Energy storage and grid companies
- Water, waste, and mobility tech firms
- Digital platforms for energy management, carbon tracking, and smart metering
- Construction and materials innovators (low-carbon cement, green steel, etc.)

### Media and storytellers

They shape perception, accountability, and public participation.



- Print, television, and digital media outlets
- Independent journalists and documentarians
- Climate educators and influencers
- Artists, writers, and filmmakers who humanise the issue

### Legal, regulatory, and standards bodies

They enforce compliance and set transparent benchmarks.



- Environmental courts and tribunals
- National Green Tribunals (NGT) and equivalents
- ISO, BIS, and other standard-setting agencies
- Environmental auditors and certification agencies

### Citizens and consumers

The final but most vital link - where change becomes culture.



- Households adopting sustainable lifestyles
- Consumers demanding green products
- Youth and schools driving behavioural change
- Citizen scientists and local activists

The emerging realities of tomorrow - ecological strain, economic disruption, social upheaval, and ethical awakening - make collaboration not a choice.

Collaboration is now a necessity for survival.

CMD and CEO's message

# The next chapter of sustainable leadership



## Performance with responsibility

Himadri's growth story has proven that impact and profit can indeed grow together.

In FY 2024-25, our business straddled product families in carbon chemistry with a 16% increase in sales volumes - led by premium coal tar derivatives, speciality carbon blacks, and high-value industrial oils.

Our focus on non-virgin feedstock integration, energy-efficient product manufacturing, and circular carbon pathways strengthened our environmental performance and product-system profitability. This resulted in a higher EBITDA, stronger RoCE, improved earnings per share and a resilient Balance Sheet.

Our product-framework ensures Himadri evolves as a purpose-driven carbon-chemistry enterprise - where People benefit from stable employment derived from scalable products, the Planet benefits through circular products with lower lifecycle emissions, and Profit strengthens capex confidence through our high-margin sustainable product mix deepening our leadership in a low-carbon world.

## Multi-dimensional growth plan - scaling with purpose

Himadri's growth is built on a balanced, multi-vector strategy - expanding core businesses in advanced carbon black, coal tar pitch, and speciality oils, while accelerating its entry into new energy materials including large-scale LFP cathode production. Going ahead, the company will scale circular value streams by converting end-of-life tyres, used oils, and agricultural residues into high-value carbon-chemistry products. Strengthened digital logistics, supplier

inclusion, ESG-linked finance ecosystems, and talent development - especially women leaders and futuristic skills - will drive our resilience and global expansion. Our growth will be ambitious and yet disciplined, reinforcing our long-term sustainable value creation.

## Future-facing energy and mobility

Despite increased total energy use, we achieved a 17.42% reduction in energy intensity through scaled digital energy platforms and 100% in-house clean energy adoption. I am happy to communicate that biodiesel logistics, EV fleet expansion, and GPS-enabled route optimisation are transitioning from pilot projects to enterprise-wide scale.

## Industrial ecosystem leadership

Himadri continues to lead at the convergence of global megatrends: lithium-ion battery materials (large-scale LFP facility outside China), grid baseload resilience through energy storage, sustainable feedstock expansion, and circular innovations in carbon chemistry and materials specialisation.

## Climate science and carbon capture

Himadri's feasibility and pathway studies for CCU/CCUS integration - targeting high-concentration CO<sub>2</sub> streams from combustion and CPP tail gas - have set the stage for milestone-driven deployment, value-creation chemistry routes (PCC, urea, synthetic fuels), and ISO-aligned geological storage for surplus.

## Resilience extending beyond operations

Himadri's sustainability footprint spans borderless influence zones - customers, suppliers, communities, women-led

enterprises, self-help groups, academia partners, biodiversity stewards, and regulators who convert sustainability priorities into global-ready standards and trusted frameworks.

## Safety as a strategic differentiator

Our Zero Accident Vision has resulted in significant LTIFR reduction. Safety is evolving into an automation-to-intelligence model with IoT-integrated emergency activation, remote capability, predictive maintenance, and state-of-readiness diagnostics for full asset, life, and ecosystem protection.

## Human rights, DEI & ethical value chain

Himadri's procurement, leadership platforms, talent pipelines, and ecosystem partnerships remain anchored in culture and values - with a deeper focus on supplier inclusion, contract assurance, equal opportunity, human rights diligence, ergonomic safety, well-being, and ethics frameworks aligned with UNGC, ILO, and global safety institutions.

## The emerging 2030 lens

Looking ahead, our aspiration could be transformational. The next chapter of sustainability at Himadri will scale CCUS from study into milestone deployments, multiply clean energy contribution into circular baseload power, embed human rights cum DEI into supplier ecosystems, turn waste into economic engines for low-carbon materials, evolve safety into IoT-led asset integrity, extend community resilience through measurable SROI, and strengthen our stakeholders' confidence, translating into a comprehensive excellence journey.

## Anurag Choudhary

Chairman cum Managing Director and Chief Executive Officer (CMD & CEO)

As Himadri enters its next phase of sustainable growth, our sustainability vision remains aligned with the UNGC, SBTi Net Zero Approach, and reinforced through governance excellence, human rights stewardship, responsible value-chain integration, and our Zero Accident Vision - all acting as strategic enablers of a resilient, low-carbon, and inclusive future.



## Message from our Chief Sustainability Officer



Our sustainability vision is aligned with the SBTi Net Zero Approach and reinforced by our role as a direct signatory to the United Nations Global Compact (UNGC). This foundation is strengthened by a unified commitment to governance excellence, human rights stewardship, responsible value-chain practices, and our Zero Accident Vision. Circular resource management, community resilience, ethical conduct, and innovation shape the core of our long-term strategy.

Together, these pillars enable a science-aligned, inclusive, and future-ready transformation that reinforces Himadri's leadership in advancing a resilient and responsible low-carbon future.

I am pleased to present Himadri's sustainability journey aligned with TCFD and the GRI framework. FY 2024-25 delivered strong, measurable progress that enhances our Net Zero vision and strengthens stakeholder confidence.

Our commitment to achieve Net Zero by 2050 remains central to Himadri's climate strategy, with our SBTi validation under process. Our interim goals - including a 25% reduction in Scope 1 and Scope 2 emission intensity and a 5% reduction in Scope 3 emissions by 2025 - provide a clear, science-aligned roadmap for action across our operations and a broader value chain.

During the year under review, Himadri strengthened its global ESG standing through industry-leading recognitions, including the EcoVadis Platinum Medal, a CDP B rating in our maiden climate and water disclosure, and an A rating in CDP's Supplier Engagement Assessment. These recognitions reflect our robust transparency, value-chain collaboration, and responsible climate governance, delivering best-in-class performance in line with our sustainability roadmap, with a defined / comprehensive KPIs ensuring excellence.

Himadri's operational excellence advanced meaningfully, demonstrated through a 17.42% reduction in energy intensity against the baseline year, expansion of digital energy platforms, adoption of 100% in-house clean energy,

and enhanced waste-heat recovery systems. Our responsible value-chain management programme widened its reach through effective supplier empowerment, emissions tracking, and climate capacity-building initiatives that strengthened our sustainability performance across the ecosystem.

Innovation continued to shape Himadri's transition journey. We completed a carbon-capture pilot study, progressed toward full operational electrification, and advanced research in recyclability, sustainable packaging, and low-carbon material technologies. This includes continued development of LFP cathode materials, silicon-carbon anodes, and other next-generation battery technologies.

Climate resilience remained central to our CSR agenda, supporting communities across climate-sensitive regions through initiatives focused on water security, healthcare, education, and inclusive livelihood development. These efforts ensure that the benefits of our sustainability journey extend effectively and meaningfully across society.

A strong governance architecture - anchored by the Board-level ESG Committee, ESG Council, and plant-level Sustainability Steering Committees - continues to drive accountability, transparency, and disciplined execution across all our sustainability priorities.

As the global transition accelerates, Himadri advances with clarity and confidence - expanding circularity, scaling renewable and low-carbon solutions, strengthening human rights due diligence, deepening value-chain partnerships, and accelerating innovation rooted in climate science. Together with our stakeholders, we continue to build a resilient, inclusive, and future-ready organisation.

**At Himadri, Together, towards tomorrow comprises Engineering Trust while Scaling Innovation to deliver a Zero-Harm and Net-Zero Future.**

**Avijit Sasmal**  
Chief Sustainability Officer

## Himadri. Driven by the power of one word: 'Upcycle.'

### Overview

There is a growing respect for enhancing product and financial value. The words 'carbon footprint' have become as important as 'profit after tax'. There is a widening appraisal of companies that generate resources from within. Companies that generate more from less (lower carbon footprint) are being valued better on the markets



#### Value addition

Upcycling implies enhancing the worth of materials that would otherwise be waste. It is not mere reuse - it is revaluation, transforming scrap into a higher-grade or aesthetically improved product.

**Example:** At Himadri, carbon-rich coal tar from steel plants are upcycled into high-value speciality chemicals such as naphthalene derivatives, pitch, and advanced carbon materials. End-of-life residues are valorised through process recovery systems, enabling the creation of refined feedstock for downstream applications in aluminium, battery, and construction industries. This approach converts waste into value while reducing the Company's overall carbon footprint.



#### Circular economy integration

It signifies participation in a closed-loop production ecosystem, where materials flow back into the supply chain without downgrading quality - advancing ESG and sustainability metrics.

**Example:** Himadri integrates circularity by recycling process effluents through Zero Liquid Discharge (ZLD) systems, reusing recovered heat energy, and deploying carbon capture feasibility studies for emission control. The Company's tyre pyrolysis research initiative aims to recover carbon black and valuable oils from end-of-life tyres, closing material loops and conserving virgin resources. These actions strengthen Himadri's alignment with India's circular economy and Net Zero 2050 vision.



#### Design-driven innovation

Upcycling carries the connotation of creative re-engineering, where design intelligence turns by-products into marketable assets - merging functionality with environmental responsibility.

**Example:** Himadri applies design-driven innovation to upcycle carbon-rich by-products into higher-value speciality Carbon Black and Coal Tar Pitch. Through advanced material engineering and purified processing routes, the Company converts recovered intermediates into products with enhanced performance and reduced environmental impact. This upcycling approach lowers waste generation, improves resource efficiency, and strengthens Himadri's contribution to a circular, low-carbon materials value chain.



#### Resource efficiency

It reflects process optimisation ethos, where every joule of energy or tonne of material is leveraged beyond its first life, reducing raw-material dependency and embodied carbon.

**Example:** Himadri enhances resource efficiency by maximising recovery across its coal tar distillation and carbon black manufacturing processes. Waste heat from production is captured and reused for steam generation, reducing energy demand and lowering emissions. Solvent recovery systems enable reuse of valuable intermediates, while Zero Liquid Discharge (ZLD) operations ensure water is recycled back into the process. Through these initiatives, Himadri reduces overall resource consumption, improves operational efficiency, and minimises environmental impact.



#### Brand differentiation and ethical leadership

Industrially, to upcycle is to signal conscience and ingenuity - projecting an enterprise as both innovator and environmental custodian, enhancing brand equity in green markets.

**Example:** Himadri's commitment to upcycling and circular chemistry strengthens its positioning as a responsible and future-ready materials company. By transforming carbon-rich residues into advanced speciality carbon black, battery-grade precursors, and high-value chemical derivatives, Himadri demonstrates innovation grounded in sustainability. Its EcoVadis Platinum Medal, CDP ratings, and SBTi-committed and aligned climate targets further elevate the Company's credibility as an ethical leader. This eco-innovation-driven approach differentiates Himadri in global markets and reinforces customer confidence in its sustainable product portfolio.
















Himadri's sustainability commitment is enshrined in its **Value Creation Charter**.

## Overview

There is a growing need for long-term sustainability frameworks. These frameworks help enhance stakeholder clarity and confidence. The enhanced confidence has often translated into lower fund costs and superior valuations. At Himadri, we have institutionalised our commitment to sustainability.

Input		Our ecosystem	
<b>Financial Capital</b> 	INR <b>3,648</b> Crore, in net worth INR <b>2</b> Crore, in long term-debt		
<b>Manufactured Capital</b> 	<b>8</b> Manufacturing units <b>28</b> MW capacity of captive power plant	<b>OUR ACTIVITIES</b> Production Product development Marketing Investment in R&D Sales	<b>CORE COMPETENCIES</b> High-value product pipeline Robust R&D Strong Clientele Cutting-edge technologies Diversified and markets
<b>Intellectual Capital</b> 	INR <b>39</b> Crore, spent on R&D 148 Employees in R&D team		
<b>Human Capital</b> 	<b>970</b> Employees on roll <b>43,653</b> Number of training hours <b>100%</b> Training on Business Ethics <b>95%</b> Employee Retention Rate		
<b>Social and Relationship Capital</b> 	INR <b>6</b> Crore, spent on CSR <b>112</b> Employees volunteered	Communities	Customers
		<b>CREATING IMPACT FOR STAKEHOLDERS</b>	
		Business partners and suppliers	Stakeholders and investors
			Government and regulatory authorities
<b>Natural Capital</b> 	<b>25%</b> Targetted reduction in Scope 1 and Scope 2 emissions intensity by 2025 <b>5%</b> Targetted reduction in Scope 3 emissions by 2025		

Our long-term sustainability approach has been approved by the Board, brought into the mainstream of our existence and enshrined in a Value Creation Charter. This Value Creation Charter spells out unambiguously how we intend to enhance value - across stakeholders, locations, products and time. We seek to generate economic, social, and environmental value that extend beyond financial outcomes. In doing so, we remain committed to enhance long-term resilience, deepen stakeholder trust, and strengthen value across our value chain. By doing so, our sustainability commitment is relevant to our existence - today and tomorrow.

Outputs	Outcomes	SDGs impacted
<b>Financial Capital</b> 	<p>INR <b>4,596</b> Crore, turnover</p> <p>INR <b>844</b> Crore, EBITDA</p> <p>INR <b>558</b> Crore, PAT</p>	<p>Sustained long term financial growth increase in dividend pay-out</p> 
<b>Manufactured Capital</b> 	<p><b>73.19</b>% domestic sales</p> <p>INR <b>104.73</b> Crore, revenue by power segment</p>	<p>Capacity expansion Diversified product portfolio</p>  
<b>Intellectual Capital</b> 	<p><b>39</b> New Products and many new grades developed/being developed</p>	<p>Increased investment in research and development</p> 
<b>Human Capital</b> 	<p><b>0</b> Lost Time Injury Frequency Rate (LTIFR)</p> <p><b>11</b> Million LTI free man-hours</p> <p><b>45</b> Average training man-hours per employee</p>	<p>Improved employee morale, safety and productivity</p>  
<b>Social and Relationship Capital</b> 	<p><b>8</b> Areas of CSR activities</p> <p><b>14,300+</b> Beneficiaries of CSR activities</p> <p><b>93.6</b>% Vulnerable group beneficiaries</p>	<p>Increased community outreach</p> 
<b>Natural Capital</b> 	<p><b>36.08</b>% Scope 1 and 2 emission intensity reduction achieved in FY24-25</p> <p><b>22.25</b>% Scope 3 emission intensity reduction achieved in FY24-25</p>	<p>Minimised GHG emission</p>  



## We are an India-based company with a **widening global footprint.**

### Overview

We are building a company with growing global relevance - the basis of our sustainability. This is helping broaden our revenues beyond an excessive dependence on one market. We are tapping into diverse demand traction across geographies. This is widening our global exposure and business sustainability.

### Mapping our footprint

# 26.79

% of our revenues derived from export, FY24-25

# 1,232.18

INR Crore, total revenues from exports, FY24-25

Himadri has a global presence, with our products available in 56 countries. This extensive outreach allows us to connect with industries across continents and ensure that our innovative solutions are accessible wherever needed.

- |              |                  |            |             |               |                |
|--------------|------------------|------------|-------------|---------------|----------------|
| ■ Algeria    | ■ Brazil         | ■ Egypt    | ■ Guatemala | ■ Mozambique  | ■ Poland       |
| ■ Australia  | ■ Canada         | ■ Ethiopia | ■ Indonesia | ■ Nepal       | ■ Portugal     |
| ■ Austria    | ■ Chile          | ■ Finland  | ■ Italy     | ■ Netherlands | ■ Qatar        |
| ■ Bahrain    | ■ China          | ■ France   | ■ Japan     | ■ Nigeria     | ■ South Korea  |
| ■ Bangladesh | ■ Colombia       | ■ Germany  | ■ Malaysia  | ■ Oman        | ■ Saudi Arabia |
| ■ Belarus    | ■ Czech Republic | ■ Ghana    | ■ Mexico    | ■ Peru        | ■ Senegal      |
| ■ Belgium    | ■ Ecuador        | ■ Greece   | ■ Morocco   | ■ Philippines | ■ Serbia       |

- |                |             |
|----------------|-------------|
| ■ Slovenia     | ■ Turkey    |
| ■ South Africa | ■ UAE       |
| ■ Spain        | ■ Uganda    |
| ■ Sri Lanka    | ■ UK        |
| ■ Sweden       | ■ USA       |
| ■ Thailand     | ■ Venezuela |
| ■ Tunisia      | ■ Vietnam   |

# 73.21

% of revenues derived from domestic sales and other operating revenue, FY24-25

# 3,363.62

INR Crore, total revenues generated from domestic sales, FY24-25



# The value we deliver is reflected in our widening capacity to **service growing customer needs.**

## Overview

We are growing our multi-products enterprise. We specialise in the manufacture of 'product families'. We provide customers with a product range across grades. We customise products around demanding requirements. We are perceived as a reliable partner

## Innovative solutions for every industry

Himadri's diverse portfolio includes critical materials such as anode and cathode components for lithium-ion batteries, speciality carbon black used in tyres,

coatings, fibres, wires, cables, hoses, etc. and refined naphthalene.

We also provide speciality materials such as coal tar pitch, speciality oils and clean power solutions, all designed to meet the diverse needs of modern industries.

## Our offerings

- LIB component materials
- Coal tar pitch
- Speciality carbon black
- Carbon black
- Tyres
- Naphthalene
- Corrosion protection products
- Polycarboxylate Ether (PCE)
- Speciality oils
- Sulphonated Naphthalene Formaldehyde (SNF)

These products support a broad spectrum of applications, from paints, plastics and technical rubber goods to aluminium production, graphite electrodes, agrochemicals, construction chemicals, dyes, inks, tyres, LIBs for mobility and energy storage solutions.

With such a comprehensive product portfolio that caters to multiple industries, such as defence, automotive and industrial manufacturing, batteries, Infrastructure and more, Himadri is able to add value to the businesses of our customers while ensuring they get the best-in-class quality experience.





# Himadri. Leading with **innovation**

Innovative product offerings



Energex



Silicon-based Anode Materials



KLAREX



VIRTEX



ONYX



Hybrid Polycarboxylate Ether (PCE)



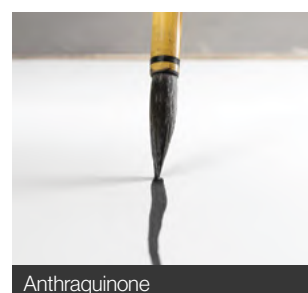
Anode Materials



Jetex



Speciality oil



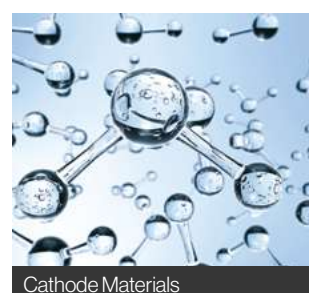
Anthraquinone



COLORX



BARONX



Cathode Materials



ELECTRA



Carbazole



“Sustainability and engineering excellence are redefining the future of carbon black at Himadri.”



**Monojit Mukherjee**

Business President, Carbon Black Division

## A new benchmark in sustainable carbon black manufacturing

The Carbon Black division is transforming through sustainability-driven improvements in combustion efficiency, feedstock utilisation, heat-recovery, and emissions control. Through digital monitoring, predictive analytics, and advanced filtration technologies, we strengthened both process stability and environmental performance.

We are expanding our portfolio of high-value speciality grades that support the needs of polymers, coatings, and emerging EV battery applications. Our long-term goal is to position the division as a global benchmark in sustainable carbon black production—where operational excellence, innovation, and circularity converge.



“Every molecule matters. Our mission is to maximise value while minimising impact.”



**Soumyodeep Bhattacharya**

Executive Vice President, Coal Tar Division

## Advancing circularity and process excellence in coal tar derivatives

The Coal Tar division is strengthening resource circularity through improved distillation efficiency, enhanced recovery systems, and the upcycling of by-products into high-value downstream materials. Digitalisation has enabled stronger process control, reduced variability, and improved environmental performance.

With enhanced emission control technologies, energy-efficient operations, and structured sustainability governance, we are building a division capable of supporting Himadri's transition towards low-carbon, circular, and technology-driven chemical manufacturing.



# Our sustainability is reinforced by a robust profitability across market cycles

## Overview

The Company has achieved a total revenue of INR 4,59,580.34 Lakhs from operations for the financial year that ended on 31<sup>st</sup> March, 2025 as against INR 4,18,489.03 Lakhs for the financial year that ended on 31<sup>st</sup> March, 2024 representing an increase of 10%, due to increase in volume, operational efficiency and change in product mix and geographical mix. Sales volume increased by 16%. The earnings before interest, taxes, depreciation, and amortisation ('EBITDA') for the year, excluding the effect of foreign exchange fluctuation loss/ (gain) and other income is INR 84,354.83 Lakhs as compared to INR 63,236.24 Lakhs for the previous financial year. EBITDA for the year increased by 33% due to the increase in volume, operational efficiency and change in product mix and geographical mix. During the financial year FY24-25, the Company earned a profit after tax of INR 55,807.05 Lakhs as compared to INR 41,099.54 Lakhs in the previous financial year representing an increase of 36%.



## Key performance highlights

**4,595**

INR Crore, net revenue in 2025

**843**

INR Crore, EBITDA in 2025

**25.26**

%, RoCE in 2025

**4,185**

INR Crore, net revenue in 2024

**632**

INR Crore, EBITDA in 2024

**21.50**

%, RoCE in 2024

**11.31**

INR EPS in 2025

**558**

INR Crore, PAT in 2025

**9.17**

INR EPS in 2024

**411**

INR Crore, PAT in 2024

## Financial Highlights

INR in Lakhs

Sl. No.	Particulars	Standalone FY24-25	Standalone FY23-24	Consolidated FY24-25	Consolidated FY23-24
I.	Revenue from operations	4,59,580.34	4,18,489.03	4,61,263.12	4,18,489.03
II.	Other income	5,090.14	4,255.06	5,169.18	4,251.77
III.	Total income (I+II)	4,64,670.48	4,22,744.09	4,66,432.30	4,22,740.80
<b>Expenses</b>					
	Cost of materials consumed	3,15,698.98	3,07,184.52	3,15,210.53	3,06,697.60
	Changes in inventories of finished goods and work-in-progress	(501.19)	(3,670.28)	(507.60)	(3,670.28)
IV.	Employee benefits expense	12,436.63	10,996.88	13,938.55	11,048.10
	Finance costs	4,457.13	6,371.76	4,477.24	6,386.74
	Depreciation and amortisation expense	4,961.51	4,774.78	5,496.52	4,985.87
	Other expenses	46,843.67	39,772.69	47,198.97	39,907.16
	Total expenses (IV)	3,83,896.73	3,65,430.35	3,85,814.21	3,65,355.19
V.	Profit before exceptional items and tax (III-IV)	80,773.75	57,313.74	80,618.09	57,385.61
VI.	Exceptional items	-	-	-	-
VII.	Profit before tax (V-VI)	80,773.75	57,313.74	80,618.09	57,385.61
<b>Tax expenses</b>					
VIII.	Current tax	14,094.76	10,003.48	14,229.71	10,096.88
	Deferred tax	10,780.02	6,210.72	10,778.99	6,210.72
	Income tax related to earlier years	91.92	-	99.42	9.83
IX.	Profit for the year (VII-VIII)	55,807.05	41,099.54	55,509.97	41,068.18

## Details of key financial ratios

Particulars	FY24-25	FY23-24	Variance (%)	Explanation for the change in the ratio by more than 25%
Debtors Turnover (Sales/Average Debtors)	7.05	7.09	(0.56)	NA
Inventory Turnover (COGS/Average Inventory)	4.88	4.85	0.62	NA
Interest Coverage Ratio (EBITDA/Interest)	20.84	10.99	89.63	Increase in EBITDA and reduction in interest resulted in improvement in interest coverage ratio
Current Ratio (Current assets/Current liabilities)	3.56	1.93	84.46	Reduction in current liabilities resulted into improvement in current ratio
Debt Equity Ratio (Net Debt (including lease liabilities)/ Equity)	(0.10)	(0.04)	150	Reduction in net debt & increase in net worth on account of higher profitability
Operating Profit Margin (%) (EBITDA/sale of goods)	18.37	15.11	21.58	NA
Net Profit Margin (%) (PAT/sale of goods)	12.15	9.82	23.72	NA
Return on Equity (%) (PAT/Average equity)	16.84	15.82	6.45	NA





# Our responsible citizenship is showcased in how we are contributing to India’s progress and prosperity

### Employment

At Himadri, we provide direct employment to 970 individuals. During the year under review, we paid INR 12,436.63 Lakhs in salaries and wages; this accounted for 2.70% of our revenues for FY24-25. The average percentage increase made in the salaries of employees other than the managerial personnel in the financial year FY24-25 was 12% whereas the increase in the managerial remuneration for the same financial year was 15%. Besides, Himadri provides indirect livelihoods for around 14,300+ individuals, helping rejuvenate India's grassroots economy.

### Tax transparency

At Himadri, tax is not a statutory obligation but an essential contribution to national development, guided by transparency, compliance, and accountability. Himadri ensures that all taxes are paid fully and on time in every jurisdiction of operation, with India serving as its primary tax jurisdiction. The governance of tax matters is overseen by the Chief Financial Officer (CFO) and the Audit Committee, supported by robust internal controls and regular audits. Himadri does not invest in tax havens; it engages in engagements with regulators, investors, and other stakeholders through transparent communication and reporting.

Himadri deposits all undisputed statutory dues with appropriate authorities like Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, and other applicable levies (not outstanding for more than six months as on 31<sup>st</sup> March, 2025).

The Company's management and Board of Directors are responsible for establishing and maintaining effective internal financial controls in accordance with the criteria outlined in the Guidance Note on Audit of Internal Financial Controls issued by the Institute of Chartered Accountants of India. These responsibilities encompass the design, implementation, and maintenance of controls to ensure orderly and efficient business operations, adherence to company policies, safeguarding of assets, prevention and detection of fraud and errors, and the accuracy and completeness of accounting records. The system also ensures the timely and reliable preparation of financial statements in compliance with the Companies Act, 2013.

### Ethical stance

Himadri does not make political donations. The Company engages constructively with national and international industry associations to collaborate with policymakers and regulators. This engagement enables Himadri to address geopolitical, policy, and legal risks.

### Openness in business

Openness in business is a foundational value at Himadri Speciality Chemical Ltd, reflected through a robust framework for transparency, ethical governance, and responsible management of financial relationships. This is achieved through a comprehensive framework that integrates policy, monitoring, and disclosure across the entire value chain to ensure accountability and build stakeholder trust.

Central to this framework is a three-pronged monitoring system covering procurement, sales, and Related Party Transactions (RPTs). By closely tracking transactions - especially with higher-risk intermediaries like distributors and agents - Himadri mitigates compliance risks and strengthens oversight. Transparent management and disclosure of RPTs further reduce conflicts of interest and uphold governance integrity. Himadri's governance structure, led by an independent board and ESG committee, reinforces transparency and accountability. Robust compliance measures, including zero-tolerance anti-bribery policies, regular employee training, whistle-blower protections, and conflict-of-interest declarations, foster a culture of ethical conduct.

Transparency also extends to external reporting, with adherence to global standards such as GRI and TCFD, supported by certifications like ISCC PLUS and CDP ratings. These efforts enhance credibility and demonstrate commitment to sustainable, responsible business. Implemented across all levels, Himadri's internal controls, audits, and performance tracking drive continuous improvement. This strategic focus on transparency reduces risks, builds stakeholder confidence, and supports Himadri's goal to be a trusted, sustainable leader in the speciality chemical sector.

Through disciplined governance and openness, Himadri ensures regulatory compliance while positioning itself for long-term resilience and value creation

### Key highlights

249.67
INR Crore, total tax contribution in FY24-25
162.14
INR Crore, total tax contribution in FY23-24
30.90
%, Effective Tax Rate (ETR)
140.95
INR Crore, corporate income tax paid (current tax)
107.80
INR Crore, deferred tax expense
807.74
INR Crore, profit before tax (PBT)
30.90
%, Taxes as a percentage of PBT
NIL
Material pending tax litigations reported
100
%, Timely filing and payment compliance



“Financial strength and sustainability excellence must advance together. Our capital decisions today shape the low-carbon future of Himadri.”



Kamlesh Agarwal  
Chief Financial Officer

### Integrating ESG into the core of financial governance

Himadri's financial strategy is undergoing a structural shift as sustainability becomes a central lever of long-term value creation. We are embedding sustainability-linked metrics, including carbon intensity, energy efficiency, supply chain sustainability, and circularity performance, into our capital allocation frameworks. This ensures that every investment contributes meaningfully to our Net Zero 2050 pathway and strengthens the resilience of our business model.

Our ESG disclosure ecosystem has matured significantly, aligning with GRI, BRSR, TCFD, UNGC, SBTi, CDP, and EcoVadis standards to deliver transparency and confidence to all stakeholders. Moving forward, our focus is on strengthening climate-resilient budgeting, expanding low-carbon financing pathways, and building a financial architecture that supports Himadri's sustainable growth ambitions.



# Double Materiality: Anchoring Himadri's purpose-driven growth

## Overview

A materiality assessment transforms sustainability from aspiration to a strategic, measurable, value-linked discipline, essential for credible ESG appraisal and modern corporate evaluation. For Himadri, operating at the intersection of carbon materials and new-energy feedstocks, materiality ensures sustainability priorities are embedded into business decisions. It identifies ESG issues that matter to long-term performance and stakeholders, reflecting both impact and dependency.

## Materiality Assessment is central to sustainability appraisal

### Focus on what is financially and strategically relevant

Himadri's assessment isolates sustainability factors with real enterprise-value linkage, including:

- Carbon intensity across coal-tar derivatives and speciality carbon-black
- Energy reliability in high-temperature furnace operations across 15+ plants
- Water stewardship and waste intensity across operational hubs

This positions Himadri as the subject of analysis, not merely a participant.

### Bridge between sustainability and financial performance

Material topics were mapped to:

- Climate transition risks influencing feedstock cost, furnace electrification and exports
- Energy tariff volatility impacting margin stability
- Circular-economy products such as recovered carbon, pitch-oil reuse and recyclates opening new profit pools

This demonstrates the linkage between impact-shielding → margin protection → valuation growth.

### Stakeholder expectation alignment

Consultation covered global buyers, sustainability partners, auditors and investor signals on climate governance, human rights, supply continuity and Zero-Harm commitments, ensuring evaluation through the stakeholder lens.

### Basis for transparent ESG reporting

Materiality strengthens disclosures under BRSR, EcoVadis, ICRA, CDP

and assurance benchmarks, qualifying Himadri for capital-grade review.

### Helps future-proof the business

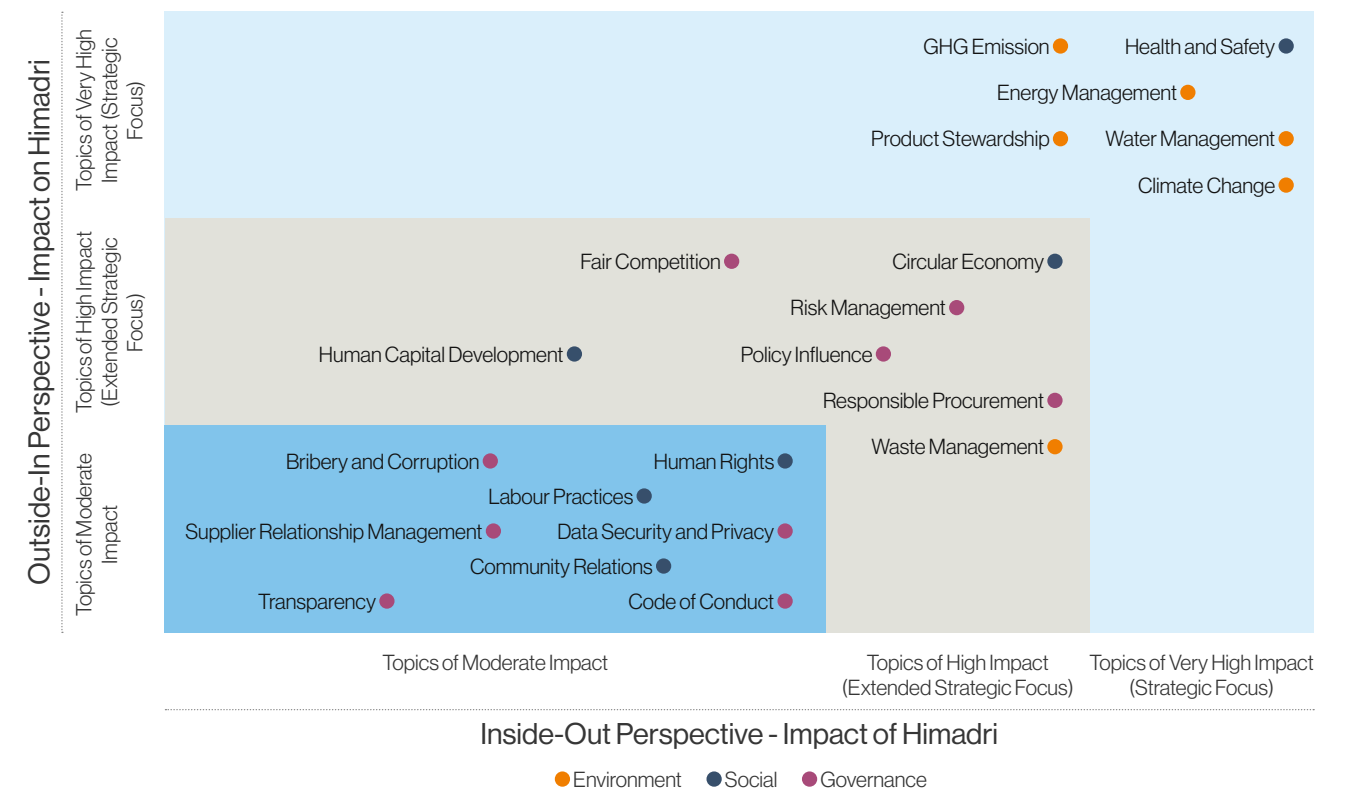
Emerging relevance includes climate policy shifts in EU/US, furnace electrification, low-pressure boiler bypass systems, Zero-Accident culture maturity and circular innovation, placing Himadri at every risk and trend node.

### Core to investment and valuation decisions

Double materiality shaped decisions related to CAPEX > INR 1 million, insurer confidence and ESG-linked financing, evaluating risk, cost and return outcomes.

### Himadri and Materiality

In FY24-25, Himadri adopted the double-materiality approach to reflect impact influence and dependency risks. Stakeholders assessed carbon footprint, energy continuity, water and waste integrity, human rights, HSE ambition, governance transparency and circular-economy potential. Their perspectives reaffirmed Himadri's commitment to a purpose-driven, stakeholder-focused and future-ready strategy balancing People, Planet and Profit.



## Analysis of materiality topics

- Purpose
- Business model
- Markets
- Products
- Strategy
- Stakeholder groups
- Value chain

## Identification of impacts (outside-in and inside-out perspective)

### Impact materiality

How do we impact economy, environment, and society by business operation?

### Financial materiality

How do environment, and society aspects present risks and opportunities to our business operations?

## Assessment of significance of impacts

- Impact significance
- Impact frequency
- Strategic consequence of impacts on Himadri

## Topic prioritisation

- Define materiality threshold
- Prioritise topics based on strategic relevance

## Material Topics

### E

- GHG emission
- Energy management
- Water management
- Climate change
- Product stewardship
- Circular economy
- Waste management

### S

- Health and safety
- Human capital development
- Human rights
- Community relations
- Labor practices

### G

- Risk management
- Fair competition
- Policy influence
- Responsible procurement
- Data security and privacy
- Bribery and corruption
- Supplier relationship management
- Code of conduct
- Transparency



## How we strengthened our business in FY24-25



### Strategic alignment

- Advanced from integration to scaling sustainability outcomes, guided by 'Together Towards Tomorrow' - the principle.
- Strengthened double materiality assessment, incorporating external stakeholder expectations and regulatory shifts.
- Reaffirmed commitment to UNGC 10 Principles, UNSDGs, Mission LiFE, and India's LTS-LEDs.



### Climate & environmental progress

- Achieved 36.08% Scope 1 & 2 intensity reduction (vs 2021 baseline) and 22.25% Scope 3 reduction (vs 2024 baseline).
- Sustained ZLD across all plants and 17.42% reduction in energy intensity.
- 98% materials recycled; >95% non-virgin raw materials used.
- Introduced circular solutions (end-of-life tyres, pyrolysis oils, agri-residues converted into high-value products).



### Innovation & low-carbon products

- Progressed on 40,000 MTPA LFP cathode active material project.
- Developed carbon-neutral product variants, targeted launch by FY25-26.
- R&D investment of INR 39 Crore with 148 scientists, exploring LMFP, silicon-carbon anodes, and carbon capture.



### Social & people impact

- Maintained 11 Million LTI-free hours and achieved Zero LTIFR.
- Delivered 43,653 training hours with strong focus on safety, leadership, and ethics.
- Retention rate at 95%, reflecting a high-trust culture.
- INR 6 Crore CSR investment benefiting 14,300+ people (93.6% from vulnerable groups).



### Governance and global recognition

- EcoVadis Platinum Medal - Top 1% globally.
- ICRA ESG rating: 80 - Exceptional.
- Strengthened tax transparency (INR 175.63 Crore, tax paid)
- Policy influence adopted as a double material topic, enabling constructive engagement with regulators and industry bodies.



### Commitments for FY25-26 and beyond

- Launch of carbon-neutral product portfolio by FY25-26.
- 25% Scope 1 & 2 reduction (on track for 2025 target).
- Supplier sustainability assessment coverage to reach 85% by FY24-25.
- Scale speciality carbon black to 1,30,000 MTPA and LFP to commercial production by FY26-27.

## Himadri's sustainability objectives in FY24-25

### Overview

Himadri strengthened its comprehensive sustainability agenda during the year under review.

The Company deepened its focus on reducing the carbon footprint of its customers through collaborative, value chain-wide decarbonisation. This strategic initiative reinforces Himadri's role as a forward looking partner, helping customers achieve their climate objectives while fostering long term, resilient relationships.

Extending its efforts beyond internal emissions (Scope 1 and 2), Himadri is now addressing Scope 3 emissions, particularly those associated with product use and downstream activities. Recognising that the majority of lifecycle emissions lie beyond its direct operational control, the Company adopted a partnership first approach: working with customers

to co-develop low carbon product alternatives, improve process efficiencies, and embed circular economy principles across product lifecycles. Targeted R&D investments are accelerating the development of lower emission formulations and technologies; pilot projects with key customers are demonstrating measurable downstream carbon reductions.

Himadri increased the pace of renewable feedstock adoption and decarbonised energy sourcing across its supply chain, while sharing proprietary sustainability insights to enable informed, cost effective transitions for partners. Customised carbon reduction roadmaps, co-created with clients, aligned technical interventions with commercial priorities and regulatory trajectories. This ensured practical, scalable outcomes.

































This focus not only reinforced Himadri's commitment to achieve Net Zero by 2050, but graduated the Company into a trusted sustainability partner that drove collective ESG progress. By catalysing value chain decarbonisation, Himadri is helping de risk customers' climate transitions, unlocking market opportunities, and contributing to a resilient, low carbon industrial landscape in a rapidly evolving global regulatory environment.

The Company deepened its focus on reducing the carbon footprint of its customers through collaborative, value chain-wide decarbonisation.





## Our sustainability objectives

Objectives	Measures	Target FY25-26	Target FY24-25	Result FY24-25	Main domain	UNGC-SDGs
Vision zero accident / incident	By 2025, loss time injury frequency rate below 1 (Vs 2021)	<1	<1	0	 People	 
Energy consumption	By 2025, reduce energy intensity per metric tonne of product sold (Vs 2021)	-20%	-10%	-17.42%	 Planet	 
CO <sub>2</sub> e emission intensity (Scope-1 & Scope-2)	By 2025, reduce Scope 1 and Scope 2 CO <sub>2</sub> e emission intensity per metric tonne of product sold (Vs 2021)	-30%	-25%	-36.08%	 Planet	  
CO <sub>2</sub> e emission intensity (Scope-3)	By 2025, reduce scope 3 CO <sub>2</sub> e emission intensity per Metric tonne of product sold (Vs 2024)	-8%*	-5%	-22.25%	 Planet	  
Zero Liquid Discharge (ZLD)	All plants must operate with ZLD status (Vs 2021)	100%	100%	100%	 Planet	  
Solid waste	Reduce solid waste (hazardous and non-hazardous) to landfill per metric tonne of product sold (Vs 2021)	<1%	<1%	0.01%	 Planet	 
Recycle materials	Maintain the proportion of non-virgin raw material from external sources used in production to avoid depletion of natural resources (Vs 2020)	> 95%	>95%	> 95%	 Planet	 
Gender diversity	Increase female representation in management team (Vs 2020)	6.5%	5%	5.56%	 People	
Compliance training	Increase percentage of targeted staff, who completed anti bribery and corruption training (Vs 2020)	> 95%	>95%	99%	 Governance	
Value chain partner	By 2026, conduct sustainability assessment of our value chain partners (upstream & downstream) covering at least 75% of group spend & sales of FY24-25	100%	85%	88.1% (Cumulative Objective 75% Spend)	 Communities	  
Carbon neutral product	By 2026, introduction of carbon neutral products to customers - X Variants/ X Kg in MT	0.2%	0.1%	0.1%	 Communities	  
Customer decarbonisation	Introduction of customer-side carbon footprint reduction collaboration project	1	New Objective	New Objective	 Communities	  



# Our climate strategy: Driving Himadri's Net-Zero ambition

## Overview

At Himadri, we recognise that climate change is not merely the defining challenge of our generation but an unprecedented opportunity to reshape business, reimagine growth and reaffirm trust.

The world is moving rapidly towards decarbonisation, and we believe the industry must lead from the front, through innovation, responsibility, and a willingness to transform. Our climate strategy is not an isolated initiative, but an integral part of our corporate purpose: creating value

for all stakeholders, while contributing to a resilient and sustainable planet.

We are committed to advancing on this journey with transparency and accountability. By embedding decarbonisation across our operations, investments, and partnerships, we aspire to set benchmarks for the speciality chemicals sector.

Our ambition is to achieve net-zero emissions by 2050, guided by near- and mid-term targets that align with the

Science Based Targets initiative (SBTi) and global climate goals.

## A three-tier roadmap to Net-Zero

Our roadmap is structured around short-term, mid-term, and long-term milestones. Each phase combines pragmatic actions with ambitious goals, ensuring that progress is measurable and resilient to market shifts. This tiered strategy reflects our belief that the pathway to net-zero is not linear, but a journey of innovation, governance and adaptation.

## Short-term priorities: Building the foundation

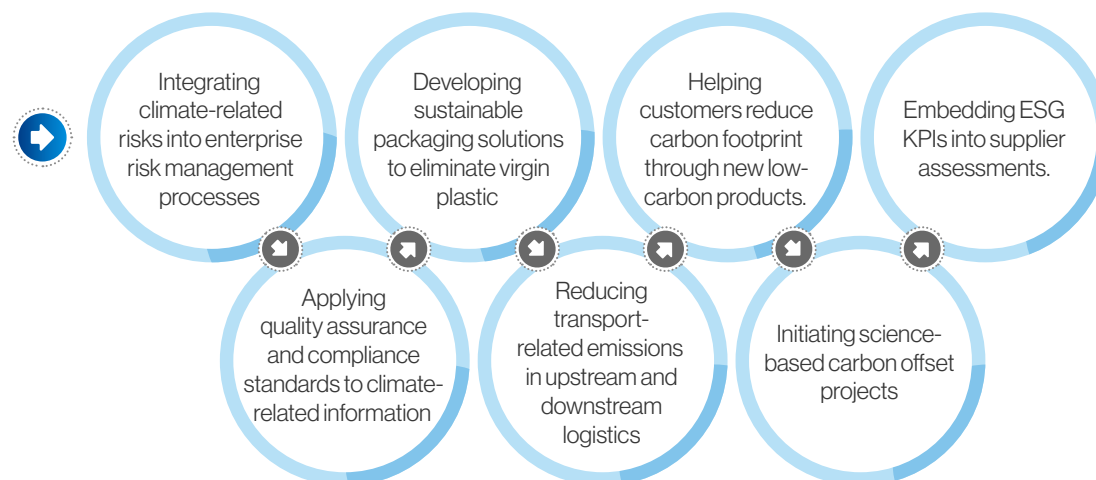
In the immediate term, Himadri has placed an emphasis on energy efficiency and resilience. By diversifying our fuel mix and optimising energy consumption across facilities, we are reducing Scope 1 and Scope 2 emissions. We have initiated a comprehensive inventory of Scope 3 emissions, recognising that the largest share of our climate footprint lies in our value chain. Mapping these emissions helps us identify hotspots, engage suppliers, and strengthen our roadmap for reduction.

We are taking decisive steps to embed sustainability across the product life cycle. Efforts include exploring end-of-life recycling solutions for key products, expanding renewable energy capacity through solar installations and clean power purchase agreements (PPAs), and piloting carbon capture projects with technology partners. These actions reduce our footprint as well as future-proof our portfolio against regulatory and market risks.

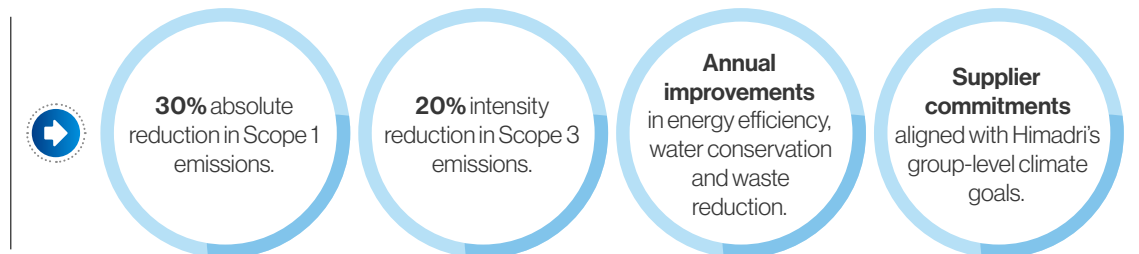
Governance frameworks are being concurrently strengthened. Climate resilience strategies are mandatory in new projects, while mitigation

guidelines ensure energy efficiency, adoption of cleaner fuels, and climate impact reviews are built into every expansion, merger or acquisition. Climate-related Key Performance Indicators (KPIs) have been embedded into executive appraisals, reinforcing accountability at the highest levels of leadership. These initiatives reflect our conviction that climate action, when integrated into operations and governance, creates measurable long-term value.

## How we manage related risks



## Our 2030 targets



## Our ambitious targets



## Mid-term strategy: Scaling innovation

Our mid-term roadmap accelerates our momentum by focusing on transformative innovation and collaboration. Recognising that true environmental responsibility extends beyond our gates, Himadri is committed to reducing emissions across its value chain.

The centrepiece of this phase is the transition to next-generation fuels and electrification of operations. By systematically reducing dependence on fossil fuels and integrating renewable power, we aim to lower greenhouse gas emissions while

enhancing operational efficiency. We are working towards a future where all operations are powered by electricity, sourced increasingly from renewables.

Product innovation continues to serve as a catalyst. We are developing low-carbon grades of coal tar pitch and carbon black, expanding offerings of anode and cathode materials for lithium-ion batteries, and focusing R&D efforts on recyclability and circularity. These solutions enable decarbonisation in downstream industries such as transportation, construction, and energy storage, sectors that are critical to the global energy transition.

Policy advocacy forms another dimension of our mid-term strategy. Himadri is engaged in dialogues to overcome systemic barriers, from technological constraints to infrastructure challenges in moving away from coal. We are also preparing for the opportunities and responsibilities arising from carbon tax regimes and evolving regulatory frameworks.

By combining product innovation, policy advocacy, and supplier engagement, Himadri seeks to set benchmarks for sustainability leadership in its industry.

## Risk management at Himadri

<b>Develop</b> business unit-level adaptation plans based on climate risk assessments and techno-feasibility studies.	<b>Engage</b> external stakeholders along the supply chain to manage climate-related risks.	<b>Collaborate</b> with critical suppliers exposed to high physical and transition risks to build resilience.	<b>Assess</b> and quantify the impact of potential supply chain disruptions caused by climate disasters or low-carbon transitions.
<b>Develop</b> products that support a low-carbon economy.	<b>Integrate</b> carbon removal projects into operations.	<b>Progress</b> towards full electrification of operations.	<b>Adopt science</b> -based offset projects to complement emission reduction efforts.



## Targets and metrics

Achieve a 30% absolute reduction in Scope 1 emissions.	Achieve a 40% intensity reduction in Scope 3 emissions.	Ensure that 50% of raw material consumption comes from recycled sources.	Reduce freight-related emissions by 50%.
Eliminate the use of virgin plastic in packaging.	Identify key suppliers and customers to support in reducing their Scope 1 and 2 emissions, thereby contributing to the Company's Scope 3 targets.	Encourage adoption of science-based emission reduction targets among suppliers and customers.	Define the climate change relevance of CSR programmes and conduct business unit-level studies to evaluate their effectiveness in addressing climate risks and vulnerabilities.

### Long-term strategy: Transforming for the future

The long-term vision for Himadri is transformative, embedding sustainability into every aspect of operations, products, and partnerships. This phase is defined by next-generation technologies and digital integration, enabling us to scale climate-positive solutions and create enduring competitiveness.

Advanced digital platforms, automation, and smart systems will enhance efficiency, reduce environmental impact, and unlock new

growth opportunities. Clean energy adoption will expand into renewable geothermal solutions, large-scale carbon capture technologies, and advanced recycling systems that eliminate waste.

We are also committed to ensuring a just transition, recognising that climate action must be inclusive, equitable, and aligned with social development. This includes supporting communities affected by the transition to low-carbon economies, investing in workforce reskilling, and embedding climate relevance into our CSR programmes.

Risk management in this phase evolves to address emerging threats, from physical climate events to policy shifts. Dedicated climate funds, insurance mechanisms, and resilience planning ensure that the business remains protected against volatility while staying firmly aligned with net-zero goals.

By 2050, Himadri aspires to become a climate-positive organisation, defined not just by reduced emissions but by its ability to empower decarbonisation across industries.

## Governance and accountability

Strong governance underpins every aspect of our climate strategy. Climate goals are fully integrated into our annual business planning, with functions required to align their budgets, investments, and operational targets to the net-zero roadmap. Performance on climate KPIs is a key determinant of leadership accountability.

Supplier and partner engagement is central to our strategy. We have piloted a programme with key suppliers to track emissions, build capacity, and align procurement practices with our commitments. At the same time, we are engaging downstream customers to co-develop low-carbon solutions, empowering reductions across their Scope 1 and Scope 2 emissions as well.

Our disclosure practices reflect the same rigour as financial reporting. Climate-related risks are integrated into our enterprise risk management framework, and sustainability data is held to the same quality assurance standards as financial information. This strengthens transparency, builds investor confidence, and ensures that Himadri remains aligned with global reporting frameworks.

### Beyond compliance: A culture of leadership

At Himadri, climate action is not about meeting minimum requirements. It is about leadership, demonstrating that industrial growth and environmental stewardship are not conflicting goals, but complementary imperatives. Our 'Platinum' rating from EcoVadis - the top 1% global rating, and a 'B' rating in our first

CDP submission, validate our progress and validate our intent.

Through structured targets, innovative solutions, and a culture of responsibility, we are building a company that is resilient, future-ready, and trusted. Most importantly, we are contributing to a world where people, planet, and progress can thrive together.

## Conclusion

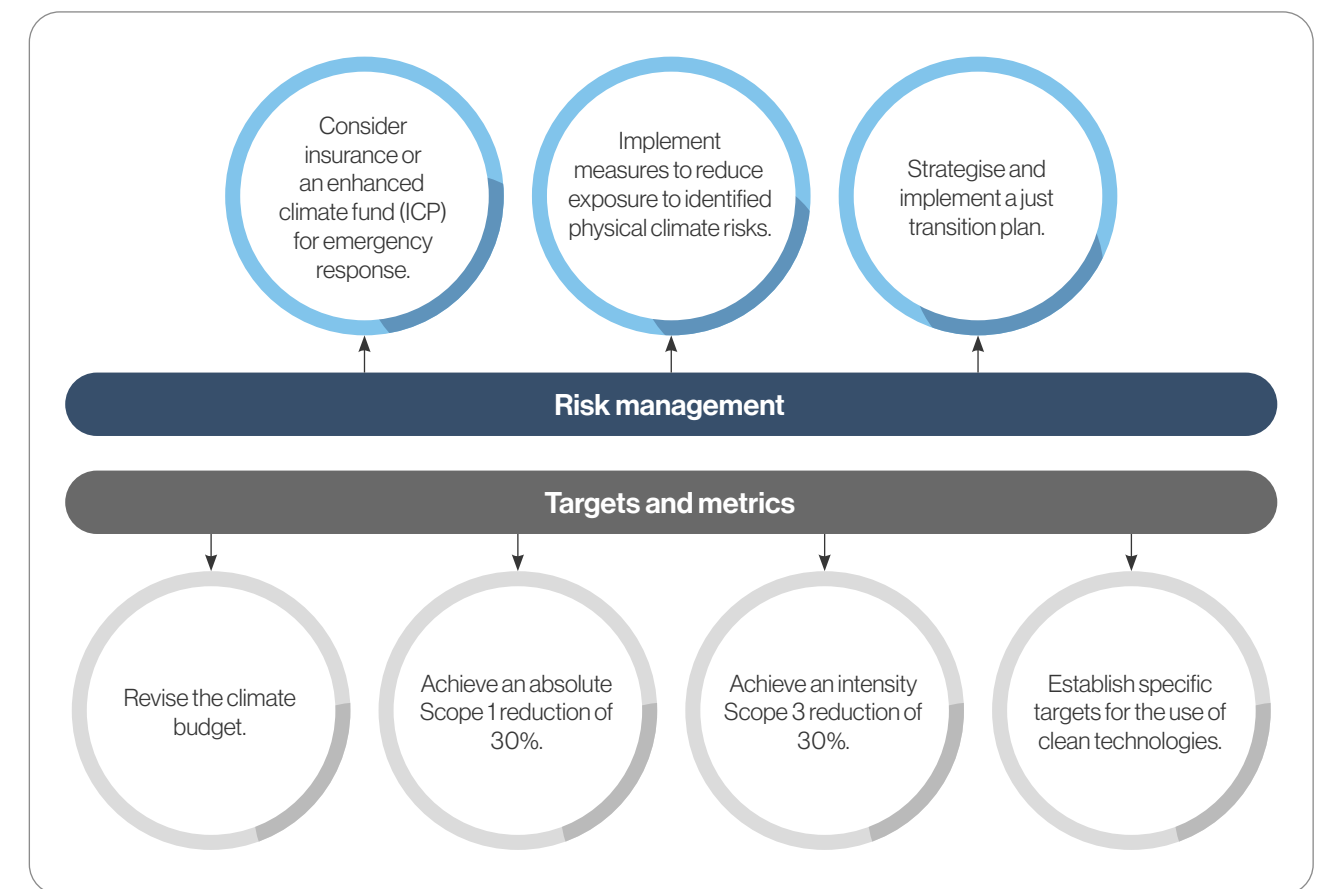
The path to Net-Zero is long and complex, but at Himadri, we see it as an opportunity to redefine what responsible industry looks like. Every action from diversifying fuels to developing next-generation materials, from embedding sustainability

into governance to engaging communities represents a step towards this vision.

Our commitment is unwavering: to achieve Net-Zero by 2050, to pioneer innovation that reduces emissions across industries, and to create enduring value for all stakeholders. In doing so, we not only

strengthen Himadri's business model and contribute meaningfully to the global fight against climate change.

Himadri's climate strategy is more than a roadmap it is a declaration of intent, a blueprint for transformation, and a promise to future generations.



## Investment in sustainable projects and green infrastructure

Himadri has embedded sustainability into its capital expenditure priorities, ensuring that every rupee invested today builds long-term climate resilience and competitiveness tomorrow.

Key capex commitments (cumulative) comprise the following:

- INR 100 Crores ESG-Investment Plan over 10 years, with approximate INR 13 Crore already allocated to emission reduction, water security, and zero-waste initiatives.

- INR 4,800 Crores under New Energy Materials (NEM) over five years, including INR 100 Crores dedicated to battery materials, green hydrogen, and allied technologies, positioning Himadri as a contributor to India's energy transition.

- INR 400 Crores in the tyre business, advancing eco-design, recycling integration, and material efficiency.

- INR 500 Crores in the Circular Economy Business, including INR 50 Crores for advanced recovery systems, waste valorisation, and lowcarbon product innovation.

These investments reflect our conviction that green growth and industrial competitiveness are inseparable. They align Himadri with India's national climate goals and global decarbonisation pathways, while catalysing new revenue pools in energy storage, hydrogen, and circular economy solutions.

# Himadri's road map: Net Zero target by 2050



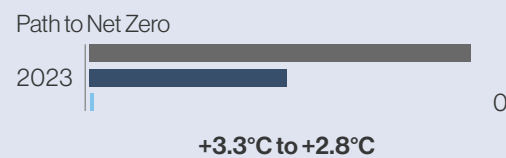
## Achieve (2023 to 2030)

- Reduction in packaging emissions
- Reduction of upstream and downstream emissions
- Production in the customer's carbon footprint through novel products
- Science-based or pilot at-plant projects
- Focus on adding renewable energy source
- Deployment of sustainable procurement framework

### Reduction of Scope 3 by 20%

- Introduction of fuel diversification/green technologies
- Capture and convert carbon emissions
- Recycling initiatives
- Adapt circular economy products
- Deployment of sustainable procurement framework
- Consumption of renewable energy
- Reduced waste generated

### Reduction of Scope 1 by 30%



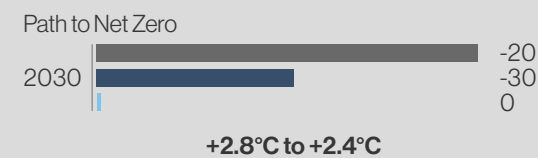
## Accelerate (2030 to 2040)

- Elimination of virgin plastics in packaging by 100%
- Reduction of freight emissions by 50%
- Attaining board and staff backing/integration of successful pilot projects
- Procurement framework to make in-house more efficient

### Reduction of Scope 3 by 40%

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

### Reduction of Scope 1 by 30%



## Scale (2040 to 2050)

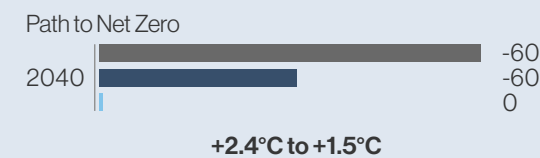
**Assumption:** India will be a regulated carbon market with high tax imposed on conventional fuel & PLI for clean fuel and technologies

- Scale successful science-based offset projects
- Zero tolerance on sustainable procurement framework and collaboration with value chain partners

### Reduction of Scope 3 by 30%

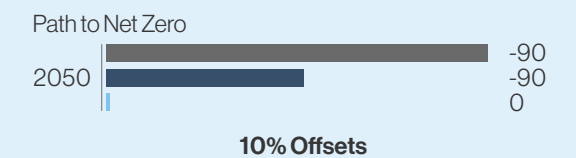
- Scale carbon capture and utilisation
- Scale renewable thermal energy consumption
- Scale usage of owned/recycled plastics as packaging material
- Scale recycled and upcycled raw material input
- Scale usage of renewable fuels and energy for transportation

### Reduction of Scope 1 by 30%



## Our ambition

- Scope 3: Baseline Year 2023 (FY23-24)
- Scope 1: Baseline Year 2021 (FY21-22)
- Scope 2 = 0, Baseline Year 2021 (FY21-22)



Scope 1 and 3 targets include science-based projects aligning SBTi tool and MIT SLOAN Emission climate calculator.  
SBTi - Absolute Contraction Approach has been applied to forecast the pace that targets be simulated.

Figure 5: Himadri Net Zero Roadmap



# Our Global Sustainability Alliance: A collaborative approach

## Overview

Global challenges such as climate change transcend borders, sectors, and capacities; no single country, company, or community can deliver the systemic transformations required alone. Collective action accelerates innovation, mobilises capital at scale, harmonises standards, and spreads best practices—reducing duplication, lowering transition costs, and ensuring that vulnerable communities are not left behind. Multilateral collaboration also strengthens policy coherence and market signals, enabling consistent carbon pricing, technology deployment, and resilient supply

chains that together drive deeper, faster emissions reductions.

Himadri recognises that meaningful climate progress depends on these transnational partnerships. By actively collaborating with leading industry bodies and sustainability-focused organisations, Himadri aligns its strategies with evolving global standards and contributes to shared agendas on circularity, resource efficiency, and workplace safety. Through joint research, knowledge-sharing platforms, and policy engagement, the Company accelerates development and

adoption of low carbon solutions, scales best practices across value chains, and gains access to international benchmarks and tools that sharpen its internal capabilities. These alliances enhance Himadri's risk management, amplify its advocacy for pragmatic regulatory frameworks, and enable co-created carbon reduction roadmaps for customers and suppliers. In doing so, Himadri not only reinforces its ESG leadership and stakeholder trust but also helps mobilise the coordinated, cross-border action essential to limit global warming and secure an equitable, resilient low carbon future.



**United Nations Global Compact (UNGC):** Himadri has strengthened its commitment to ethical and sustainable business practices by aligning with the UN Global Compact (UNGC). By adopting Ten Principles across human rights, labour, environment, and anti-corruption, the Company has integrated ESG values into its policies and operations. Himadri upholds fair labour standards, environmental protection, and zero tolerance for corruption. Through its maiden Communication on Progress (CoP) report, the Company has demonstrated transparency and ESG outperformance (measurable). The Company's global engagement fosters collaboration, learning, and innovation. It has reinforced Himadri's sustainability journey, building stakeholder trust for long-term value creation.



**United Nations Sustainable Development Goals (UNSDGs):** Himadri remains committed to align its business with UN Sustainable Development Goals (SDGs). The goals comprise a universal framework to address critical environmental, social, and economic challenges. At the Company, SDGs are not only a global responsibility but also an opportunity to enhance enduring value for customers, employees, investors, communities, and environment. Through SDGs, Himadri facilitates sustainable development.



**International Sustainability and Carbon Certification (ISCC):** As a signatory to the Responsible Care® Charter of the Indian Chemical Council, Himadri has demonstrated its commitment to sustainable and responsible chemical manufacturing. The Company is aligned with the seven guiding codes of management practices, covering process safety, pollution

prevention, employee health and safety, product stewardship, distribution, security, and emergency response. The ICC audit process reviews Himadri's adherence to these standards, strengthening its safety culture, environmental performance, and community engagement. This collaboration has allowed Himadri to benchmark practices against global standards.



**Science Based Targets initiative (SBTi):** Himadri is committed to the Science Based Targets initiative (SBTi), aligning climate goals with the latest scientific standards. By setting measurable, science-based emission reduction targets, the Company is taking a decisive action against climate change and supporting the global transition to a low-carbon economy. This alliance has guided Himadri in implementing ambitious emission reduction strategies, reinforcing its reputation for environmental stewardship, accountability, and leadership.



**ISO certifications:** Himadri adopted a structured, standards-driven approach by implementing multiple ISO management systems to enhance quality, safety, environmental, and ethical performance. The Company holds certifications for ISO 9001 (Quality Management), ISO 14001 (Environmental Management), ISO 45001 (Occupational Health and Safety), ISO 27001 (Information Security), and ISO 37001 (Anti-Bribery Management). These certifications reflect Himadri's commitment to operational excellence, regulatory compliance, and continuous improvement, deepening its governance and stakeholder confidence.



**Confederation of Indian Industry (CII):**

As a member, Himadri aligns with national priorities and global best practices in sustainability, innovation, competitiveness, and ESG compliance. Through this engagement, the Company participates in industry forums and sustainability councils focused on environmental management, energy efficiency, carbon reduction, circular economy, and governance. Himadri contributes to policy discussions on chemical safety, green manufacturing, and climate action, helping shape India's sustainable industrial ecosystem.



**Global Diversity, Equity & Inclusion Alliance (GDEIA):** Himadri embraces a progressive Diversity, Equity, and Inclusion (DEI) strategy that embeds inclusivity into its culture. By aligning with global DEI principles, the Company recognises that diversity drives innovation, resilience, and sustainable growth. Its approach focuses on eliminating unconscious bias, ensuring transparent and equitable policies, and fostering a safe workplace. Through leadership sensitisation, employee engagement, and intensive training, Himadri promotes diversity in decision-making and equal opportunities.



**British Safety Council (BSC):** Himadri partnered British Safety Council to align its occupational health, safety, and environmental practices with global standards. This collaboration provides expert guidance, training, and assessment tools to strengthen its OHS framework, promote risk prevention, and enhance employee well-being. The partnership underscores Himadri's commitment to continuous improvement, ESG leadership and sustainability outperformance.



**SEBI framework:** The Business Responsibility and Sustainability Report (BRSR), introduced by SEBI, is India's sustainability disclosure framework promoting corporate transparency. For Himadri, it serves as both a compliance tool and a strategic enabler, aligning with GRI, TCFD, and UN SDGs to provide global stakeholders with a transparent, data-driven view of our ESG performance. It bridges national compliance with global standards, underscoring our commitment to responsible growth and sustainable value creation.

**On boarding "Responsible Care" Charter:** Himadri has demonstrated its sustainable and chemical manufacturing by committing to International Council of Chemical Associations (ICCA)'s Responsible Care charter. The Company is aligned with seven guiding codes of management practices covering process safety, pollution prevention, employee health and safety, product stewardship, distribution, security, and emergency response. Being the nodal body of Responsible Care Programme in India, Indian Chemical Council and Himadri has collaborated on the management system acquisition and successful implementation. This collaboration has allowed Himadri to benchmark practices against global standards, pursue continuous improvement and enhance transparency.

**Others:** Himadri is an active member of other national and international industry associations that promote responsible business conduct, innovation, sustainable development, and regulatory alignment. Through these collaborations, Himadri continues to strengthen its position as a responsible, future-ready enterprise committed to building a safer, more sustainable, and innovation-driven industrial ecosystem.

Sl. No.	Name of the trade and industry chambers/association	Reach of trade and industry chambers/associations (State/National)
1	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)	National
2	Bharat Chamber of Commerce	
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	
4	Carbon Black Manufacturers Association (CBMA)	
5	The Associated Chambers of Commerce and Industry in India (ASSOCHAM)	
6	All India Rubber Industries Association	
7	Hooghly Chamber of Commerce & Industry	State
8	International Tar Association	International

# Himadri. Embedding sustainability at the core of our **governance commitments**

## Overview

Good governance is critical in a speciality chemical business because it ensures safety, compliance, and operational integrity across complex supply chains and high risk processes. Strong governance embeds rigorous risk management, transparent reporting, and ethical decision making, protecting employees, communities, and the environment. It enables regulatory compliance across jurisdictions, fosters investor and customer confidence; it supports consistent quality and product stewardship. Effective governance drives strategic oversight-aligning

sustainability, innovation, and financial performance - while promoting accountability and continuous improvement, catalysing long term value creation and resilience.

At Himadri, governance forms the foundation of its sustainability culture. Sustainability is a priority, championed at the Board level through a dedicated ESG Committee that oversees strategy, performance, and climate-related governance. This framework ensures that ESG considerations (decarbonisation, climate resilience, and responsible resource management) are integrated into

investment decisions, performance assessments, and long-term strategic planning. By positioning sustainability metrics alongside financial indicators, Himadri reinforces that governance extends beyond compliance. It serves as a guiding principle for ethical conduct, responsible leadership, and enduring value creation for all stakeholders.

Himadri's governance framework integrates sustainability into managerial processes - instead of being treated as a standalone function. A decentralised risk management system, supported by specialised risk coordinators at the operational and group levels, enables comprehensive risk identification, assessment, and oversight. This structure allows the Board to prioritise exposures across quantitative and strategic dimensions, aligned with multi-year planning objectives.

Through oversight mechanisms, data-driven policies, and stakeholder-aligned

initiatives, Himadri fosters a sustainability culture beyond compliance. Guided by strong leadership, reinforced by policy, and embedded into everyday operations, this governance approach strengthens long-term value creation for shareholders, employees, communities, and the environment.

Himadri's dual-lens approach builds resilience and unlocks opportunities.

- Its inside-out perspective evaluates internal capabilities, processes, and culture to identify risks that can be transformed into strategic advantages

through innovation, stronger governance, and deeper sustainability integration.

- Its outside-in perspective assesses external factors such as evolving regulations, climate change, consumer expectations, and geopolitical dynamics to enable agile, forward-looking responses to emerging challenges.

This dual lens enables the business to view risk not just as a hazard to be avoided, but as a catalyst for innovation, long-term value creation, and competitive advantage.

## Himadri's 5 foundational governance pillars

### Transparency

Governance cultivates trust through regular communications, ethical business conduct, and adherence to stakeholder aspiration



### Integrity and Accountability

Embedded at every organizational level, with ethical codes and procedures reinforcing personal and institutional accountability



### Sustainability Integration

Governance ensures sustainability is woven into business operations through regulatory alignment, strategic integration, and performance oversight



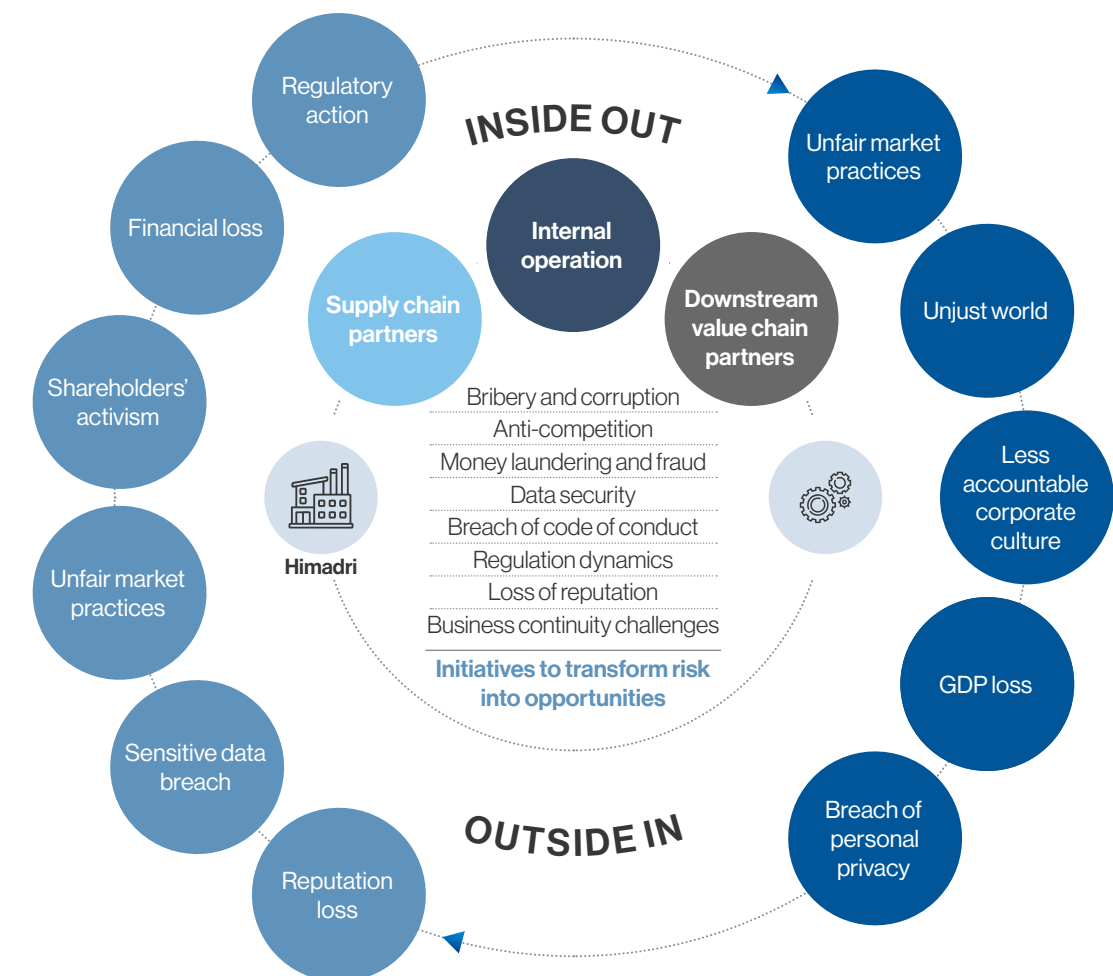
### Inclusivity

Ensuring that all inclusive principles are embedded across all dimensions- from recruitment and leadership development to collaboration and innovation



### Risk Management

A decentralized yet structured Enterprise Risk Management (ERM) system enables granular risk identification through risk coordinators, consolidating risk registers for Board-level prioritization based on frequency, impact, and scale





# Himadri: Strengthening our resilience through risk management

## Overview

Derisking is critical in a speciality business because these companies operate with high technical complexity, concentrated customers, and bespoke products - exposing them to operational, market, and regulatory risks.

Proactively identifying and mitigating risks protects supply continuity, preserves product quality, and prevents costly safety or compliance incidents. Diversifying suppliers and customers, strengthening quality and compliance systems, and investing in resilient processes reduce vulnerability to disruptions and price volatility. Derisking also safeguards reputation and investor confidence, enabling sustained innovation and long-term contracts. Ultimately, systematic derisking supports stable cash flows, competitive advantage, and the business's ability to scale responsibly.

Besides, global volatility from tariff wars and geopolitical conflicts has sharply increased supply chain, cost, and market risks for businesses. Trade barriers and sudden tariff shifts disrupt sourcing, raise input costs, and create price uncertainty, while conflicts can sever logistics

routes and constrain access to key materials. This environment amplifies currency and demand volatility, complicates regulatory compliance across jurisdictions, and heightens counterparty and credit risks. Robust risk management - including scenario planning, supplier diversification, contractual protections, and real time intelligence - is therefore essential to preserve continuity, protect margins, ensure compliance, and enable rapid strategic responses that safeguard resilience and long term value.

Himadri has established a decentralised yet structured risk governance framework, aligned with ISO 31000, to proactively identify, assess, mitigate, and monitor risks across the organisation. The framework empowers designated risk coordinators at both operational and corporate levels to capture detailed risks, including those affecting business continuity, such as supply chain disruptions, environmental hazards, and technological failures. Identified risks are recorded in risk registers, evaluated based on likelihood and impact, and escalated to the group level for strategic consolidation and review.

A dedicated Risk Management Committee, operating under the oversight of the Board of Directors, ensures that risk governance is embedded in strategic decisions. The committee prioritises material risks using consolidated registers that assess quantitative and qualitative threats, covering financial, operational, environmental, social, and climate-related dimensions.

Himadri's Risk Management Policy provides a guidance for managing risks that could affect strategic objectives, financial stability, regulatory compliance, and corporate reputation. The policy is reviewed periodically to ensure relevance and responsiveness to evolving business landscapes. Risk mitigation plans are developed for high-priority areas and updated regularly to align with the Company's risk appetite and strategic priorities.

By integrating risk governance across operational and board levels, Himadri adopts a proactive, accountable, and forward-looking approach to managing uncertainties, enhancing organisational resilience, and supporting long-term sustainable growth.

## Risk mitigation



Himadri identifies key risks and opportunities through a comprehensive analysis of critical operations, industry trends, and peer benchmarks. Each risk is assessed for its severity and likelihood, providing a basis for prioritisation and the development of targeted action

plans. The framework is designed to both mitigate risks and capitalise on opportunities, thereby creating sustained value for stakeholders.



Risks are categorised into two types:

- Key risks, which have immediate relevance and require continuous mitigation

- Emerging risks, which may arise over the next two to five years and demand proactive planning and preparedness.

Risk category	Description of risk	Mitigation measures
 Industry risk	A decline in industry prospects, demand fluctuations or slowdown in the downstream industry can impact production and profitability.	<ul style="list-style-type: none"> <li>▪ Serves core sectors like aluminium, automobiles, and infrastructure, ensuring stable demand.</li> <li>▪ Shift in production facilities from the West to Middle East and Asia to strengthen demand for coal tar pitch.</li> <li>▪ Growing steel capacities in India and China strengthen raw material availability and end-product demand.</li> </ul>
 Operational risk	Equipment downtime, process inefficiencies, or system failures can lower productivity and profitability.	<ul style="list-style-type: none"> <li>▪ Established raw material and end-product storage capacity to prevent shortages.</li> <li>▪ Regular training, preventive maintenance, and failure analysis.</li> <li>▪ Strong governance mechanisms to track operational KPIs.</li> </ul>
 Raw material risk	Dependence on coal tar, a by-product of steel plants, can pose availability and price fluctuation risks.	<ul style="list-style-type: none"> <li>▪ Maintains adequate stock levels to ensure operational continuity.</li> <li>▪ Long-term relationship with all major Indian raw material suppliers for stable raw material sourcing.</li> <li>▪ Captive consumption of one-third of production reduced the risk of raw material shortage.</li> <li>▪ Strategic import partnerships and pricing policies mitigate material availability and cost fluctuations by allowing the passing of effects of fluctuations to customers through established formula in most cases.</li> </ul>
 Dependency risk	High reliance on specific industries like aluminium and graphite can impact margins during industry downturns.	<ul style="list-style-type: none"> <li>▪ Aluminium demand is inelastic due to high shutdown costs.</li> <li>▪ Diversified product portfolio built over the years which today serves an array of industries like tyres, construction chemicals, paints, and infrastructure.</li> </ul>
 Environmental risk	Non-compliance with environmental norms can lead to reputational damage and regulatory action.	<ul style="list-style-type: none"> <li>▪ Investment in state-of-the-art effluent treatment and zero-discharge facilities that support reverse osmosis and continuous evaporation.</li> <li>▪ Periodic audits to ensure emissions meet regulatory standards.</li> <li>▪ Certified for ISO 9001:2015, ISO 14001:2018, and ISO 45001:2018.</li> <li>▪ Company has obtained all necessary environmental approvals from various State and Central Pollution Control Boards in the respective states of its presence.</li> <li>▪ Dedicated EHS team and people training programmes.</li> </ul>
 People risk	Managing key positions is important for efficient operational activities.	<ul style="list-style-type: none"> <li>▪ Well-defined succession plan and pay structure aligned with industry standards to attract and retain the right talent.</li> <li>▪ Robust people engagement and performance-driven culture.</li> <li>▪ Internal team members recognition programme to identify and recognise top performers.</li> </ul>
 Safety risk	Inadequate safety measures can impact people morale and business growth.	<ul style="list-style-type: none"> <li>▪ Standardised operating procedures and mandatory safety equipment usage.</li> <li>▪ Established Apex Safety and Plant Level Safety Committees.</li> <li>▪ Certified for ISO 45001:2018.</li> </ul>
 Quality risk	Failure to meet stringent quality parameters can lead to customer attrition.	<ul style="list-style-type: none"> <li>▪ Strong R&amp;D and technology-driven quality improvements.</li> <li>▪ Periodic customer interactions to align product quality with requirements.</li> <li>▪ Extensive testing in compliance with international standards.</li> </ul>

Risk category	Description of risk	Mitigation measures
 <b>Logistics risk</b>	Disruptions in the supply chain can impact production and customer commitments.	<ul style="list-style-type: none"> <li>Multiple dispatch points and well-connected transportation networks for coal tar pitch delivery.</li> <li>Dedicated fleet of temperature-controlled tankers ensures timely delivery of liquid pitch at appropriate temperature.</li> <li>Secure railway and port storage for seamless raw material procurement.</li> </ul>
 <b>Competition risk</b>	Market share may be impacted due to intense industry competition.	<ul style="list-style-type: none"> <li>Continuous product innovation and expansion into new markets.</li> <li>Strategic proximity to customer facilities enhances competitive advantage.</li> <li>Strong client relationships, with long-term agreements covering a third of sales.</li> <li>The Company's scale, efficiency, and quality represent a competitive advantage that is difficult to replicate.</li> </ul>
 <b>Anti-competitive practices risk</b>	Practices which involve unfair methods of gaining a competitive edge, which pose a significant risk to businesses, markets, and economics.	<ul style="list-style-type: none"> <li>Well-defined fair competition policy in place to maintain a competitive marketplace.</li> <li>Himadri's code of conduct guides the Company's operations and its engagement with its customers, suppliers, and the broader community.</li> </ul>
 <b>Geographic risk</b>	Over-reliance on a single geography exposes the Company to economic downturns.	<ul style="list-style-type: none"> <li>Expansion into export markets with a focus on high-value speciality carbon black products and coal tar pitch.</li> <li>Established global distribution network and sales offices.</li> </ul>
 <b>Technological obsolescence</b>	Outdated processes can lead to inefficiencies and cost overruns.	<ul style="list-style-type: none"> <li>In-house technical team dedicated to process improvements.</li> <li>Ongoing investments in advanced technology and environmental management.</li> </ul>
 <b>Funding risk</b>	Timely availability and cost of funds impact capital expansion and working capital efficiency.	<ul style="list-style-type: none"> <li>Diversified debt portfolio with a mix of secured and unsecured loans.</li> <li>Optimal utilisation of funding options to secure low-cost financing.</li> </ul>
 <b>Regulatory risk</b>	Non-compliance with statutory requirements can disrupt business operations.	<ul style="list-style-type: none"> <li>Dedicated compliance function ensuring adherence to legal norms.</li> <li>Regular monitoring and board reviews of compliance frameworks.</li> <li>Oversight of legal compliance for overseas subsidiaries.</li> </ul>
 <b>Anti-bribery and corruption risk</b>	<p>This risk poses significant risks to organisations, individuals, and society. The main risks associated with these unethical practices include:</p> <ul style="list-style-type: none"> <li>Legal and financial risks</li> <li>Reputational damage</li> <li>Operational disruptions</li> <li>Regulatory and compliance risks</li> <li>Financial loss and misallocation of resources</li> <li>Ethical and internal challenges</li> </ul>	<ul style="list-style-type: none"> <li>Himadri has a well-defined anti-bribery and corruption policy to mitigate risks arising due to unethical practices.</li> <li>Strong operational framework and vigilance policy ensure concerns are handled transparently and efficiently with appropriate oversight to ensure accountability and improvement in ethical practices.</li> <li>All concerns raised about unethical practices are handled by the Vigilance Officer.</li> <li>Reporting channels are available at all times, including direct reporting to the Vigilance Officer, dropboxes, email, and confidential hotline.</li> <li>Complete investigations are done within 90 days, extended if necessary.</li> <li>Regular internal audits of the Vigil Mechanism are conducted to ensure compliance with the policy, evaluate efficiency of reporting channels, confidentiality of process, and implementation of corrective actions.</li> <li>External audits are performed once in three years or as required by law.</li> </ul>
 <b>Currency risk</b>	Foreign exchange fluctuations impact borrowings, imports, capital expenditure and exports, affecting profitability.	<ul style="list-style-type: none"> <li>Hedging strategies using forward contracts and swaps.</li> <li>Strict exposure limits and regular risk assessment.</li> <li>Forex Risk Management Policy ensures prudent risk mitigation.</li> </ul>

Risk category	Description of risk	Mitigation measures
 <b>Interest rate risk</b>	Fluctuations in interest rates affect borrowing costs and financial performance.	<ul style="list-style-type: none"> <li>Interest rate swaps to hedge floating-rate loans.</li> <li>Strategic financing decisions based on credit market conditions.</li> <li>Long-term lender relationships ensure competitive borrowing rates.</li> </ul>
 <b>Equity price risk</b>	Market volatility affects the valuation of quoted and unquoted equity investments.	<ul style="list-style-type: none"> <li>Regular review of equity investments by senior management.</li> <li>Detailed financial planning with annual business plans and variance analysis.</li> <li>Strong internal controls and external audit oversight.</li> </ul>
 <b>System risk</b>	<p>This could result in one or more of the following:</p> <ul style="list-style-type: none"> <li>System incapability</li> <li>Hardware vulnerability</li> <li>Network security risks</li> <li>Endpoint security risks</li> <li>Data integrity risks</li> <li>Business non-continuity</li> <li>Coordinating and interfacing risks</li> </ul>	<ul style="list-style-type: none"> <li>Himadri has well-defined IT policies and procedures to mitigate risks arising due to IT systems and framework.</li> <li>IT department of the Company maintains and upgrades systems on a continuous basis with trained personnel.</li> <li>Complex password protection is enabled at different levels to access business technology to ensure data integrity.</li> <li>Licensed software is being used in the IT systems.</li> <li>The Company ensures data security through identity and access control and authorisation matrix.</li> <li>All business data is maintained on SAP S/4 HANA system and cloud-based platforms. The system is protected with firewall and antivirus/anti-malware software.</li> <li>All critical business data (user data and application data) are backed up at alternate sites to ensure information security.</li> <li>The Company gateway as well as end points are secured using best products to mitigate network and web security risks.</li> <li>Disaster recovery is in place to ensure business continuity.</li> <li>Certified for ISO 27001:2013.</li> </ul>
 <b>Project risk</b>	Improper planning may result in time and cost overrun. Additionally, the assumptions taken before commencement of a new project may need to be revised with time.	<ul style="list-style-type: none"> <li>Thorough cost-benefit/ROI analysis conducted before conceiving new capital-intensive projects/initiatives and the same is then benchmarked against the actual output/result at regular intervals.</li> </ul>
 <b>Pandemic risk</b>	Global pandemics such as COVID-19 have added a new dimension to the risk of continuing business operations globally.	<ul style="list-style-type: none"> <li>Clear procedures for working from home (WFH) and attending the workplace in compliance with WHO and Government of India guidelines are in place to ensure continuity of critical business operations under such adverse situations.</li> </ul>
 <b>Credit risk</b>	Credit risk arises when a customer or counterparty fails to meet contractual obligations, leading to financial loss. The Company is exposed to credit risk from trade receivables, bank deposits, and investments in debt securities.	<ul style="list-style-type: none"> <li>Established credit policy with customer creditworthiness assessment.</li> <li>Regular monitoring and provisioning using an expected credit loss model.</li> <li>Credit approvals, limits, and ongoing creditworthiness checks.</li> <li>Provision matrix to mitigate risk of default payments.</li> </ul>
 <b>Liquidity risk</b>	Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.	<ul style="list-style-type: none"> <li>Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due.</li> <li>The Company's finance team is responsible for liquidity, funding as well as settlement management.</li> <li>In addition, processes and policies related to such risks are overseen by senior management.</li> <li>Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.</li> </ul>



# Business integrity and ethics: Our policies and codes



Policies Enforcement	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Anti-Bribery & Corruption Policy	✓	✓	✓	✓	✓	✓	✓
Fair Competition Policy	✓	✓	✓	✓	✓	✓	✓
Information Security & Data Management Policy	✓	✓	✓	✓	✓	✓	✓
Whistle-blower Policy	✓	✓	✓	✓	✓	✓	✓
Extortion Fraud & Money Laundering Policy	✓	✓	✓	✓	✓	✓	✓

## Overview

Policies and protocols guiding sustainability decisions are vital in today's volatile world because they provide consistency, accountability, and speed when conditions shift. They translate strategic sustainability commitments into practical rules for procurement, product design, emissions reduction, and stakeholder engagement, reducing ambiguity and enabling scalable action. Defined protocols help prioritise investments, manage trade offs, and ensure regulatory and reputational compliance across jurisdictions. They also support risk-aware decision-making through monitoring, escalation, and contingency triggers, enabling rapid adaptation to supply shocks, policy changes, or market disruptions. Ultimately, robust frameworks preserve value, build stakeholder trust, and accelerate measurable progress toward long term ESG goals.

Himadri has developed a comprehensive set of policies that

form the foundation of its sustainable and responsible business practices, covering environmental stewardship, social responsibility, and ethical governance.

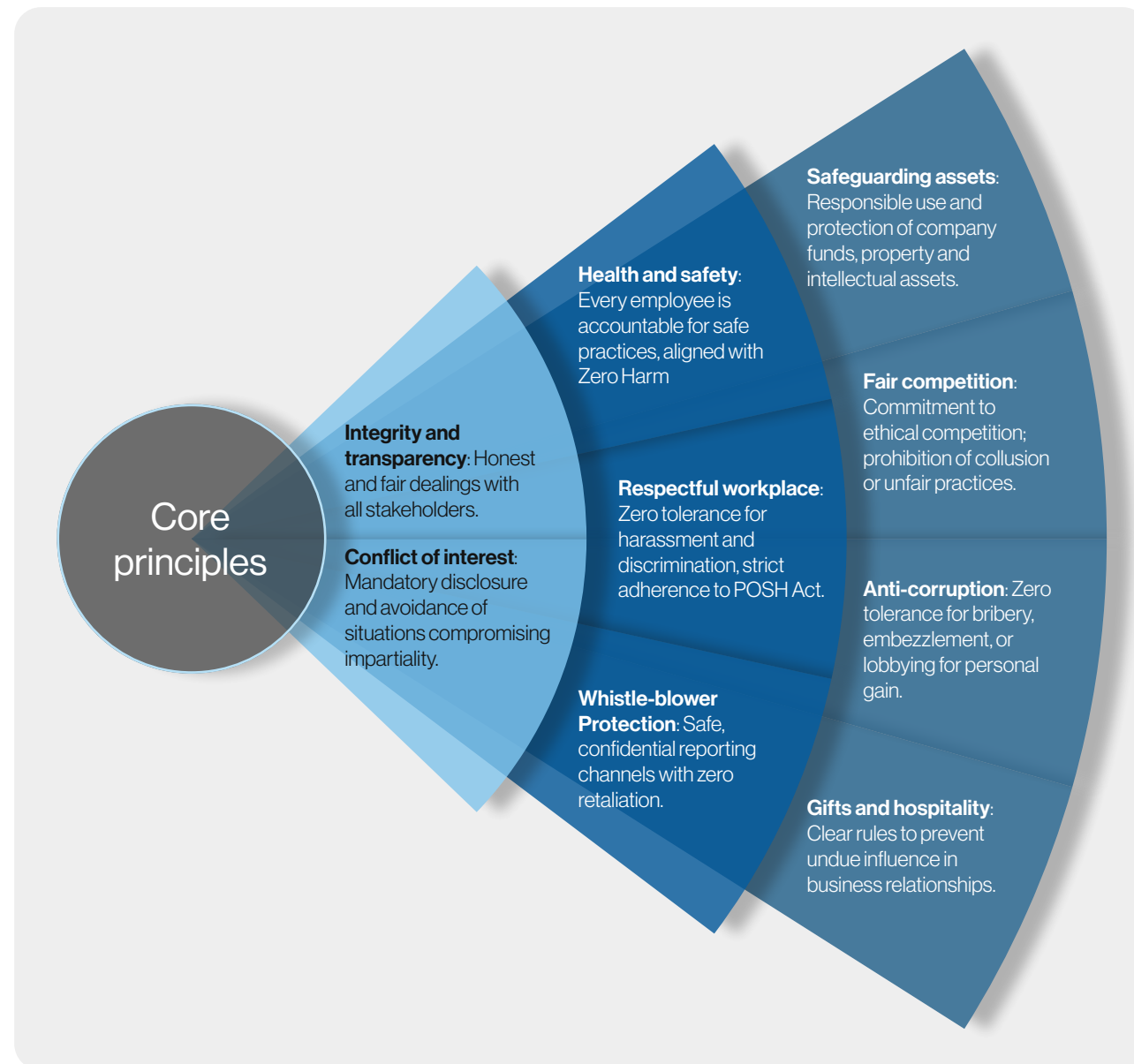
On the environmental front, the Company has dedicated policies for energy efficiency, greenhouse gas emissions reduction, water conservation, and waste management, aligned with its commitment to achieve net-zero emissions by 2050. Its sustainable procurement policy ensures ethical sourcing and supplier accountability, emphasising human rights, fair labor practices, and environmental responsibility across the value chain. The Health, Safety, and Environment Policy promotes a safe and compliant workplace through robust safety protocols and employee well-being initiatives.

Himadri's labour and human rights policies align with global standards, including the UN Universal Declaration of Human Rights and ILO principles, fostering inclusivity, dignity, and

fairness. Oversight is provided by a Board-level committee and executed by senior leadership, embedding accountability into operations and long-term strategic planning.

The Company also maintains a strong ethical governance framework, including policies on anti-corruption, code of conduct, insider trading, and whistleblowing, reinforcing integrity and transparency. Himadri's Code of Conduct guides ethical behaviour for directors, management, and employees, emphasising compliance, fair dealings, confidentiality, and conflict-of-interest management. Mechanisms such as a vigil system and whistle-blower policy support misconduct reporting. These principles, integrated into operations, ensure that integrity is central to Himadri's growth and responsible corporate citizenship.





Leadership by example is increasingly important in the global speciality chemical industry because it sets the tone for safety, compliance, and ethical conduct across complex operations. Visible leadership drives a culture of accountability, influencing behaviour on process safety, environmental stewardship, and product stewardship where lapses carry high consequences. It accelerates adoption of sustainability practices, innovation, and continuous improvement by demonstrating commitment beyond rhetoric. In volatile markets, decisive leaders who model risk aware decision

making and transparent communication build trust with regulators, customers, and investors. Ultimately, leadership by example aligns teams, reduces incidents, and reinforces long term resilience and commercial credibility.

Leadership by example is central to Himadri's ethical culture, with senior management setting the standard for integrity, accountability, and responsible conduct across the organisation. To ensure that all employees understand and internalise these expectations, the Company implements comprehensive training and awareness programmes,

including mandatory induction sessions and annual re-acknowledgment of the Code of Conduct.

Monitoring and compliance are managed by the Human Resources and Compliance teams, who periodically assess adherence; they implement corrective measures whenever necessary. The Code of Conduct is reviewed and updated to reflect changes in laws, risks, and global best practices, ensuring that it remains relevant and effective in ethical decision-making and professional behaviour.



Management system	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
ISO 37001:2016	✓	✓	✓	✓	✓	✓	✓
ISO 27001:2022	✓	✓	✓	✓	✓	✓	✓
ISO 31000:2018	✓	✓	✓	✓	✓	✓	✓
ISO 22301:2019	✓	✓	✓	✓	✓	✓	✓
SA 8000:2014	✓	✓	✓	✓	✓	✓	✓





Part 1

# Governance at Himadri



# Our governance structure and Board responsibilities



## Overview

Good governance has become a foundational requirement for businesses across sectors as stakeholders demand greater transparency, accountability, and resilience. Robust governance frameworks- encompassing board oversight, risk management, compliance, and ethical conduct- help organisations navigate regulatory complexity, protect reputation, and optimise long term value creation. They ensure strategic alignment between management actions and stakeholder expectations, enable effective oversight of sustainability and financial performance, and provide mechanisms for timely escalation and remediation when issues arise. In

an era of accelerated technological change, climate risk and geopolitical volatility, governance is the glue that sustains trust, mobilises capital, and supports adaptive decision making.

In the global speciality chemical industry, the need for strong governance is especially acute. Speciality chemicals involve complex chemistries, bespoke formulations, and tightly integrated value chains that multiply operational, environmental and regulatory risks. Lapses in governance can lead to safety incidents, product recalls, compliance breaches, and severe reputational harm with cascading commercial impacts. Effective governance in this sector requires rigorous process

safety oversight, supply chain due diligence, and comprehensive product stewardship. It must also embed sustainability into strategy - managing Scope 1-3 emissions, circularity, and responsible sourcing - while ensuring adherence to evolving global standards. Boards and leadership teams must be equipped to oversee technical risk, cyber and trade vulnerabilities, and cross jurisdictional compliance. By institutionalising transparent decision protocols, performance metrics and stakeholder engagement, speciality chemical firms can reduce systemic risk, accelerate innovation responsibly, and sustain competitiveness in a demanding global marketplace.

## Himadri and governance

At Himadri, accountability and transparency are more than obligations they form the foundation of the Company's business philosophy, driving sustainable growth and long-term value creation. Leadership and employees alike are committed to making meaningful contributions to society and the

environment, while maintaining strong financial performance and stakeholder trust.

The Board of Directors plays an active role in overseeing Himadri's corporate governance, ensuring integrity, accountability, and strategic direction across all operations. It monitors ESG matters, including climate-related risks

and opportunities, while guiding corporate strategy, financial planning, performance evaluation, capital allocation, and scenario analysis. By integrating sustainability with traditional governance priorities, the Board enables balanced decision-making that promotes enduring value for shareholders, employees, and other stakeholders.

## Board composition and specific areas of interest



**Anurag Choudhary**  
CMD & CEO



**Shyam Sundar Choudhary**  
Executive Director



**Amit Choudhary**  
Executive Director



**Gopal Ajay Malpani**  
Non-executive  
Independent Director



**Rita Bhattacharya**  
Non-executive  
Independent Director



**Girish Paman Vanmari**  
Non-executive  
Independent Director

Himadri's Board of Directors aggregate expertise across finance, governance, resource management, and public policy, enabling holistic risk management. This collective experience empowers the Board to:

- Assess the evolving regulatory and policy landscape,
- Integrate key insights into strategic decision-making,
- Guide optimal financial and resource allocation, and
- Ensure alignment with global commitments and stakeholder expectations.

The management of conflict of interest is a critical Board responsibility. The Board oversees a formal Conflict of Interest Policy, which forms a part of the Company's broader Code of Conduct. Committees (Audit Committee, Nomination & Remuneration, and Risk Management) review conflict-of-interest situations, particularly in relation to:

- Related party transactions
- Executive remuneration
- Board nominations

The Board also oversees the implementation of monitoring and reporting mechanisms, including:

- Whistleblower and vigil mechanisms for reporting conflict-of-interest misconduct
- Internal audits and compliance checks
- Corrective action procedures

In cases of suspected unethical behavior, the Board may initiate investigations.

Himadri's governance framework ensures that all material conflict-of-interest cases are disclosed in governance or sustainability reports, and stakeholders are informed about how ethical governance risks are managed. This structured approach reinforces integrity, accountability, and stakeholder trust.



Sl. No.	Skills / Expertise / Competencies required by the Board of Directors	
1	Understanding of business/industry	Experience and knowledge of the area of operation and associated businesses
2	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities
3	Critical and innovative thoughts	The ability to critically analyse the information and develop innovative approaches and solutions to the problems
4	Financial understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources
5	Market understanding	Understanding of market
6	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks

Name of director	Understanding of business/ industry	Strategy and strategic planning	Critical and innovative thoughts	Financial understanding	Market understanding	Risk and compliance oversight
Mr. Anurag Choudhary	✓	✓	✓	✓	✓	✓
Mr. Shyam Sundar Choudhary	✓	-	-	✓	✓	✓
Mr. Amit Choudhary	✓	✓	✓	✓	✓	✓
Mr. Rita Bhattacharya	-	✓	-	✓	-	✓
Mr. Girish Paman Vanvari	✓	✓	✓	✓	-	✓
Mr. Gopal Ajay Malpani	✓	-	-	✓	-	✓

Board diversity

Board diversity enhances effectiveness by bringing varied perspectives, skills, and experiences to decision making, reducing groupthink and improving risk oversight. Diverse boards understand stakeholders better, drive innovation, and strengthen governance on complex issues like sustainability and global compliance. This leads to more balanced strategies, improved performance, and greater stakeholder trust.

Himadri's Board composition reflects a deliberate effort to combine experience, strategic leadership, and independent perspectives, with female representation contributing valuable insights, strengthening risk oversight, and promoting inclusive governance. While gender representation at board and executive levels remains imbalanced, the presence of women in these roles signifies meaningful progress toward more equitable leadership.

Beyond the boardroom, Himadri's commitment to diversity, equity, and inclusion (DEI) extends across the workforce, emphasising a culture that:

- Welcomes diverse backgrounds and perspectives
- Encourages innovation and collaboration
- Fosters a sense of belonging for all employees

Board demographics-age diversity	35-65 years		>65 years	
	Male	Female	Male	Female
Diversity	4	1	1	0
Board composition by role	FY21-22	FY22-23	FY23-24	FY24-25
% of Non-Executive Directors	53.8	66.6	62.5	50
% of Executive Directors	46.1	33.3	37.5	50



Nomination and selection of highest governance

The Nomination & Remuneration Committee at Himadri has developed a structured Nomination & Remuneration policy that governs the selection, appointment, and removal of Directors, Key Managerial Personnel (KMP), and senior management.

This policy outlines criteria for these roles, including:

- Qualifications and experience
- Professional expertise and integrity
- Independence and leadership capability
- Commitment to enhancing board diversity
- Individual achievements
- Company-wide results
- Industry compensation trends

In addition to defining selection standards, the policy guides performance evaluation, remuneration structure, and succession planning, catalysing the development of a balanced leadership team.

Board performance evaluation

In accordance with the Companies Act, 2013 and the SEBI Listing Regulations, Himadri conducts a structured annual evaluation of the performance of its Board, Board Committees, individual Directors, and the Chairman. This evaluation is facilitated through a comprehensive questionnaire circulated to each Director, covering key areas such as:

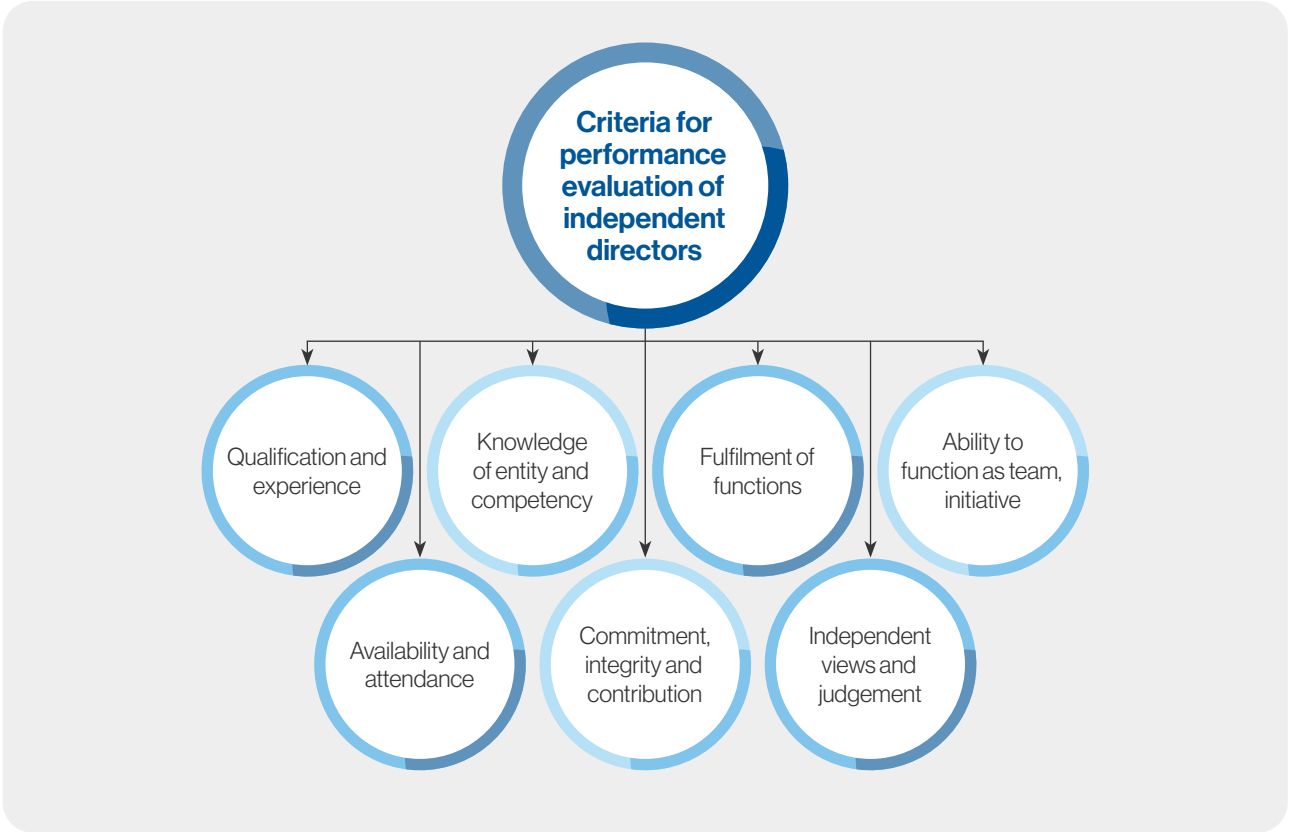
- Board composition and diversity
- Effectiveness of meetings and decision-making
- Strategic oversight and alignment with company goals

- Individual contributions and engagement

Directors are encouraged to provide open-ended feedback and suggestions aimed at enhancing Board effectiveness and strengthening collaboration with management. Independent Directors play a key role in this performance evaluation process, ensuring objectivity and reinforcing the integrity of the assessment. Feedback consistently indicates a high level of satisfaction with the functioning of the Board and its Committees. In particular, the leadership and governance approach of the Chairman and Group CEO has been commended for upholding Himadri's values, culture, and commitment to excellence. The evaluation findings are formally reviewed and discussed by the Board, serving as a foundation for continuous improvement and the ongoing enhancement of governance practices.

Director's performance evaluation

At Himadri, the Nomination & Remuneration Committee enunciated criteria for responsible performance evaluation of Independent Non-Executive Directors.





Board committees for effective governance

Himadri’s specialised committees uphold transparency, accountability, and strategic oversight. At the apex, the Board of Directors provides decisive leadership and guidance, supported by specialised committees that ensure financial integrity, fairness and performance-linked compensation. In turn, they strengthen

Board and leadership diversity, coupled with enhanced stakeholder engagement.

- The Corporate Social Responsibility Committee oversees the Company’s community and social initiatives
- The ESG Committee sets strategic direction on environmental, social, and governance matters, aligning sustainability priorities with global best practices.

▪ The Sustainability Steering Committee, comprising senior executives from across functions, ensures that ESG objectives are embedded in the business.

This governance framework promotes responsible business conduct, effective risk management, and long-term value creation.

Stakeholder Relationship Committee

The Stakeholder Relationship Committee is entrusted with the responsibility of overseeing matters related to securities and ensuring prompt and effective resolution of stakeholder grievances. Its scope includes addressing issues such as share transfers, non-receipt of balance

sheets, dividend payments, and other investor-related concerns.

Beyond grievance redressal, the Committee is also focused on enhancing the quality of services provided to investors, strengthening stakeholder trust and engagement.

The Committee is chaired by an Independent Director, ensuring impartial oversight and reinforcing Himadri’s commitment to transparency, accountability, and stakeholder satisfaction.

Sl. No.	Name of members	Position and category	Attendance of committee meeting			
			29 <sup>th</sup> June, 2024	19 <sup>th</sup> November, 2024	27 <sup>th</sup> March, 2025	Attendance at Meetings (%)
1	Mr. Gopal Ajay Malpani <sup>1</sup>	Chairman, Independent Director	LOA	✓	✓	67
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	✓	✓	✓	100
3	Mr. Santimoy Dey (upto 12 <sup>th</sup> September, 2024)	Chairman, Independent Director	✓	N/A	N/A	100
4	Mr. Amit Choudhary (w.e.f 12 <sup>th</sup> September, 2024)	Member, Executive Director	N/A	✓	LOA	50

<sup>1</sup>Mr. Gopal Ajay Malpani was designated as chairman of stakeholders’ relationship committee w.e.f 12<sup>th</sup> September, 2024

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee provides strategic oversight and guidance on all matters related to Himadri’s CSR initiatives. Its responsibilities include reviewing and recommending policies on CSR expenditure, evaluating and selecting impactful projects, and ensuring

transparent disclosures in line with regulatory requirements.

The Committee also plays a key role in recommending and approving the annual CSR budget, ensuring that Himadri’s social and environmental initiatives are aligned with its broader commitment to sustainable development and community well-being.

Through its focused efforts, the CSR Committee ensures that Himadri’s contributions create meaningful and measurable impact while reinforcing the Company’s values of responsibility, inclusivity, and long-term value creation for society.

Sl. No.	Name of members	Position and category	Attendance of committee meeting		
			23 <sup>rd</sup> April, 2024	16 <sup>th</sup> July, 2024	Attendance at Meetings (%)
1	Mr. Gopal Ajay Malpani <sup>1</sup>	Chairman, Independent Director	✓	✓	100
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	✓	LOA	50
3	Mr. Santimoy Dey (upto 12 <sup>th</sup> September, 2024)	Chairman, Independent Director	✓	✓	100
4	Mr. Amit Choudhary (w.e.f 12 <sup>th</sup> September, 2024)	Member, Executive Director	NA	NA	NA

<sup>1</sup>Mr. Gopal Ajay Malpani was designated as Chairman of corporate social responsibility committee w.e.f 12<sup>th</sup> September, 2024

Nomination & Remuneration Committee

The Nomination and Remuneration Committee plays a pivotal role in strengthening Himadri’s governance framework by overseeing the selection and compensation of leadership. It is responsible for establishing clear and objective criteria for evaluating the

Chairperson  
Mr. Gopal Ajay Malpani

qualifications, integrity, and independence of Directors.

In addition, the Committee recommends to the Board a comprehensive remuneration policy that governs the compensation structure for Directors, senior management, and other employees. This policy is designed to

Members  
Mr. Girish Paman Varvari  
Ms. Rita Bhattacharya

attract, retain, and motivate talent while aligning with the Company’s long-term strategic goals.

The Committee is chaired by an Independent Director and comprises a majority of Independent Directors, ensuring impartiality and transparency in all its deliberations and recommendations.

Sl. No.	Name of members	Position and category	Attendance of committee meeting				
			23 <sup>rd</sup> April, 2024	29 <sup>th</sup> August, 2024	10 <sup>th</sup> January, 2025	27 <sup>th</sup> January, 2025	Attendance at Meetings (%)
1	Mr. Gopal Ajay Malpani <sup>1</sup>	Chairman, Independent Director	✓	✓	✓	✓	100
2	Mr. Girish Paman Varvari	Member, Independent Director	✓	✓	✓	✓	100
3	Ms. Rita Bhattacharya (w.e.f 12 <sup>th</sup> September, 2024)	Member, Independent Director	NA	NA	✓	✓	100
4	Mr. Santimoy Dey (upto 12 <sup>th</sup> September, 2024)	Chairman, Independent Director	✓	✓	NA	NA	100

<sup>1</sup>Mr. Gopal Ajay Malpani was designated as Chairman of Nomination & Remuneration Committee w.e.f. 12<sup>th</sup> September, 2024.





Risk Management Committee	<b>Chairperson</b> Mr. Shyam Sundar Choudhary	<b>Members</b> Mr. Anurag Choudhary Mr. Somesh Satnalika Mr. Gopal Ajay Malpani Mr. Kamlesh K. Agarwal Mr. Santimoy Dey

The Risk Management Committee plays a critical role in safeguarding Himadri's long-term business resilience by overseeing the development and implementation of comprehensive risk management practices. The Committee is responsible for formulating and monitoring the Company's risk management framework, including the business continuity plan and

mitigation strategies for key risks, such as those related to cybersecurity, operational disruptions, and regulatory compliance.

To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company, the Committee monitors and oversees implementation of the risk management

policy, including evaluating the adequacy of risk management systems.

By ensuring that potential risks are identified early and addressed proactively, the Committee supports informed decision-making and enhances the Company's ability to navigate an increasingly complex risk landscape.

Sl. No.	Name of members	Position and category	Attendance of committee meeting		
			12 <sup>th</sup> August, 2024	6 <sup>th</sup> December, 2024	Attendance at Meetings (%)
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director	✓	LOA	50
2	Mr. Anurag Choudhary	Member, CMD & CEO	✓	✓	100
3	Mr. Kamlesh Kumar Agarwal	Member, Chief Financial Officer	✓	✓	100
4	Mr. Somesh Satnalika	Member, Executive Vice President, Tyre and Strategy	✓	✓	100
5	Mr. Santimoy Dey (upto 12 <sup>th</sup> September, 2024)	Member, Independent Director	✓	NA	100
6	Mr. Gopal Ajay Malpani (w.e.f. 12 <sup>th</sup> September, 2024)	Member, Independent Director	NA	LOA	-

Audit Committee	<b>Chairperson</b> Mr. Girish Paman Vanvari	<b>Members</b> Mr. Gopal Ajay Malpani Mr. Anurag Choudhary Ms. Rita Bhattacharya Mr. Santimoy Dey

Himadri's Audit Committee upholds the Company's commitment to good governance, accountability, and ethical conduct. Audit Committee conducts quarterly reviews alongside a global audit firm to ensure compliance and mitigate tax-related risks. The Statutory Auditors, Internal Auditors and Chief Financial Officer (CFO) are invited to attend meetings of the Audit Committee. The

Executive Directors and Key Managerial Personnels are also invited from time to time as required by the Chairman upon necessity of agenda items. The Company Secretary & Compliance Officer acts as the Secretary to the Audit Committee. The Committee monitors the integrity of financial reporting, oversee the Company's internal control systems, review reports from

both internal & statutory auditors and ensure compliance with statutory and regulatory requirements. It plays an active role in reviewing related party transactions, ensuring that such dealings are conducted in a fair and transparent manner. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board.

Sl. No.	Name of members	Position and category	Attendance of committee meeting							Attendance at Meetings (%)
			25 <sup>th</sup> April, 2024	16 <sup>th</sup> July, 2024	12 <sup>th</sup> September, 2024	16 <sup>th</sup> October, 2024	13 <sup>th</sup> January, 2025	27 <sup>th</sup> January, 2025	29 <sup>th</sup> March, 2025	
1	Mr. Girish Paman Vanvari	Chairman, Independent Director	✓	✓	✓	✓	✓	✓	✓	100
2	Mr. Gopal Ajay Malpani	Member, Independent Director	✓	✓	✓	✓	✓	✓	✓	100
3	Ms. Rita Bhattacharya (w.e.f 12 <sup>th</sup> September, 2024)	Member, Independent Director	NA	NA	NA	✓	✓	✓	✓	100
4	Mr. Santimoy Dey (upto 12 <sup>th</sup> September, 2024)	Member, Independent Director	✓	✓	✓	NA	NA	NA	NA	100
5	Mr. Anurag Choudhary (upto 12 <sup>th</sup> September, 2024)	Member, CMD & CEO	✓	✓	LOA	NA	NA	NA	NA	67

ESG Committee	<b>Chairperson</b> Mr. Anurag Choudhary	<b>Members</b> Mr. Amit Choudhary Mr. Santimoy Dey Mr. Gopal Ajay Malpani

The ESG Committee serves as a dedicated body providing strategic oversight on all sustainability-related matters at Himadri. The Committee plays a crucial role in guiding the management team to harness Himadri's core strengths in advancing long-term, sustainable agricultural solutions.

Its responsibilities include advising on climate-related risk mitigation, supporting the integration of sustainability into business strategy, and ensuring alignment with global environmental priorities and frameworks. By doing so, the Committee helps position Himadri as a leader in responsible and future-ready agribusiness practices.

During the financial year 2024-25, the Environment, Social and Governance Committee (ESG Committee) met on 24<sup>th</sup> April, 2024 and 5<sup>th</sup> March, 2025. The composition of the ESG Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and category	Attendance of committee meeting		
			25 <sup>th</sup> April, 2024	5 <sup>th</sup> March, 2025	Attendance at Meetings (%)
1	Mr. Anurag Choudhary	Chairman, CMD & CEO	✓	✓	100
2	Mr. Amit Choudhary	Member, Executive Director	✓	✓	100
3	Mr. Santimoy Dey (upto 12 <sup>th</sup> September, 2024)	Member, Independent Director	✓	NA	100
4	Mr. Gopal Ajay Malpani (w.e.f 12 <sup>th</sup> September, 2024)	Member, Independent Director	NA	LOA	-

# Himadri's ESG governance



Himadri's ESG governance framework is responsive, driving sustainable environmental, social, and governance progress. This has been strengthened through a transparent, Board-led ESG oversight mechanism, risk management, and adherence to anti-corruption, anti-bribery, and fair competition principles.

The Board guides the Company's strategic ESG direction. A dedicated Board-level ESG Committee supports this oversight, embedding climate action, sustainability, and ethical governance into investment appraisals, performance evaluations, market assessments, and risk management. The committee plays a pivotal role in shaping ESG policies, assessing risks and opportunities, aligning

sustainability initiatives with Himadri's short-, mid-, and long-term strategic objectives.

The CMD-CEO and executive leadership translate the ESG committee's strategic direction into actionable initiatives (production, investment decisions, climate and environmental programmes, and social impact). Climate governance remains a focus, integrated into performance evaluations, investment appraisals, and market assessments. This includes the formulation of long-term environmental ambitions, including Net Zero emissions by 2050.

The ESG Committee also ensures an alignment with global sustainability

standards, including the UN Sustainable Development Goals (UN SDGs), UN Global Compact (UNGC), and SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework.

The Committee supervises ESG performance, commitments, and disclosures, while guiding the development of ESG policies, monitoring progress against sustainability targets, and embedding ESG considerations across investment, operations, supply chain, and innovation strategies. The Committee oversees climate-related governance in line with frameworks such as TCFD (Task Force on Climate-related Financial Disclosures).

## ESG Council

Himadri's ESG Council functions as a strategic and operational body bridging the Board-level ESG Committee and business functions. The Council facilitates the implementation, monitoring, and continuous improvement of ESG strategy, ensuring that sustainability

commitments are translated into measurable action.

The responsibilities of the ESG Council include the following:

- Implementing and tracking sustainability KPIs
- Reviewing the progress and effectiveness of ESG initiatives
- Evaluating emerging risks and opportunities, and recommending mitigation measures
- Providing regular updates to the ESG Committee at the Board level
- Preparing and publishing sustainability disclosures in accordance with global and national requirements

The ESG Council convenes monthly to monitor strategy implementation, track KPIs, and address operational challenges. Its primary focus areas reflect Himadri's sustainability priorities:

### Climate change:

Mapping climate-related risks and designing strategic responses

### Decarbonisation:

Driving carbon reduction and energy transition initiatives

### Resource management:

Promoting efficient and circular use of resources

### Occupational Health and Safety:

Advancing a zero-accident, safe work culture

**Human rights:** Ensuring ethical labor practices and supply chain accountability

**Diversity, Equity, and Inclusion (DE&I):** Fostering an inclusive and equitable workplace

**Value chain engagement:** Collaborating with partners to mitigate Scope 3 emissions, advance sustainability strategies, and manage product lifecycle impacts

The Sustainability Steering Committee supports the ESG Council; it is the operational backbone of sustainability governance within the business units. Chaired by respective plant heads and guided by the Chief Sustainability Officer, these division-wise committees translate corporate ESG ambitions into actionable unit-wise initiatives.

The key functions of the Sustainability Steering Committees include:

- Developing and executing sustainability action plans for each division
- Monitoring progress on ESG targets and KPIs
- Facilitating cross-functional collaboration on climate action, resource efficiency, and social responsibility

- Engaging supply chain partners and industry peers to advance collective ESG goals
- Driving awareness, training, and capacity-building across the workforce
- Identifying and escalating emerging ESG risks and opportunities to the ESG Council

When taken together, the Board-level ESG Committee, ESG Council, and Sustainability Steering Committees represent a multi-tiered governance structure. This integrated approach has strengthened accountability, resilience, and future-readiness.

The ESG governance model is adaptive, featuring defined leadership structures (Board and ESG Committee), strategic sustainability targets (Net Zero and SBTi-aligned goals), operational excellence

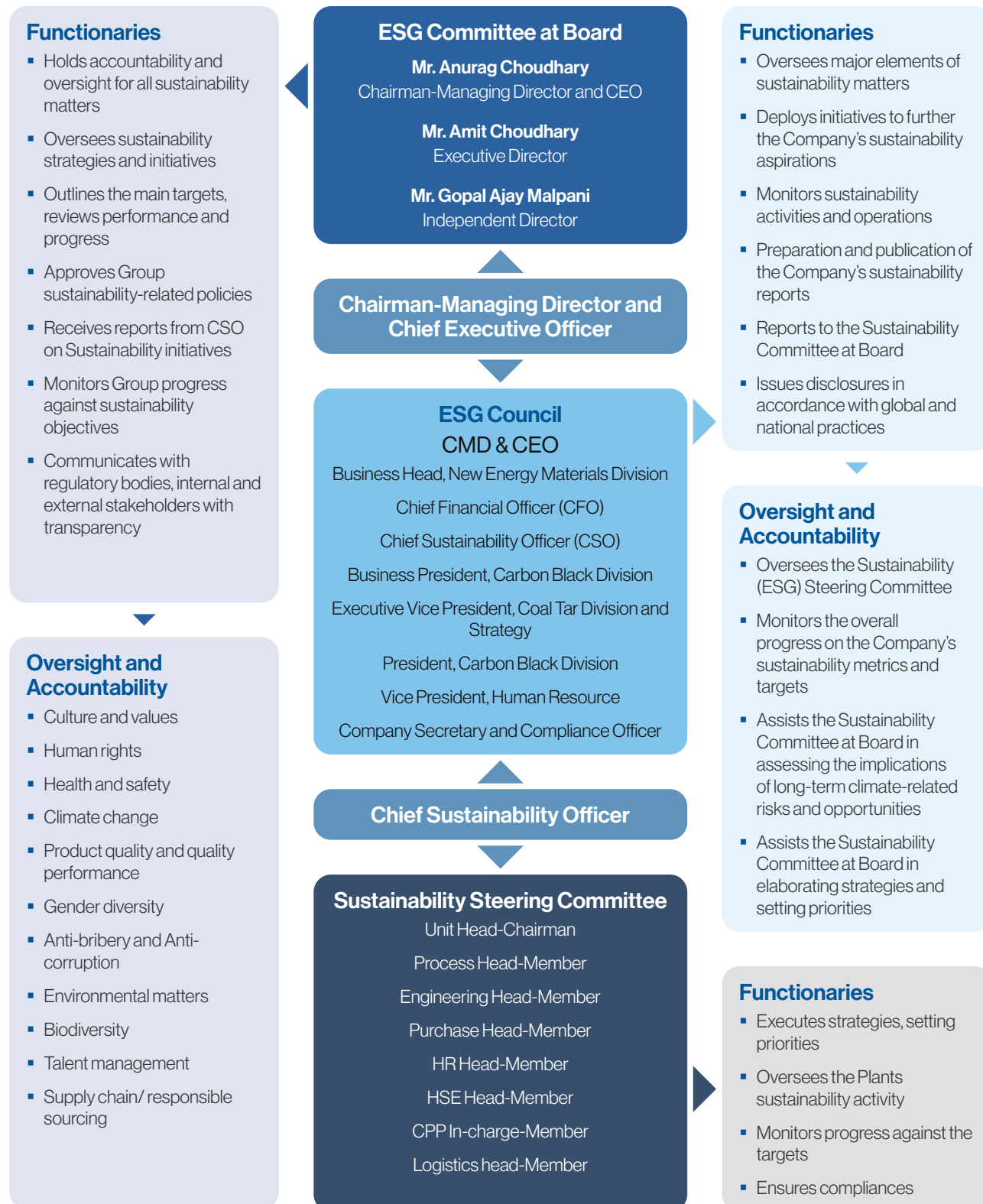
initiatives (ZLD, clean power, ISO certifications), transparency measures (EcoVadis and CDP recognitions), and a holistic stakeholder focus. This ensures that ESG is central to how the Company governs itself.

Himadri seeks to create value for all stakeholders (including the environment, communities, customers, and employees). Its ESG commitments are aligned with global frameworks like UN SDGs and UN Global Compact. Himadri remains committed to Science Based Targets initiative (SBTi), reinforcing its climate leadership. The Company enjoys a clear roadmap to achieve Net Zero emissions by 2050.

On the social front, the Company promotes inclusivity, ethical conduct, community development, fair employment practices, and workplace health cum safety standards.

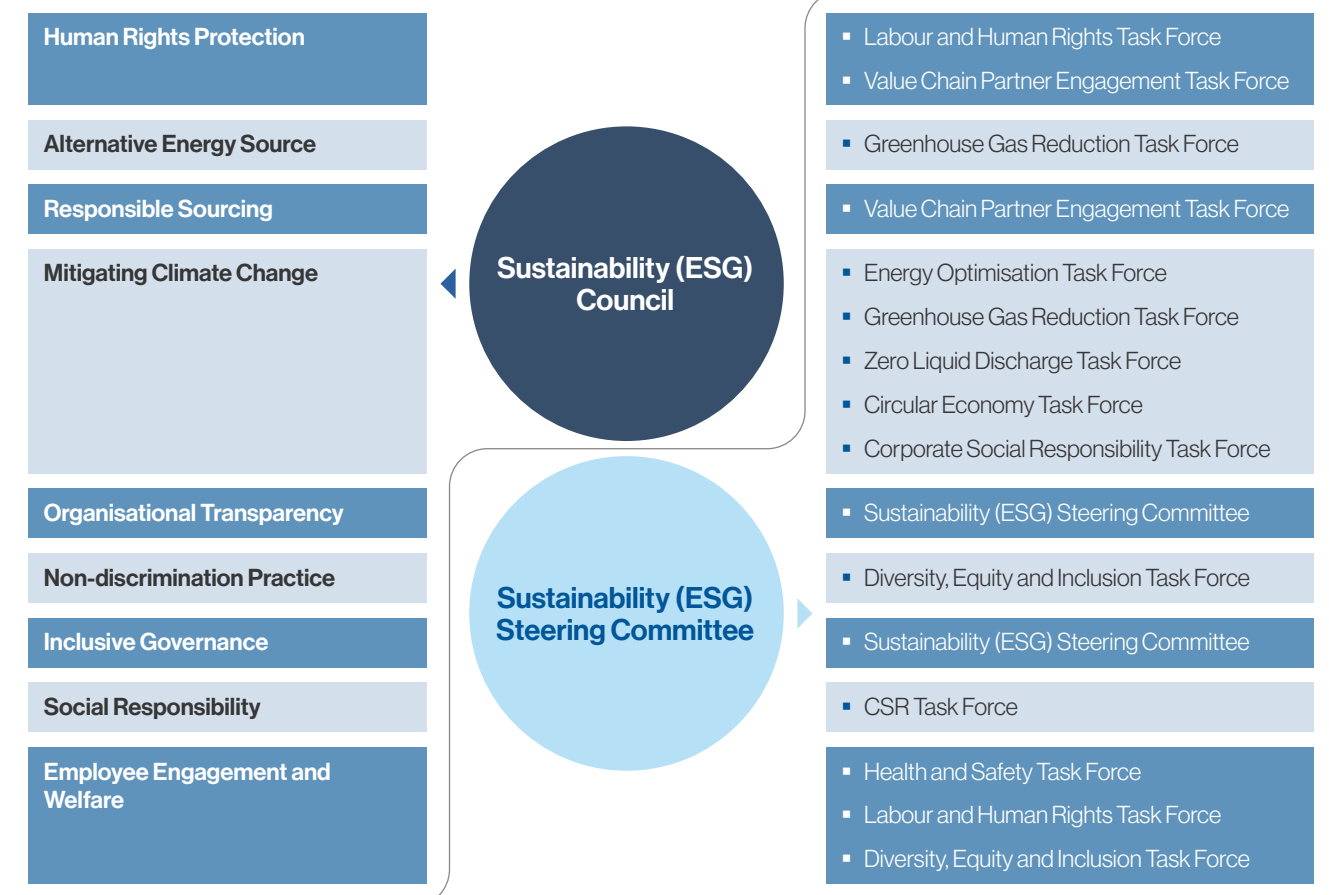


## Sustainability governance



## ESG Task Forces

To drive a collective sustainability ownership, Himadri established purpose-driven Task Forces. This enables each employee or business unit to advance the Company's ESG agenda. This seamlessly connects material ESG priorities with actionable initiatives, ensuring that progress is tracked through data-driven KPIs.

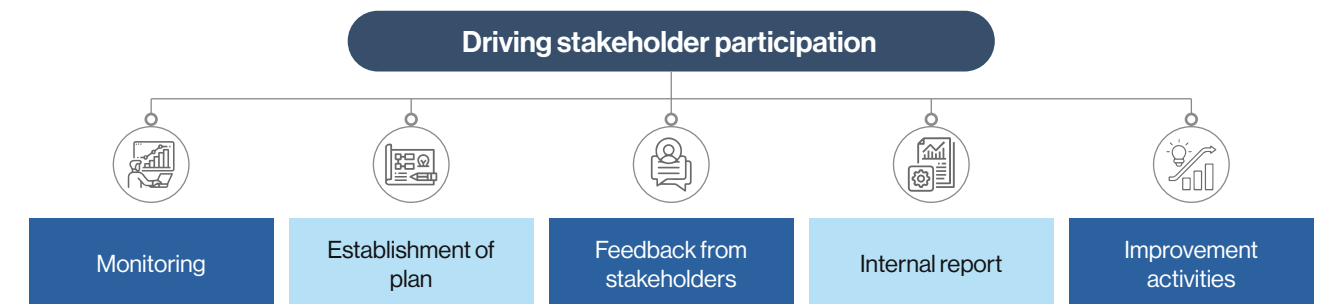


The alignment between the Sustainability (ESG) Council, the business unit-level Sustainability Steering Committees, and the sustainability Task Forces ensures a coherent enterprise-wide ESG approach - the HARMONISE framework. This integrated model empowers Himadri to advance its sustainability vision with clarity, purpose, and measurable outcomes.

The details of climate-change related Task Forces deployed at the business units level are provided below:

Task Force progress FY24-25				
Value chain partner Engagement	Green house gas reduction	Energy optimisation	Zero liquid discharge	Circular economy
<ul style="list-style-type: none"> <li>Engagement with waste vendors to map treatment process</li> <li>Supplier assessment</li> <li>Customer audits</li> </ul>	<ul style="list-style-type: none"> <li>Integrated ICP in capex decision</li> <li>Instrumental in reducing emission intensity by 36.08% from baseline year FY21-22</li> </ul>	<ul style="list-style-type: none"> <li>Implemented energy management system</li> <li>Deep dive analysis on power plant efficiency</li> <li>Energy intensity reduction by 17.42% from baseline year FY21-22</li> </ul>	<ul style="list-style-type: none"> <li>Conducted deep dive analysis on ETP-WRP system</li> <li>Reduced water consumption intensity by 26.19% from baseline FY21-22</li> </ul>	<ul style="list-style-type: none"> <li>Initiated a novel designed based reusable packing solution instead of wooden crate</li> </ul>
Health & safety	Diversity, equity & inclusive	Labour & human rights	Corporate social responsibility	
<ul style="list-style-type: none"> <li>Training and deep dive safety audits</li> <li>Thorough workplace risk assessments</li> <li>Incidents investigation</li> <li>Initiation of gap assessment and process safety implementation</li> <li>Installation of fall arrestor system</li> <li>Mechanical integrity logistics</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced diversity and inclusiveness</li> <li>Hiring of female employees</li> <li>KMP female empowerment</li> </ul>	<ul style="list-style-type: none"> <li>Vihaan (recruiting freshers from academy)</li> <li>Justified manpower requirement</li> <li>Key focus on training &amp; development</li> <li>Pragati</li> <li>Career progression</li> </ul>	<ul style="list-style-type: none"> <li>Community welfare projects</li> <li>Health care projects</li> <li>Prioritising education for economically poor communities</li> </ul>	

## Himadri's stakeholder engagement and transparency



### Overview

Responsible multi stakeholder engagement is increasingly critical for speciality chemical companies because their operations intersect with broad and often competing interests - customers demanding high performance and lower carbon footprints, regulators enforcing safety and environmental standards, communities concerned about health and local impacts, investors seeking sustainable returns, and suppliers managing raw material risks. Proactive engagement builds trust, uncovers material risks early, and supports co-creation of practical solutions such as safer formulations, improved waste management, and circular economy

initiatives. It also enables companies to anticipate regulatory shifts, align product stewardship with customer needs, and secure social licence to operate in diverse geographies. Transparent dialogue with stakeholders improves decision quality, legitimises trade offs, and reduces conflict escalation that can disrupt operations or erode reputation. By integrating stakeholder feedback into strategy and reporting, speciality chemical firms can prioritise investments, demonstrate accountability, and scale collaborative decarbonisation and circularity efforts. Ultimately, responsible engagement transforms external pressures into partnerships that drive innovation, mitigate systemic risks, and sustain long term value creation.

Himadri is committed to accountability and inclusivity through active stakeholder engagement, strengthening relationships with those invested in our success. By incorporating diverse perspectives, insights, and expertise, we enhance strategic planning, optimise operations, and improve the quality of our products and services. Engaging stakeholders also serves as a proactive risk management tool, allowing us to identify and address potential challenges before they escalate. This collaborative approach not only fortifies relationships but also enhances our reputation and supports sustainable, long-term growth.





Stakeholder identification and prioritisation

Himadri conducts a strategic assessment of stakeholder groups that influence - or are impacted - by our operations. Stakeholders are prioritised based on their level of influence, interdependencies, and responsibilities toward the Company. This enables us to focus engagement efforts on critical stakeholders who play a significant role in shaping our business and driving success.

Stakeholder engagement

We employ tailored engagement strategies for each stakeholder group, leveraging a range of communication platforms to facilitate meaningful interaction.

Response and action

Stakeholder insights are valued and analysed to develop actionable response, ensuring that business activities align with stakeholder expectations.

Addressing stakeholder concerns

Himadri provides multiple channels for stakeholders to raise concerns and is committed to responding promptly and effectively to each issue, reflecting the Company's dedication to transparency, accountability, and responsible business practices.

Stakeholder group	Priorities	Engagement mode	Purpose & scope	Frequency
Employees and workers	<ul style="list-style-type: none"><li>Growth &amp; opportunities</li><li>Work life balance</li><li>Safety</li><li>New skills &amp; training</li></ul>	<ul style="list-style-type: none"><li>Email</li><li>HR Portal</li><li>Company Intranet</li><li>Newsletters</li><li>Office collaboration screens etc.</li><li>All staff 'town halls' meeting at organisation level</li><li>Team forums and training programmes</li></ul>	<ul style="list-style-type: none"><li>Maintaining and enhancing employee engagement</li><li>Informing employee benefits,</li><li>Rewards and policies, procedures and programmes</li><li>Employee development plan,</li><li>Career progression,</li><li>Performance reviews and ratings</li><li>Understanding employee concerns or grievance</li><li>Receiving employee feedback</li></ul>	As and when required
Shareholders and Investors	<ul style="list-style-type: none"><li>Enhance disclosures across Himadri's asset base</li></ul>	<ul style="list-style-type: none"><li>Periodic investor/analyst interactions like individual Meetings</li><li>Participation in investor conferences</li><li>Analysts meet from time to time guided by finance department of the Company</li><li>Annual Reports</li><li>Publication of periodical results</li><li>Press release</li><li>Newspaper</li><li>Website</li><li>Periodical investor presentation</li></ul>	Educating investors about the business using accurate, timely and comprehensive information	As and when required
Customers	<ul style="list-style-type: none"><li>Sustainable product portfolio</li></ul>	<ul style="list-style-type: none"><li>Customer meetings</li><li>Business discussions as and when required</li><li>Award and recognition ceremonies</li><li>Participation in survey conducted by customers from time to time</li></ul>	<ul style="list-style-type: none"><li>To make the customers aware about the new developments in techniques and products</li><li>Build long-lasting relationships with suppliers</li><li>To receive feedback from customers</li></ul>	As and when required

Stakeholder group	Priorities	Engagement mode	Purpose & scope	Frequency
Supply chain partner (Tier 1 and Tier 2)	<ul style="list-style-type: none"><li>Sustainable growth</li></ul>	<ul style="list-style-type: none"><li>Award and recognition ceremonies</li><li>Participation in survey conducted by suppliers from time to time</li><li>Business discussions as and when required</li><li>Suppliers meetings</li></ul>	<ul style="list-style-type: none"><li>Build long-lasting relationships with capable suppliers</li><li>Monitoring supplier performance</li><li>Ensure supplier competency and compliance</li><li>To make aware the suppliers about the new developments in techniques and products</li></ul>	As and when required
Communities	<ul style="list-style-type: none"><li>Focus on community needs</li><li>Educational infrastructure</li></ul>	<ul style="list-style-type: none"><li>CSR activities</li><li>Volunteering activities</li><li>Community events</li><li>Community survey and consultations</li></ul>	<ul style="list-style-type: none"><li>Provide relevant and accurate information about Company</li><li>Understand the impact of company's initiatives and activities on community</li><li>Supporting causes and organisations through donations and philanthropic activities</li></ul>	As and when required
Government and Regulatory Authorities	<ul style="list-style-type: none"><li>Compliance</li></ul>	<ul style="list-style-type: none"><li>Statutory Report</li><li>Interactions with public authorities</li><li>Membership of industry associations</li></ul>	<ul style="list-style-type: none"><li>Understanding potential legal and regulatory changes relevant to the Himadri's business Contributing to industry reform</li></ul>	As and when required
Academia/ Industry Groups/ Other Institutes and NGO	<ul style="list-style-type: none"><li>Sustainable products</li><li>Increased employment of technical experts</li><li>Enhanced R&amp;D Learning &amp; development initiatives for students</li></ul>	<ul style="list-style-type: none"><li>Joint research</li><li>Industry-academia summits</li><li>Environmental events and human rights topics</li></ul>	<ul style="list-style-type: none"><li>Share knowledge and engage.</li><li>Opinion exchange for mutual benefit, aiming to jointly contribute to society and generate innovative solutions for climate change and other pressing challenges of today.</li></ul>	As and when required

Digital Governance of ESG Data and Performance Management

Himadri has implemented a centralized ESG digital portal to systematically capture, manage, and monitor Environmental, Social, and Governance data across its operations. The portal

enables structured data collection from manufacturing units and corporate functions, ensuring consistency, traceability, and data integrity. It supports real-time performance tracking against internal targets and regulatory requirements, facilitates audit readiness through documented evidence and approval workflows, and strengthens

governance through role-based access and controls. By digitising ESG data management, Himadri enhances transparency, improves decision-making, and enables accurate, timely, and assured sustainability reporting aligned with global frameworks and stakeholder expectations.

Broadening sustainability governance through training and awareness

Himadri has integrated ESG (Environmental, Social, and Governance) training into its organisational learning

and development strategy. This has been facilitated through the 'Utkarsh' portal, the Company's dedicated digital training platform. It reflects Himadri's commitment to build awareness, capability, and accountability. The Utkarsh

portal empowers its workforce to act as sustainability ambassadors, driving ethical and responsible practices that support the Company's mission of creating long-term value for stakeholders while minimising environmental and social impact.

Training category	Target audience	Key focus topics	Mode of delivery	Frequency	Outcome / objective
ESG Awareness programme	All employees	Introduction to ESG concepts,	Classroom, e-learning (Utkarsh portal)	Annual	Build foundational understanding of ESG across the organisation
Anti-bribery & corruption	All employees	Code of conduct,	Online (Utkarsh portal)	Annual	Strengthens ethical practices & compliance culture
Diversity & inclusiveness	All employees	Gender equality, inclusive leadership	Online (Utkarsh portal)	Annual	Promote inclusive workplace culture
Sustainable procurement training	Procurement team	ESG in supply chains, supplier code of conduct, circular economy principles	Webinars	Annual	Ensure ESG alignment across the value chain
ESG leadership training	BOD, Senior management, ESG committee members	ESG governance	Classroom	Annual	Align leadership with global ESG frameworks
Data security & privacy	All employees	Cybersecurity protocols, information management	Online (Utkarsh portal)	Annual	Protect data integrity and mitigate cyber risks
ESG reporting	All stakeholders	EcoVadis, BRSR	External EcoVadis Portal ESG reporting portal- Internal	Need basis	Improve ESG transparency and reporting accuracy
Human Rights	All employees	Labour and human rights principles	Online (Utkarsh portal)	Annual	Awareness about human rights & compliance

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



Himadri's future-ready compliance management



ESG Committee sets the foundational standards for the Company's compliance management system, ensuring proactive identification of risks, prompt resolution of breaches, and clear accountability for all stakeholders. The CMD-CEO reinforces this commitment by establishing a tone at the top, emphasising that compliance violations will not be tolerated.

Supporting this framework, the ESG Council monitors the effectiveness of the compliance system and ensures alignment with evolving regulatory requirements. Himadri leverages robust mechanisms including audits, due diligence, and regular risk assessments across all business units and locations to detect potential risks at an early stage. Binding standards are developed collaboratively between the ESG Council and the Board-level ESG Committee, ensuring consistency, rigour, and adherence to best practices.

As regulatory and business risks evolve, management bodies periodically review and analyse critical areas such as anti-bribery, anti-corruption, fair competition, antitrust compliance, and anti-money laundering measures. Through this structured and adaptive approach, Himadri maintains a culture of compliance, mitigates risk, and upholds its commitment to ethical, transparent, and responsible business conduct.

Overview

Compliance is an increasingly important in speciality chemical companies due to heightened regulatory scrutiny, complex cross border trade rules, and elevated safety and environmental expectations. Strict adherence prevents costly incidents, legal penalties, and reputational damage tied to hazardous substances, product stewardship, and emissions. It ensures market access amid evolving standards, supports sustainable supply chain practices, and reassures customers

and investors about risk management. Strong compliance frameworks also enable proactive identification of regulatory changes, faster adaptation, and improved operational discipline. By embedding compliance into governance, processes, and culture, speciality chemical firms protect people and the environment while safeguarding long term competitiveness and stakeholder trust.

At Himadri, compliance is a cornerstone of good governance and ethical business practices. The Board-level

Responsibilities of the management			
Effectiveness	Values and objectives		
	Prevention	Detection	Response
	Risk analysis	Whistle blower system	Corrective measures
	Standards/frameworks	Investigations	Sanctions
	Preventive processes	Monitoring	Training
	Training	Audits	Sensitisation
	Sensitisation/communication		Advice and support
	Advice and support		
	Compliance Reporting		
	Continuous improvement		



## Key initiatives, FY24-25

### Digitising compliance, strengthening governance

There is a growing role of information technology in strengthening compliance at speciality chemical companies; Himadri is no exception.

Himadri implemented 'Complinty', a leading compliance management software, to strengthen its compliance. This digital platform monitors, tracks, and manages statutory and regulatory obligations across all business units. By automating workflows, Complinty

minimises manual errors, ensures timely compliance execution, and provides compliance visibility at unit and corporate levels.

Complinty generates alerts and escalations to prevent missed deadlines, while enabling centralised documentation, audit trails, and dashboard-based reporting. Through Complinty, Himadri strengthened its governance framework, reinforced regulatory adherence, and moved to a future-ready, technology-driven compliance ecosystem.

### Risk mitigation across four pillars

Himadri has reinforced its risk mitigation ecosystem around Fair Competition, Anti-Bribery and Corruption, Information Security, and the Whistle-blower Policy. The Company employs preventive, detective, and corrective measures to safeguard operations, minimise legal exposure, and protect its reputation. Himadri has deployed relevant manuals/Frameworks to strengthen its implementation.



## Himadri: Strengthening controls through **policies and frameworks** for process predictability

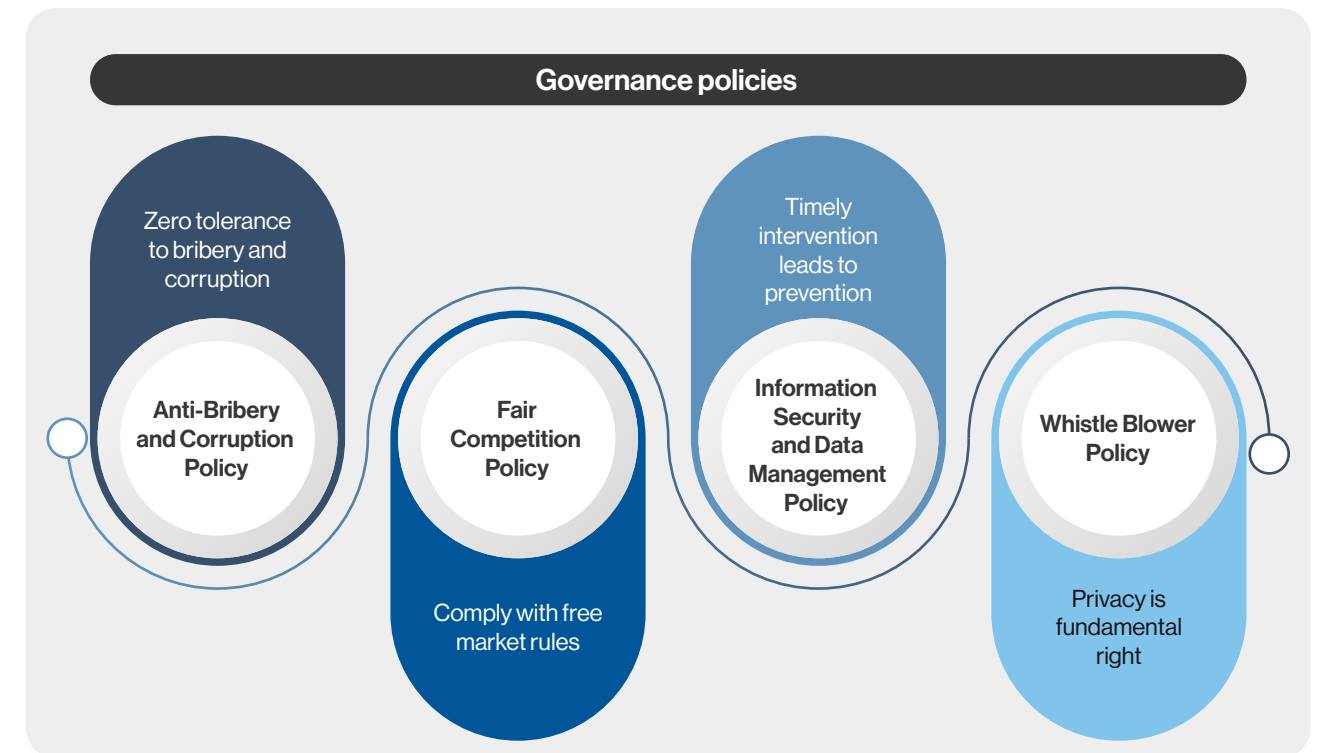


### Overview

Processes, protocols, and frameworks are critical to long term predictability and sustainability in speciality chemical companies because they standardise operations, reduce variability, and embed risk controls across complex, high hazard activities. Clear procedures ensure consistent product quality,

regulatory compliance, and process safety, minimising incidents and costly disruptions. Governance frameworks align strategic priorities - sustainability, R&D, supply chain resilience - with measurable KPIs and decision pathways, enabling repeatable performance and adaptive responses to market or regulatory shifts. Protocols facilitate

knowledge retention, workforce training, and continuous improvement, while structured frameworks support transparent reporting and stakeholder confidence. Together, they preserve value, enable scalable innovation, and sustain competitive advantage over time.



### Anti-Bribery and Corruption (ABC) Framework

Himadri established a comprehensive Anti-Bribery and Corruption (ABC) Framework to prevent, detect, and respond to bribery, corruption, facilitation payments, and unethical influence across its operations, supply chain, and stakeholder ecosystem. The framework is aligned with ISO 37001 - Anti-Bribery Management Systems and reflects the Company's zero-tolerance approach to all forms of corruption, whether direct

or indirect it applies uniformly to all employees, directors, vendors, agents, consultants, contractors, and joint venture partners.

Himadri instituted controls supported by mandatory ethics training, supplier code of conduct adherence, periodic risk assessments, and routine monitoring of high-risk transactions and geographies. All suspected instances of bribery or

corruption can be confidentially reported through the Whistle-Blower Mechanism, which ensures independence, anonymity, and protection from retaliation under the oversight of the Audit Committee. Confirmed violations lead to disciplinary measures, including legal action or contract termination, reinforcing the Company's commitment to ethical governance and responsible business conduct.

### Key initiatives under the framework

**Third-party due diligence:** All suppliers, vendors, consultants, and contractors are subject to risk-based due diligence to evaluate their ethical track record and compliance history. Contracts include anti-bribery and corruption clauses, ensuring shared accountability and alignment with Himadri's ethical standards.

#### Whistle-blower mechanism

**integration:** The ABC Framework is closely integrated with the Whistle-Blower Policy, enabling employees and stakeholders to report suspected bribery, corruption, or unethical conduct confidentially and without fear of retaliation.

#### Monitoring and internal controls:

Himadri has embedded financial and operational control mechanisms designed to detect and prevent unauthorised or unusual payments, mitigate risks of

fraudulent procurement 'contracting practices' monitor and track Sensitive transaction like gifts, donations, and hospitality expenses.

#### Risk assessment and continuous improvement:

Periodic risk assessments are conducted across high-risk functions, geographies, and third-party engagements. The findings are used to strengthen internal controls, enhance compliance measures, and refine training programmes, ensuring continuous improvement of the ABC Framework.





Framework benefits

- Promotes integrity, accountability, and ethical decision-making.
- Enhances governance credibility, reduces risks and supports eligibility for ESG-linked financing.
- Mitigates legal, financial, and operational risks through proactive monitoring and preventive controls.
- Strengthens internal governance systems and safeguards organisational resources from misuse.
- Extends ethical business standards to vendors, partners, and third parties through due diligence and contractual safeguards.
- Empowers employees to report misconduct safely, reinforcing transparency, fairness, and organisational trust.

Fair Competition Framework

Himadri's Fair Competition Framework forms an integral part of its corporate governance system. This framework ensures that business is conducted with integrity, transparency, and compliance with laws and ethical standards. The framework fosters a business environment rooted in fairness, accountability, and responsible conduct.

Anchored in the Code of Conduct, the framework prohibits anti-competitive behaviour, including price fixing, market sharing, bid rigging, stakeholder collusion, or abuse of the Company's dominant market position. The Company recognises that free and fair competition is vital to industry innovation, customer trust and shareholder value.

Himadri instituted policies, procedures, and training to educate employees, particularly those engaged in sales, marketing, procurement, and leadership roles. The training covered competition laws, including the Competition Act, 2002 (India). All commercial decisions relating to pricing, contracts, and market strategy were made independently, ensuring no coordination or understanding with competitors.

The framework mandates adequate due diligence for partnerships, joint ventures, and industry associations to mitigate competition risks. Employees are encouraged to report suspected anti-competitive behaviour through the Whistle-Blower Mechanism, which operates under the oversight of the Audit Committee.

Key initiatives under the framework

**Adoption of fair competition policy:** Himadri's policy explicitly prohibits price fixing, market or customer allocation, bid rigging or collusion, abuse of dominant market position and sharing commercially sensitive information with competitors - practices classified as unethical and unlawful.

**Independent business decision-making:** All decisions related to pricing, production, marketing, and customer engagement are taken independently, without coordination formal or informal with competitors or industry peers.

**Due diligence for third parties and partnerships:** Before entering into joint ventures, partnerships, or industry associations, Himadri conducts anti-trust due diligence to ensure that collaborations comply with competition laws and do not create even the appearance of collusion.

**Monitoring and risk assessment:** Regular monitoring and compliance risk assessments are undertaken to identify transactions or activities that may pose competition-related risks. Identified gaps are addressed promptly through corrective actions and policy refinements.

**Whistle-blower mechanism integration:** The framework is supported by a secure and confidential Whistle-Blower platform, allowing employees and stakeholders to report suspected anti-competitive practices without fear of retaliation. The mechanism is independently overseen by the Audit Committee to ensure fair handling of all disclosures.

Framework benefits

- Promotes ethical conduct by eliminating collusion, price fixing, and market manipulation.
- Encourages innovation, quality improvement, and cost efficiency, benefiting both customers and the Company.
- Builds trust and credibility with regulators, investors, and business partners through transparency and legal compliance.
- Ensures independent and law-abiding decision-making, reducing the risk of penalties and reputational harm.
- Strengthens brand reputation and attracts long-term, ethically aligned stakeholders and investors.

Data Security and Information Management Framework

Himadri implemented a comprehensive Data Security and Information Management Framework to ensure the protection, confidentiality, and integrity of information across operations. This framework governs the secure management of sensitive data related to employees, customers, suppliers, R&D, finance, and business operations.

Aligned with ISO/IEC 27001 (Information Security Management Systems) and General Data Protection Regulation (GDPR) standards, the framework integrates technology, processes, policies, and people to safeguard organisational data from cyberattacks, breaches, insider threats, and unauthorised access. Himadri's approach emphasises role-based access control, encryption, intrusion detection, and regular security audits to strengthen digital resilience. Continuous employee awareness programmes and third-party due diligence ensure that accountability and compliance extend across the value chain.

Key initiatives under the framework

**Information classification and access control:** All data is classified based on its sensitivity level (public, internal, confidential, or restricted). Role-Based Access Control (RBAC) ensures that only authorised personnel can access or process sensitive information, thereby minimising exposure to data risks.

**Network and system security:** Himadri deploys advanced firewalls, Intrusion Detection and Prevention Systems (IDS/IPS), antivirus solutions, and encryption technologies to protect its digital infrastructure. Regular patching, system updates, and network segmentation further enhance cybersecurity resilience and minimise vulnerabilities.

**Incident response and business continuity:** A formal Incident Response Plan outlines procedures for managing cybersecurity incidents and breaches. Complementing this are a Business Continuity Plan and Disaster Recovery Plan, which ensure that operations are restored swiftly and effectively following any disruption.

**Data retention and secure disposal:** The framework includes clear policies for data retention, archiving, and disposal. Obsolete or redundant data is securely destroyed through methods such as data wiping or physical destruction, ensuring that no sensitive information is recoverable after disposal.

**Third-party risk management:** Data shared with external vendors and partners is governed through Non-Disclosure Agreements and Data Processing Agreements. All third parties undergo security due diligence before being granted access to sensitive systems or data, ensuring that external engagements comply with Himadri's data protection standards.

**Auditability and reporting:** Comprehensive logging mechanisms record all data access, changes, and transfers, ensuring complete traceability. Regular internal and external audits verify compliance with data security policies and international standards. Key metrics and security incidents are periodically reported to senior management and board-level committees for review and oversight.

Framework benefits

- It safeguards critical business data, intellectual property, financial information, and employee records, strengthening competitive advantage and stakeholder confidence.
- It reduces cyber risks through strong preventive controls such as encryption, firewalls, intrusion detection, and continuous monitoring.
- It enhances data accuracy, integrity, and availability, enabling reliable insights and informed strategic decision-making.
- It empowers leadership to proactively manage and oversee information security risks through structured governance mechanisms.
- It maintains robust audit trails through systematic documentation and reporting, reinforcing accountability, compliance, and transparency.

Whistle-Blower Framework

Himadri's Whistle-Blower Framework represents the cornerstone of its governance and ethical culture. This framework empowers employees, directors, and stakeholders to report any unethical conduct, policy violations, financial irregularities, or behaviour inconsistent with the Company's values.

Those who do so are assured freedom from retaliation or discrimination.

The Whistle-Blower Policy (Vigil Mechanism) functions under the direct supervision of the Audit Committee. The Committee ensures that concerns are addressed promptly, impartially, and confidentially. Himadri provides multiple secure and accessible channels for reporting, enabling employees and stakeholders to share their concerns anonymously or with identity disclosure, based on their comfort and preference. All disclosures are treated with confidentiality; the identity of the whistle-blower is safeguarded unless disclosure is legally required or essential for investigation.



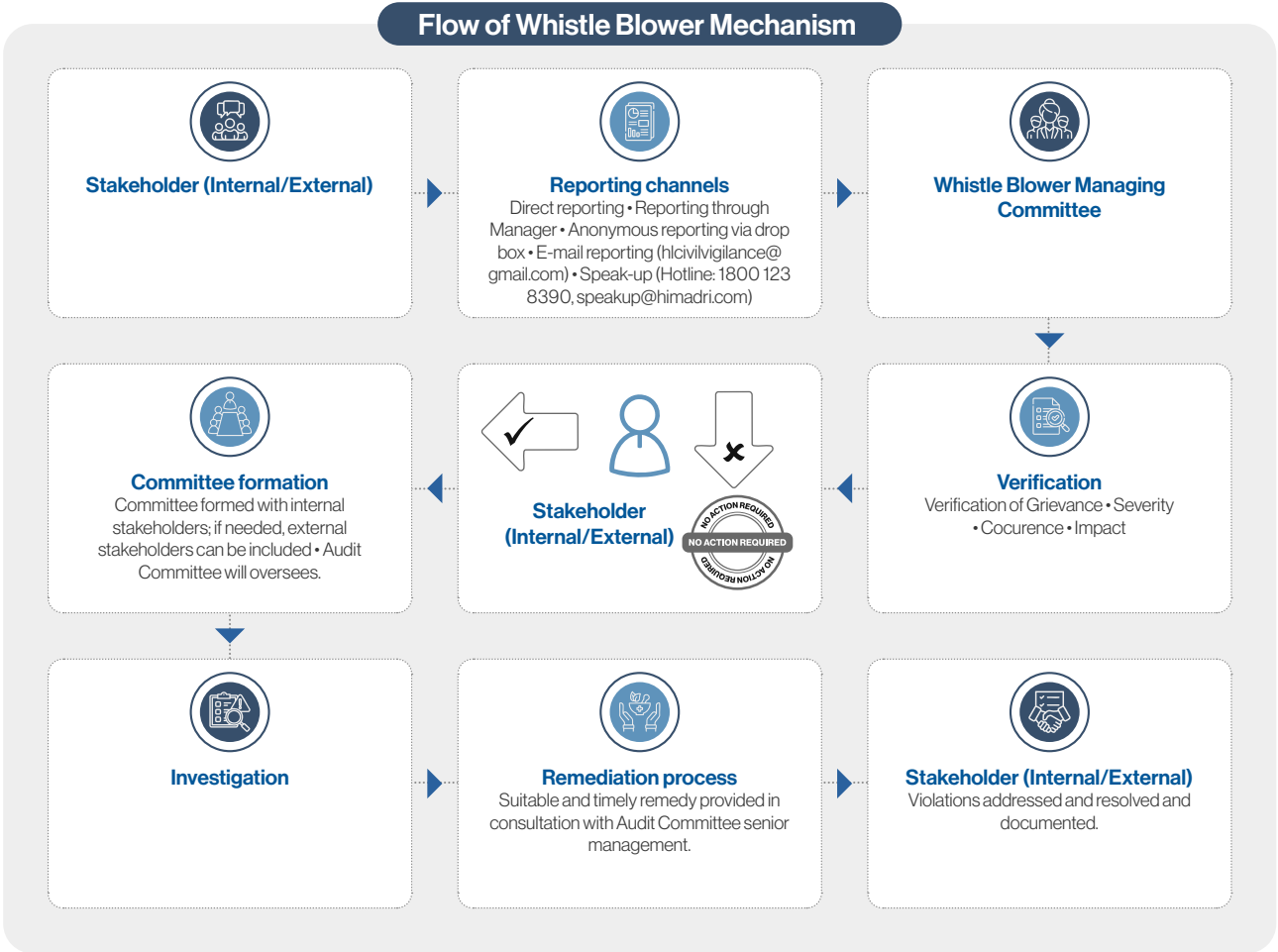
Key initiatives under the framework

**Multiple reporting channels:** The framework offers a range of secure and convenient avenues for reporting concerns, including a designated email addresses, confidential drop boxes and internal reporting platforms. These mechanisms ensure ease of access and

encourage responsible reporting across all locations.

**Protection against retaliation:** The policy protects whistle-blowers from retaliation, victimisation, or adverse action. This assurance fosters openness and transparency, encouraging employees to voice concerns in good faith.

**Confidentiality and fair investigation:** All reports are handled with the highest degree of confidentiality. The identity of the whistle-blower is disclosed only when required by law or deemed necessary for an effective investigation. Every complaint is investigated objectively and resolved in a fair and timely manner.



Framework benefits

**Ensures early detection of concerns:** Provides a secure and confidential channel for employees and stakeholders to report issues promptly, enabling timely intervention and resolution.

**Strengthens compliance culture:** Reinforces the Company's zero-

tolerance stance on misconduct, fraud, and unethical behaviour.

**Improves governance and accountability:** Offers valuable insights that help strengthen internal controls, refine policies, and enhance transparency across functions.

**Fosters trust and psychological safety:** Builds confidence among

employees, promoting an open and ethical work environment where individuals feel safe to speak up.

**Safeguards organisational reputation:** Helps protect the Company from potential legal, financial, and reputational risks by addressing issues before they escalate.



“Transparent governance is the backbone of sustainable growth.”



**Monika Saraswat**  
Company Secretary & Compliance Officer

Strengthening ethical, transparent, and accountable governance

We have strengthened sustainability governance through Board-level oversight, ESG Committee engagement, and cross-functional compliance systems. Our reporting architecture aligns with GRI, BRSR, TCFD, and SBTi, allowing Himadri to disclose performance with credibility and consistency.

Our continued priority is to deepen governance maturity, enhance ESG data integrity, and ensure that Himadri remains a transparent, responsible, and future-ready organisation.

Training and awareness

Himadri emphasises employee training as a cornerstone of its ethical governance and compliance framework. The Company's speak-up culture encourages employees and stakeholders to voice concerns. Sensitisation sessions, training programmes, and internal communications reinforce an awareness of ethical practices, corporate policies, and responsible decision-making.

Training modules are designed to cover key governance and compliance areas, including the Anti-Bribery and

Corruption (ABC) Policy, identification of red flags, and reporting procedures. Employees in critical functions such as sales, procurement, marketing, legal, and strategy receive targeted training on competition laws, fair market practices, and ethical conduct, ensuring adherence to regulatory standards and internal codes of behaviour.

To strengthen organisational resilience and promote a risk-aware culture, Himadri conducts periodic awareness campaigns that encourage employees to identify and

escalate potential risks through formal escalation protocols or the Whistle-Blower Mechanism.

Employees are trained on data protection, cyber hygiene, and information security, including how to recognise and respond to phishing, malware, and social engineering attempts. Staff handling sensitive information or critical systems are required to complete mandatory compliance certifications, ensuring accountability and readiness to manage digital and operational risks.

Training on ethics	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Mandatory trainings on IT security and data management	✓	✓	✓	✓	✓	✓	✓
Mandatory training on Anti-bribery and corruption	✓	✓	✓	✓	✓	✓	✓
Mandatory training on fair competition	✓	✓	✓	✓	✓	✓	✓





Commitment to full transparency

Himadri builds stakeholder trust through accurate, verifiable, and independently validated reporting. It integrates internal audits, external assessments, and third-party verifications, aligned with international standards such as ISO 27001 and ISO 37001. Audit findings are reviewed by the senior management and the Board's ESG Committee.

Internal audits assess adherence to governance frameworks, including

Anti-Bribery and Corruption (ABC), Fair Competition, and Data Security, with a focus on high-risk areas such as contract management, cash transactions, and facilitation payments. Any non-compliance or gaps identified are documented and addressed through structured action plans, overseen by senior management and the Audit Committee.

External audits by accredited certification bodies provide independent verification of compliance with global standards, reinforcing accountability, ethical governance, and transparency. These measures strengthen stakeholder confidence and demonstrate Himadri's unwavering commitment to responsible, secure, and ethical business practices.

**Key areas audited and assured**

**Anti-bribery and financial governance:** Himadri maintains strong internal financial controls and monitoring mechanisms. For FY24-25, internal audits were conducted across all divisions by Ernst & Young LLP (EY), Chartered Accountants, acting as the Company's Internal Auditors. The Audit Committee was engaged with internal and statutory auditors, as well as senior executives responsible for financial management and operational controls.

The Committee evaluated the adequacy and effectiveness of internal controls, ensuring that checks and balances were regularly updated. It reviewed the budgetary control system, cost management processes, accounting practices, physical verification protocols, and overall financial controls. In FY24-25,

these audits confirmed the robustness of Himadri's financial governance framework, with no material weaknesses identified, highlighting the reliability and effectiveness of the Company's control systems.

**Data security and information management:** Himadri conducted audits in line with global best practices and standards, including ISO/IEC 27001, to ensure robust data governance and cyber resilience. For FY24-25, TÜV SÜD South Asia Pvt. Ltd., a globally recognised certification and inspection body, carried out an external audit of Himadri's data security systems. The audits encompassed:

- Network security, access controls, and data protection protocols

- Cyber risk preparedness and system vulnerability assessments
  - Employee access rights and incident management procedures
  - Compliance with internal IT security policies and applicable regulations such as the Digital Personal Data Protection Act (DPDP) and GDPR
- Advanced testing, including penetration tests, vulnerability scans, and system log reviews, helped identify gaps. The findings were shared with the IT leadership and reported to the Board-level Risk Management Committee, enabling timely remediation and continuous enhancement of Himadri's digital security posture.

Material topics	Internal audit	External	
		Audit	Assurance
Business continuity	✓	✓	✓
Information security and data management	✓	✓	✓
Anti-bribery	✓	✓	✓
Fair competition	✓	✓	✓

Internal and external audit	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Monitor compliance regularly, using both internal and external audits to ensure adherence	✓	✓	✓	✓	✓	✓	✓
External audit of IT security	✓	✓	✓	✓	✓	✓	✓

Due diligence

Himadri undertook due diligence processes to uphold ethical business practices, ensure regulatory compliance, and safeguard its digital and operational assets. Independent third-party assessments were conducted, with a focus on Anti-Bribery and Corruption (ABC) and Information Security, aligning with international standards and best practices.

Anti-Bribery and Corruption (ABC) due diligence

Himadri engaged TÜV SÜD, a globally recognised independent agency, to conduct a comprehensive ABC Due Diligence Assessment. This evaluation ensures that the Company's systems, processes, and third-party interactions comply with international best practices, legal requirements, and Himadri's Code of Conduct. The assessment focused on high-exposure functions such as procurement, finance, logistics, and third-party engagements to identify potential bribery and corruption risks. The objectives of the ABC compliance assessment included:

- Identifying areas within Himadri with potential bribery risks

- Evaluating compliance with policies, procedures, and international norms of ethical business conduct
  - Benchmarking processes against industry peers and best practices
  - Conducting third-party risk assessments
  - Designing or revising policies, procedures, and questionnaires
  - Developing and implementing training programmes on due diligence
  - Assessing prioritised risk management practices
- This comprehensive approach strengthened Himadri's ability to prevent and mitigate bribery and corruption risks.

Key areas assessed

- Reviewing existing due diligence processes

Information security due diligence

Himadri conducted an Information Security Due Diligence with TÜV SÜD to protect its digital assets, ensure compliance with regulations, and align with international standards such as ISO/IEC 27001. This due diligence extends across internal operations and critical third-party engagements, covering a wide spectrum of cybersecurity and data governance controls.

**Key areas assessed**

**IT governance and policies:** Alignment of security policies, roles, and responsibilities with ISO/IEC 27001 standards

**Access management:** User provisioning, logical access controls, User Access Reviews (UAR), and Segregation of Duties (SoD)

**Authentication controls:** Implementation of strong passwords, multi-factor authentication, and identity verification

**Change management:** Processes for approving, testing, and documenting IT system changes

**Backup and restoration:** Frequency, integrity, and testing of backups for data recovery readiness

**Monitoring and security systems:** Firewall configuration, IDS/IPS

deployment, and real-time threat monitoring

**Incident management:** Detection, reporting, analysis, and resolution protocols for security incidents

**Risk and vulnerability management:** Identification, mitigation, and penetration testing practices

**Data protection and encryption:** Encryption of data at rest and in transit, and policies for retention and secure destruction

**Third-party and vendor security:** Security due diligence, compliance assessments, and Data Processing Agreements (DPAs) for external partners

Due diligence	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Anti-bribery and corruption	✓	✓	✓	✓	✓	✓	✓
Information security and data management	✓	✓	✓	✓	✓	✓	✓
Human rights	✓	✓	✓	✓	✓	✓	✓

# Himadri's corporate social responsibility: **Creating sustainable value for communities**



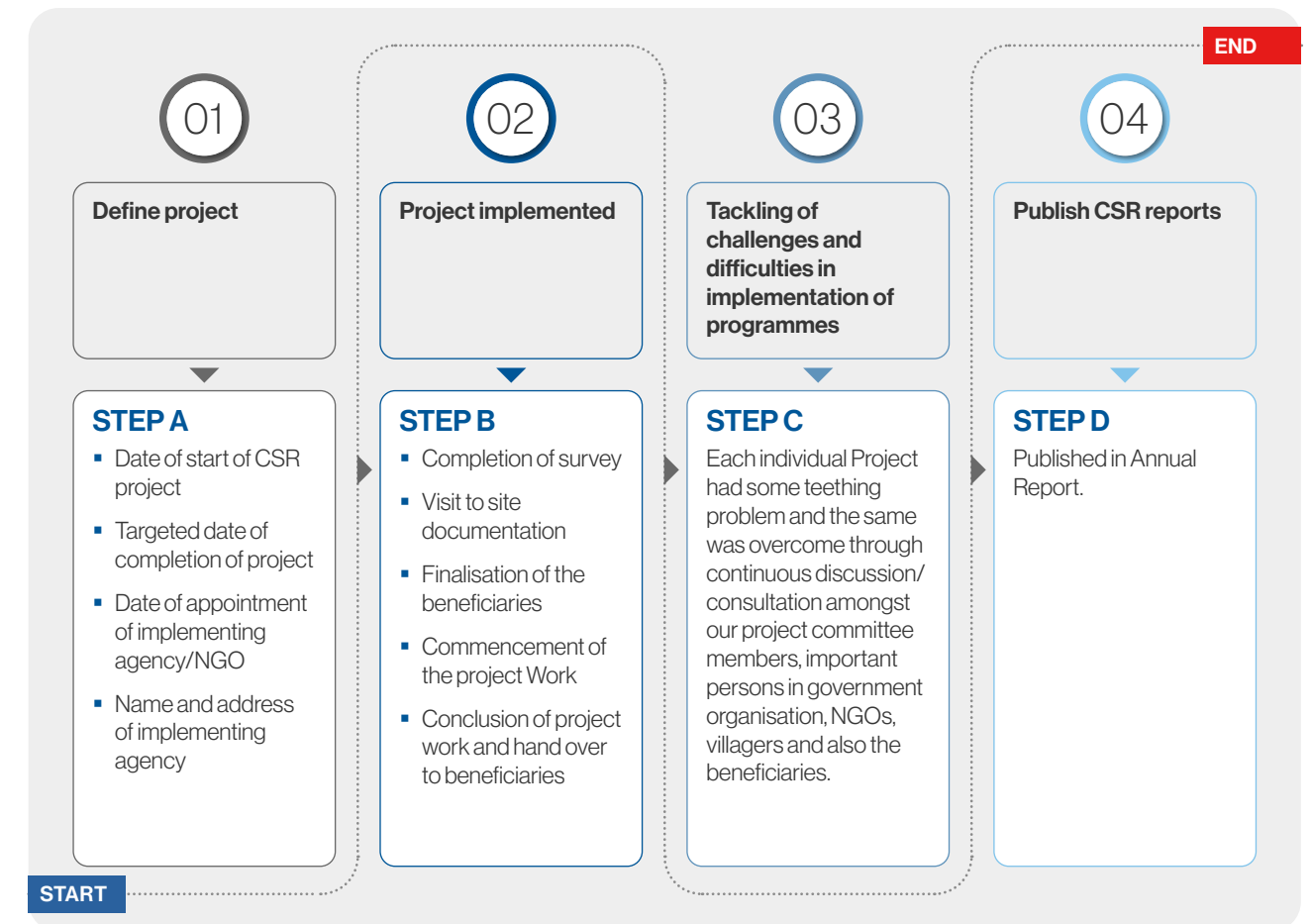
## Overview

Corporate social responsibility is increasingly important for speciality chemical companies because their products and operations directly affect health, safety, and the environment. Demonstrating responsible behaviour - through safe manufacturing, community engagement, ethical sourcing, and investment in local development - creates social licence to operate and reduces regulatory and reputational risks. CSR drives employee retention and attracts talent, reassures customers and investors seeking sustainable partners,

and supports market access amid tightening standards. By aligning CSR with product stewardship and circularity initiatives, speciality chemical firms can mitigate impacts, foster trust, and create shared value that sustains long term competitiveness and societal license.

Himadri's Corporate Social Responsibility (CSR) initiatives reflect its strong commitment to inclusive and sustainable development. The Company implements a broad range of programmes addressing education, healthcare, livelihood enhancement, and community well-being, particularly in areas surrounding

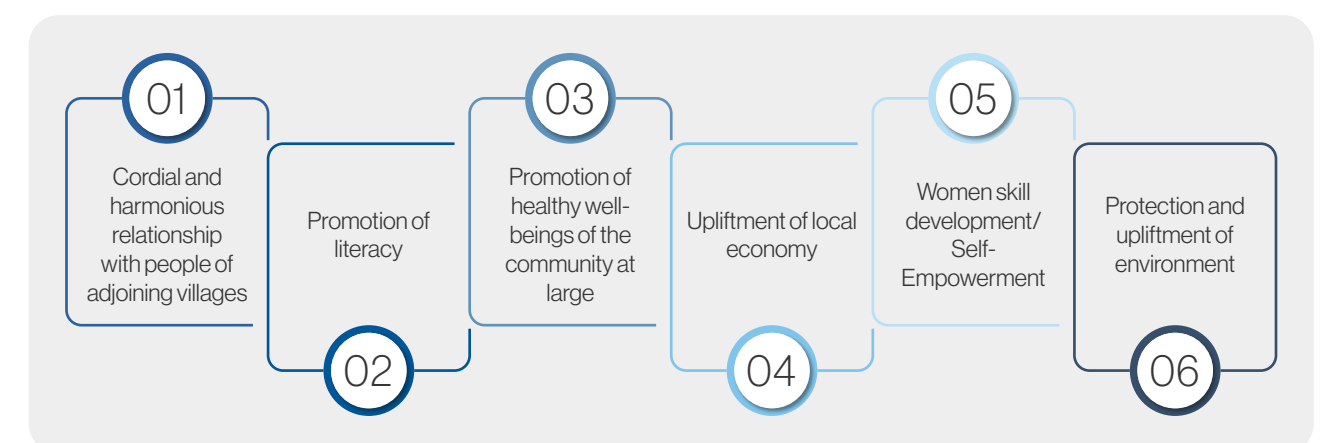
its operations. By partnering with local NGOs, government bodies, and community stakeholders, Himadri delivers interventions that meet the real needs of communities. Key initiatives include scholarships for underprivileged students, health camps, skill development programmes, and investments in clean drinking water and sanitation infrastructure. Guided by its CSR policy and aligned with national development priorities, Himadri continues to empower communities and contribute meaningfully to social progress.



## CSR governance

Himadri's CSR Committee steers the Company's CSR efforts, marked by strategic oversight and governance. Constituted under Section 135 of the Companies Act, 2013, the Committee is responsible for:

- Formulating and recommending the CSR policy to the Board
  - Identifying key focus areas
  - Approving projects and monitoring implementation
  - Evaluating outcomes and ensuring alignment with the Company's values and national development priorities
- The Committee reviews CSR progress, assesses impact, and ensures that the prescribed CSR budget is effectively utilised.





### Implementation and impact

Himadri follows a structured, impact-driven approach to CSR. Each project is designed, implemented, and monitored for lasting outcomes. A dedicated CSR team oversees initiatives from planning to execution, optimising resource utilisation and maintaining high implementation standards.

Effectiveness is evaluated through a dual-layered assessment: an internal review by the CSR team followed by independent validation from external experts. This approach ensures that CSR efforts deliver measurable benefits, contributing to social development, environmental sustainability, and economic empowerment.

The initiatives address specific community needs, fostering empowerment, self-reliance, and long-term sustainable development.

### Key CSR projects and expenditure, FY24-25

During the FY24-25, the Company was required to spend INR 648.70 Lakhs, the minimum amount to be spent on CSR activity. The Company spent INR 245.64 in excess towards CSR in FY23-24 which has been set off during FY24-25. The Company is required to spend in FY24-25 after set-off excess CSR is INR 403.06 Lakhs.

Out of net CSR obligation of INR 403.06 Lakhs for the financial year 2024-25, the Company spent INR 486.06 Lakhs during the financial year 2024-25. There was no amount unspent for the year that ended on 31<sup>st</sup> March, 2025. The Company spent an excess amount of INR 83.00 Lakhs in CSR which is eligible for set off in three succeeding financial years.

**Rural development:** Construction of pucca houses for Economically Weaker Sections (EWS) in villages surrounding the Mahistikry plant, along with rural electrification, drainage systems, and water supply infrastructure, ensuring lasting improvement in living conditions.

**Healthcare:** Establishment of a nursing home in Hooghly district offering kidney dialysis, eye care, medicine distribution, Ayurveda, naturopathy, and homeopathy treatments for communities near the Mahistikry plant.

## Corporate Social Responsibility

We view Corporate Social Responsibility (CSR) not just as a requirement but as an opportunity to make a difference. For over thirty years, we have created meaningful and lasting impacts in communities, particularly in rural and underserved areas.

INR **6** Crore,  
CSR spend in 2025

**14,300+**  
Total beneficiaries

Recognised as  
**Global CSR  
Excellence Award**  
for the best Corporate  
social responsibility  
practices



“I believe social responsibility is ‘Suo Moto’, something to be done from all of your heart. At our core, we believe that talent transcends economic conditions and privilege.

Recognising that not everyone has the resources to fully realise their potential, we are ensuring support for talented individuals within the communities we serve.

Our goal is to nurture and transform lives, creating a future where everyone has the opportunity to achieve their true potential.”

**Anurag Choudhary**  
CMD & CEO

### Rural development and improved living standards

**Construction of permanent shelters:** Himadri supported the transformation of mud houses into sturdy concrete homes for economically weaker society, addressing essential needs for safe and hygienic living environments while fostering greater security and stability.

**Enhancing rural sanitation system:** Himadri is committed to enhancing rural

sanitation systems by improving access to safe and hygienic sanitation facilities. Through the construction, the Company aims to promote healthier living conditions and reduce waterborne diseases in rural communities. These efforts contribute to building cleaner, safer and more resilient villages.

**Improving access to clean and safe drinking water:** Himadri has actively worked to improve access to clean

and safe drinking water in rural villages, recognising its critical role in enhancing public health and quality of life. By installing sustainable water supply systems, Himadri ensures that communities have reliable access to potable water. These initiatives have significantly reduced waterborne illnesses and empowered villagers with healthier, safer living conditions.



### Education

At Himadri, we believe in the transformative power of education. Thus, we are committed to providing opportunities for underprivileged youth to pursue their education without obstacles. Our efforts include offering scholarships, books distribution and other educational materials, and developing infrastructure

such as schools and libraries to ensure financial constraints and inadequate facilities do not hinder access to quality education for underprivileged youth. These upgrades promote inclusivity and create an environment conducive to learning and community engagement.

**450+**

Number of persons benefitted from free books distribution, education scholarship, school and library development







## Healthcare

We improve healthcare accessibility and outcomes through a range of preventive and curative initiatives. Through our village medical centre, we offer free Ayurveda, Naturopathic and Homeopathy treatment services to local residents, addressing both immediate health concerns and prevention from potential ailments. The centre has become a trusted place for many, significantly reducing health disparities in the country.

We have also organised eye health camps, where we have screened numerous individuals, provided glasses and facilitated surgeries that have restored vision. We prioritise early detection of chronic conditions, such as diabetes, through preventive health screenings that have reached a significant number of villagers.

~11,600

Number of persons benefitted from our health care projects



## Community development

We have adopted initiatives that truly enhance the wellbeing of communities, especially the economically weaker sections (EWS) of society in villages - not just by providing resources but by creating opportunities for people to connect and grow together.

For instance, we have been working towards setting up pucca houses, drinking water facilities, and electrification works in areas. Moreover, we are also working on setting up playground, providing training to children, undertaking initiatives for promoting rural sports, and setting up centres for handicapped children, etc.

~2,350

Number of persons benefitted from our rural development projects

~94%

of beneficiaries from vulnerable and marginalised groups



# Way forward: Achieving comprehensive CSR impact

Himadri has set a roadmap to scale CSR impact in the following areas:

## Enhanced community needs assessment and prioritisation

Using data-driven insights to map evolving needs and select projects delivering long-term benefits.

## Scaling education and skill development

Expanding support for youth and women through vocational, technical, and digital training, linking skill-building to employment or entrepreneurship opportunities.

## Strengthening healthcare and preventive care

Improving healthcare infrastructure, emphasising preventive care, health awareness, and telemedicine, especially in underserved communities.

## Improvement in living conditions and infrastructure

Scaling projects like pucca houses, water and sanitation systems, and resilient housing, integrating sustainable design principles and ensuring ongoing community ownership.

## Environmental CSR and natural capital restoration

Restoring degraded land, reforestation with native species, biodiversity conservation, soil health improvement, waste reduction, and climate-resilient community infrastructure.

## Leveraging partnerships

Collaborating with NGOs, academic institutions, government bodies, and community groups to co-design and co-implement initiatives for greater local relevance and sustainability.

## Sustainability of CSR programmes

Building community capacity for maintenance, monitoring, and adaptation, ensuring long-term viability and cost-effectiveness.

## Integration with Net Zero and environmental strategy

Aligning CSR with water management, waste reduction, energy efficiency, and green belt development initiatives.

## Measuring social return and long-term impact

Tracking Social Return on Investment (SROI) and medium-term outcomes such as employment generation, educational advancement, and health improvements to optimise resource allocation and demonstrate value to stakeholders.



# Key performance indicators

KPI's	Units	FY21-22	FY22-23	FY23-24	FY24-25
<b>Learning and capability development</b>					
Mandatory training on ethics (anti bribery and corruption, fair competition,)	%	99.8	99.8	99.8	99.9
Employee trained on whistleblower procedure	%	100	100	100	100
Employees trained on Code of Conduct	%	100	100	100	100
<b>Board diversity</b>					
Women representation within the organisation's board	%	7.69	11.11	12.50	16.67
<b>Assessment of facilities and value chain entities</b>					
% of IT systems under vulnerability assessment	%	100	100	100	100
Targeted suppliers covered by due diligence process on human rights, environment, corruption and information security	%	-	82	84	88.1
Sites assessed or audited on specific business ethics, environment aspects and human rights topics	%	100	100	100	100
Sites covered under external business ethics risk assessment	%	100	100	100	100
Vendors committed to Anti-Bribery Policy	%	100	100	100	100
<b>Supplier payment metrics</b>					
Days of accounts payables ((Accounts payable *365) / Cost of goods/services procured)	No.s	-	67	51	47
<b>ESG governance and leadership accountability</b>					
Public policy positions advocated by the entity	Yes/No	No	No	Yes	Yes
Executive compensation linked to ESG metrics	Yes/No	Yes	Yes	Yes	Yes
<b>CSR investment and social contribution</b>					
Spend of CSR fund	%	100	100	100	100
CSR initiatives aligning SDG	%	60	70	80	85
CSR beneficiaries economically vulnerable	%	-	-	18	6.36
CSR beneficiaries marginalised/vulnerable/minorities	%	-	-	82	93.64
<b>Complaints and grievance disclosure</b>					
Reports related to whistleblower procedure	No.s	Nil	Nil	Nil	Nil
Cases reported on anti-bribery and corruption incidents	No.s	Nil	Nil	Nil	Nil
Confirmed information security incidents	No.s	Nil	Nil	Nil	Nil
Complaints regarding conflicts of interest	No.s	Nil	Nil	Nil	Nil
Fines/penalties/ punishment/award/compounding fees/ settlement amount paid in precedings by entity (monetary)	No.s	Nil	Nil	Nil	Nil
Fines/penalties/ punishment/award/compounding fees/ settlement amount paid in precedings by entity (non-monetary)	No.s	Nil	Nil	Nil	Nil
Charges of bribery/corruption on BoD/KMP/employees/ workers	No.s	Nil	Nil	Nil	Nil
Confirmed corruption incidents	No.s	Nil	Nil	Nil	Nil

KPI's	Units	FY21-22	FY22-23	FY23-24	FY24-25
Corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities .	No.s	Nil	Nil	Nil	Nil
Complaints/Grievances under the National Guidelines on Responsible Business Conduct from any stakeholders	No.s	Nil	Nil	Nil	Nil
Corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved	No.s	Nil	Nil	Nil	Nil
Consumer complaints in respect to advertising, delivery of essential services	No.s	NIL	NIL	NIL	NIL
Cases reported on suspicious activity	No.s	Nil	Nil	Nil	Nil
Incidents of non-compliance concerning product and service information and labeling	No.s	Nil	Nil	Nil	Nil
Incidents of non-compliance concerning marketing communications	No.s	Nil	Nil	Nil	Nil
Substantiated complaints concerning breaches of customer privacy and losses of customer data	No.s	Nil	Nil	Nil	Nil
Code of conduct violation reported	No.s	Nil	Nil	Nil	Nil
Critical concerns that were communicated to highest governance body	No.s	Nil	Nil	Nil	Nil

Openness of business	Units	FY22-23	FY23-24	FY24-25
<b>Concentration of purchases</b>				
Purchases from trading houses as % of total purchases	%	7.96	10.66	26.34
Number of trading houses where purchases are made from	Nos	484	491	608
Purchases from top 10 trading houses as % of total purchases from trading houses	%	92.6	93.35	95.37
<b>Concentration of sales</b>				
Sales to dealer / distributors as % of total sales	%	8.66	9.19	8.47
Number of dealers / distributors to whom sales are made	Nos	20	19	19
Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	%	80.12	82.53	84.97
<b>Share of RPTs</b>				
Purchases (Purchases with related parties as % of total purchases)	%	29.12	33.54	15.62
Sales (Sales to related parties as % of total sales)	Nos	0	0	0
Loans & advances given to related parties as % of total loans and advances	%	16.76	1.73	16.3
Investments in related parties as % of total investments made	%	99.99	68.61	60.96

Part 2

# Environment at Himadri





# Progressing from risk identification to implementing targeted mitigation

Overview

Environmental risk assessment is increasingly vital for identifying and mitigating threats to ecosystems, human health, and long-term operations. As regulations tighten and climate-related uncertainties grow, forward-looking analysis becomes essential for resilience planning, cost control, and reputational protection. Embedding risk assessment into strategy supports better decisions in site selection, product design,

sourcing, and waste management, while unlocking ESG-linked advantages such as green finance access and circular innovation. In FY23-24, Himadri conducted a comprehensive assessment of its environmental footprint, identifying physical, transition, and compliance-related risks across climate resilience, air quality, water security, waste management, and regulatory exposure. This informed Himadri's risk

register and laid the foundation for targeted action. In FY24-25, Himadri shifted from risk identification to mitigation. We implemented engineered interventions, operational upgrades, and process innovations to reduce vulnerabilities and deliver measurable environmental and operational outcomes. This ensured transparency, traceability, and alignment with ESG commitments.

Environmental risk management

Environmental stewardship is central to Himadri's governance with combined decentralised site-level risk management with centralised oversight, enabling swift responses aligned with enterprise-wide objectives. Guided by risk mapping, Himadri prioritises high-impact initiatives.

**Climate** resilience through infrastructure upgrades and process optimisation measures

**Resource** protection through water reuse, material efficiency, and circular economics

Himadri's environmental management systems ensures policy-to-practice translation, with continuous improvement embedded across business units. In FY24-25, Himadri deepened engagement with global platforms, advanced Net Zero 2050 goals, expanded Scope 3 accounting, and aligned disclosures with leading climate frameworks.

**Decarbonisation** via energy-efficient technologies and low-emission product lines

**Compliance** assurance through expanded audits and global reporting alignment



In FY24-25, Himadri deepened engagement with global platforms, advanced its Net Zero 2050 goals, expanded Scope 3 accounting, and aligned its disclosures with leading climate frameworks.

# Himadri's progress on climate-related risks

Overview

In the previous reporting cycle, Himadri conducted a comprehensive assessment of climate-related risks across all levels of the organisation, encompassing enterprise-wide exposures as well as site-specific and project-level vulnerabilities. These risks, consolidated within the Group's corporate risk register, covered physical risks such as extreme weather events and water scarcity,

as well as transition risks (regulatory changes, market dynamics, and decarbonisation). In FY24-25, Himadri evolved from identifying risks to mitigating them. Through corporate, business unit, and project level initiatives, Himadri addressed its most material risks reducing potential impacts, enhancing resilience, and embedding adaptive capacity.

The following table provided a summary of the progress, outlining the status of risks identified, mitigation initiatives, and outcomes in FY24-25.

Risk level	Description of previously identified risk	Mitigation progress in reporting year	Overall status / outcome
Corporate	Climate and sustainability risks consolidated in the Group risk register, covering both physical and transition risks	Incorporated into enterprise-wide risk reporting and internal controls; prioritised by ESG governance bodies; mitigation programmes deployed across operations	Exposure to several high-priority risks reduced; stronger oversight and monitoring in place
	Need to embed climate-related risk into formal reporting and decision-making	Climate risk metrics integrated into corporate reporting cycles; aligned with recognised disclosure frameworks	Greater transparency and improved stakeholder confidence
Business unit	Climate and sustainability risks recorded in BU-level registers	Risks aligned with corporate system; coordinated mitigation actions implemented across sites (e.g., efficiency upgrades and optimisation, emissions control, water reuse)	Consistent treatment of risks across BUs; measurable operational improvements
	Requirement to consolidate climate-related material issues for enterprise-wide action	Material issues grouped and addressed through cross-functional initiatives	More efficient resource allocation; reduced duplication of effort
Project	Short-term climate-related risks in new or ongoing projects	Climate risk checks embedded in project planning and design; site-specific safeguards implemented	Reduced disruption from extreme weather; improved compliance with environmental standards

## Double materiality: Himadri's environmental and social lens

Himadri's sustainability framework is designed around the principle of double materiality, recognizing that the company both impacts society and the environment (inside out) and is impacted by external forces (outside in). This interconnectedness, shows how risks and pressures flow in both directions, and how Himadri's initiatives transform them into opportunities.

### Inside out

Himadri's operations can generate external consequences that ripple into society and the environment. These include:

- Regulatory actions triggered by emissions or compliance gaps.
- Financial loss borne by stakeholders due to inefficiencies or environmental harm.
- Stakeholder activism demanding accountability and transparency.
- Unfair market practices that distort competition.
- Sensitive data breaches undermining trust.
- Reputation loss from environmental or governance failures.

These represent the outward footprint of the company's activities, highlighting the importance of responsible resource use, emissions control, and ethical governance.

### Outside in

External pressures also shape Himadri's resilience and competitiveness. These include:

- Unfair market practices that erode fair competition.
- An unjust world where systemic inequities affect supply chains and markets.
- Less accountable corporate culture across industries, raising reputational risks.
- GDP loss from macroeconomic instability linked to climate and environmental crises.
- Breach of personal privacy undermining stakeholder confidence.

These risks flow inward, demanding that Himadri adapt to global expectations, regulatory shifts, and societal change.

### Gate to gate initiatives (Transforming risks into opportunities)

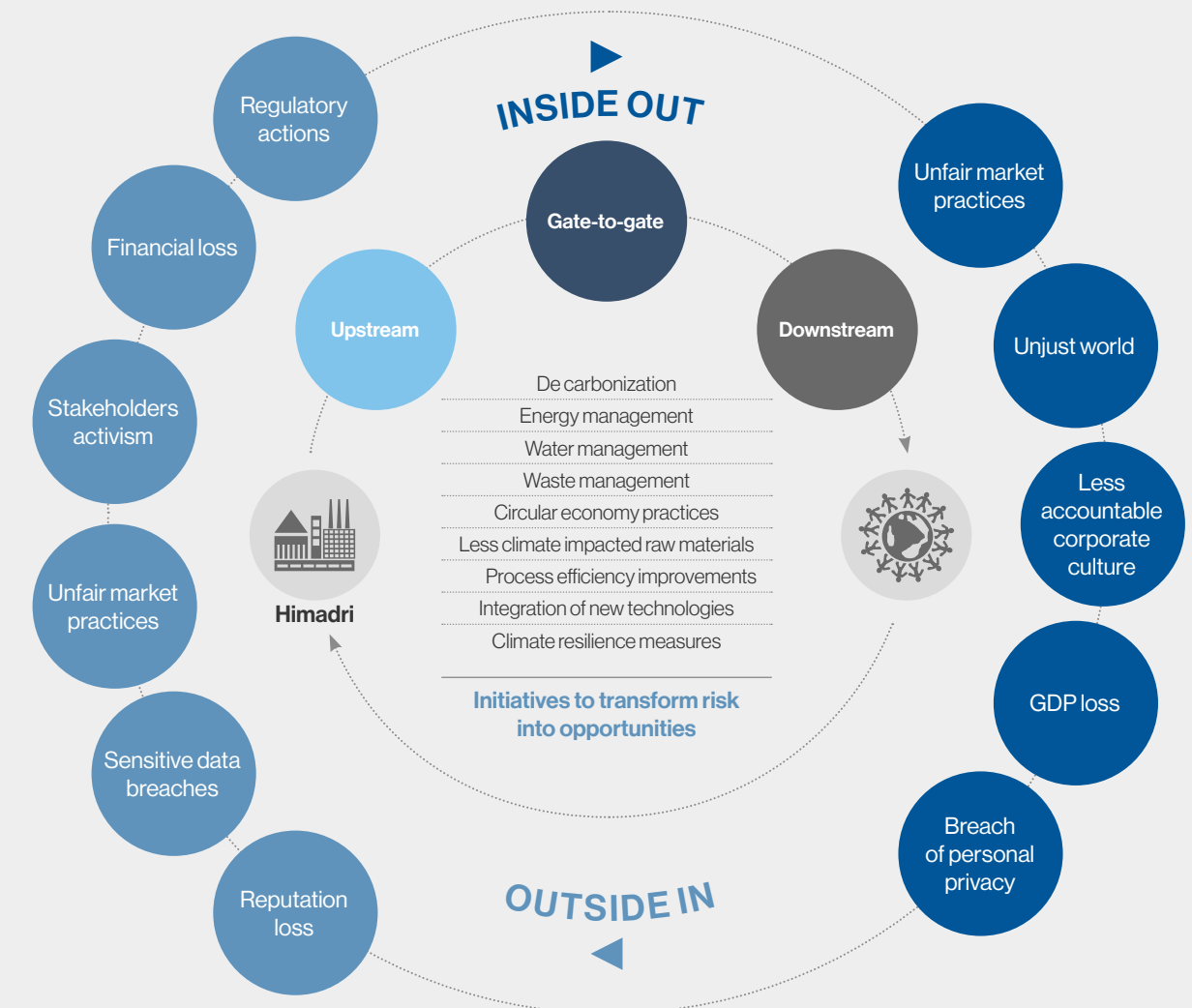
At the center of this double materiality model are Himadri's strategic initiatives, spanning upstream, operations, and downstream activities. These include:

- De carbonization to reduce greenhouse gas emissions.

- Energy management to optimize consumption and efficiency.
- Water management to safeguard scarce resources.
- Waste management to minimize environmental burden.
- Circular economy practices to recover and reuse materials.
- Less climate impacted raw materials to strengthen supply chain resilience.
- Process efficiency improvements to reduce emissions and costs.
- Integration of new technologies to drive innovation and sustainability.
- Climate resilience measures to prepare for future risks.

Together, these initiatives ensure that Himadri not only mitigates risks but actively converts them into opportunities for innovation, efficiency, and long term value creation.

By embedding double materiality into its governance, Himadri acknowledges that sustainability is a two way street: the company's actions shape society and the environment, while external forces shape its future. This holistic approach ensures risks are anticipated, opportunities are seized, and environmental stewardship is aligned with financial resilience.







# Our Environmental Policy Framework

Himadri’s suite of environmental policies forms a cohesive, auditable risk mitigation architecture that transforms potential liabilities into structured, measurable, and proactive responses. Aligned with ISO 14001 and ISO 50001, these policies embed environmental responsibility across investments, operations, governance, and stakeholder engagement, advancing long term ESG maturity.

**Environment Policy**

The overarching framework, aligned with ISO 14001, embeds environmental considerations into investment decisions, training, and stakeholder engagement. It promotes continuous improvement, transparency, and governance linked interventions to achieve zero exceedances and sustained performance.

**Energy Efficiency & GHG Emission Management Policy**

Central to the Net Zero 2050 Vision, this policy targets reductions across Scopes 1, 2, and 3 through energy audits, fuel substitution, and equipment upgrades. Aligned with ISO 50001, it links efficiency with climate resilience and regulatory preparedness.

**Water Efficiency & Preservation Policy**

Focused on zero liquid discharge, this policy drives responsible water use, pollution prevention, and reuse technologies. It safeguards production continuity and strengthens community water security through monitoring, containment, and treatment protocols.

**Biodiversity Policy**

Guided by the mitigation hierarchy (avoid-minimise-restore-offset), this policy protects ecosystems, prohibits operations in sensitive areas, promotes afforestation, and fosters stakeholder participation. Annual reporting and capacity building ensure measurable outcomes aligned with SDGs.

**Air Quality & Emission Control Policy**

This policy reduces SOx, NOx, and particulate matter through continuous monitoring and advanced control systems. It mandates third party verification, public disclosure, and employee training, embedding air quality into climate governance.

**Responsible Consumption Policy**

Aiming for Zero Waste to Landfill by 2026, this policy applies circular economy principles to material use and waste management. It promotes safe handling of hazardous materials, recycled inputs, and lifecycle assessments for resource efficiency.

**Product End of Life Policy**

This policy ensures responsible disposal, recovery, and recycling through customer engagement, recycling partnerships, and recovery technologies. It supports Extended Producer Responsibility, downstream traceability, and circularity by repurposing by products.

**Customer Health, Safety & Environment Policy**

Focusing on product stewardship, this policy embeds hazard elimination and lifecycle safety into design, manufacturing, and distribution. It mandates MSDS updates, supplier audits, multilingual training, and sustainable packaging aligned with global benchmarks.

**Environmental Services & Advocacy Policy**

Reinforcing Himadri’s leadership, this policy promotes afforestation, recycling, and GHG reduction, alongside public policy advocacy for environmental protection and supplier onboarding.

Reporting aligns with GRI, CDP, and TCFD, enhancing traceability, resilience, and board level ESG maturity.

## Integrated impact

Together, these policies embed risk mitigation into daily operations through monitoring, engagement, and corrective action. By managing emissions, conserving water, and safeguarding biodiversity, Himadri prevents compliance lapses, community grievances, and supply chain disruptions while advancing operational excellence, transparency, and sustainable growth.

Policy coverage	Mahistikry	Liluah (I&II)	Korba	Vizag	Falta	Sambalpur	Corporate Office
Energy Efficiency & GHG Emission Management Policy	✓	✓	✓	✓	✓	✓	✓
Air Quality & Emission Control Policy	✓	✓	✓	✓	✓	✓	N/A
Water Efficiency & Preservation Policy	✓	✓	✓	✓	✓	✓	✓
Responsible Consumption Policy	✓	✓	✓	✓	✓	✓	✓
Biodiversity Policy	✓	✓	✓	✓	✓	✓	N/A
Product End of Life Policy	✓	✓	✓	✓	✓	✓	N/A
Customer Health, Safety & Environment Policy	✓	✓	✓	✓	✓	✓	N/A
Environmental Services & Advocacy Policy	✓	✓	✓	✓	✓	✓	✓

## Integrated environmental management systems: Environment manual

Himadri addresses regulatory, ecological, operational, and reputational risks through integrated frameworks detailed in its environment manual. Covering governance, GHG and air quality, water, waste, circularity, noise, Environment Improvement opportunities (EIO), Grievance redressal, and Environmental Emergency Measures, these frameworks anticipate, mitigate, and continuously improve performance, embedding resilience into daily operations, strengthening ESG disclosures, and ensuring alignment with national regulations and global standards.

**Air quality management**

Air emissions are controlled through real time monitoring, scrubbers, and dust control infrastructure. Regular audits and statutory reporting ensure compliance with WBPCB norms, while data supports Scope 1-3 ESG disclosures.

**Water management**

Based on Zero Liquid Discharge, this framework uses advanced treatment (bioreactors, DAF, RO), rainwater harvesting, and real time monitoring. It aligns with CPCB guidelines and supports SDGs 6, 12, and 13.

**Waste management**

Hazardous waste is managed under the 2016 Rules, securely stored, and disposed through CPCB authorised vendors. Manifest tracking ensures cradle to grave traceability, supported by SOPs and employee training.

**GHG mitigation and management**

Himadri’s GHG Management Framework embeds accountability across governance, operations, and the value chain, covering Scope 1, 2, and material Scope 3 emissions. Monthly data collection, IoT-enabled monitoring, and third-party audits ensure accurate reporting aligned with ISO standards, GHG Protocol, and frameworks like BRSR and CDP. Reduction strategies span energy efficiency, renewables, fuel switching, process optimisation, logistics decarbonisation, and CCUS pilots. Continuous improvement is driven through CAPA, supplier engagement, and training, positioning Himadri firmly on its Net Zero 2050 pathway.

**Noise management**

Zonal mapping, engineering controls (acoustic hoods, dampeners), and administrative measures (shift scheduling) minimise occupational and community noise. Quarterly monitoring and transparent communication ensure CPCB compliance and build trust.

**Environmental emergency measures**

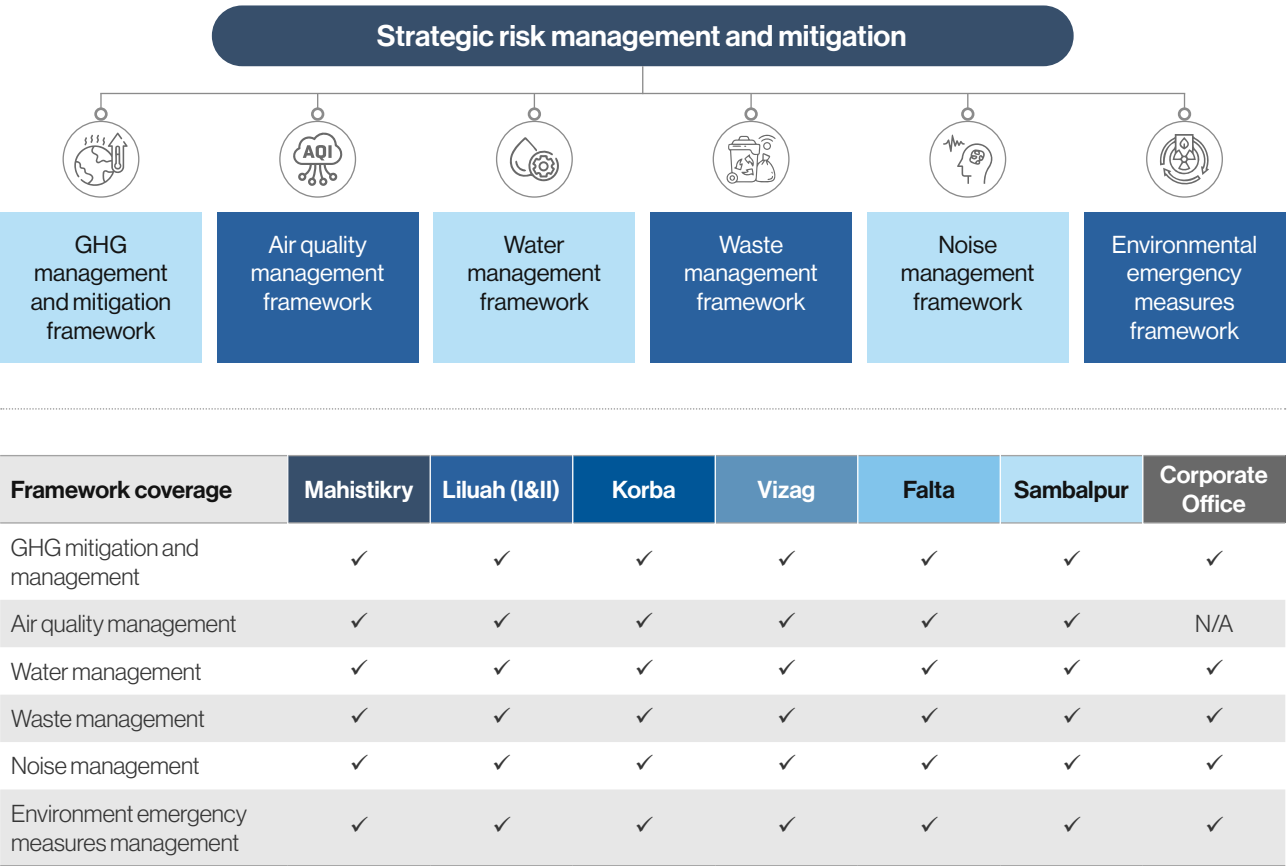
This framework enables rapid response to spills, leaks, or emissions through defined roles, containment tools, and stakeholder notification protocols. Drills and post incident reviews strengthen preparedness and reduce impacts.

Coverage	Mahistikry	Liluah (I&II)	Korba	Vizag	Falta	Sambalpur	Corporate Office
Environment manual	✓	✓	✓	✓	✓	✓	✓



Integrated impact

Together, these frameworks operationalise environmental risk management through early detection, structured response, and continuous oversight. Real time monitoring, waste traceability, and zonal mapping enable prompt risk resolution, while third party audits, statutory reporting, and proactive communication reinforce compliance, transparency, and public confidence.



Himadri's compliance framework

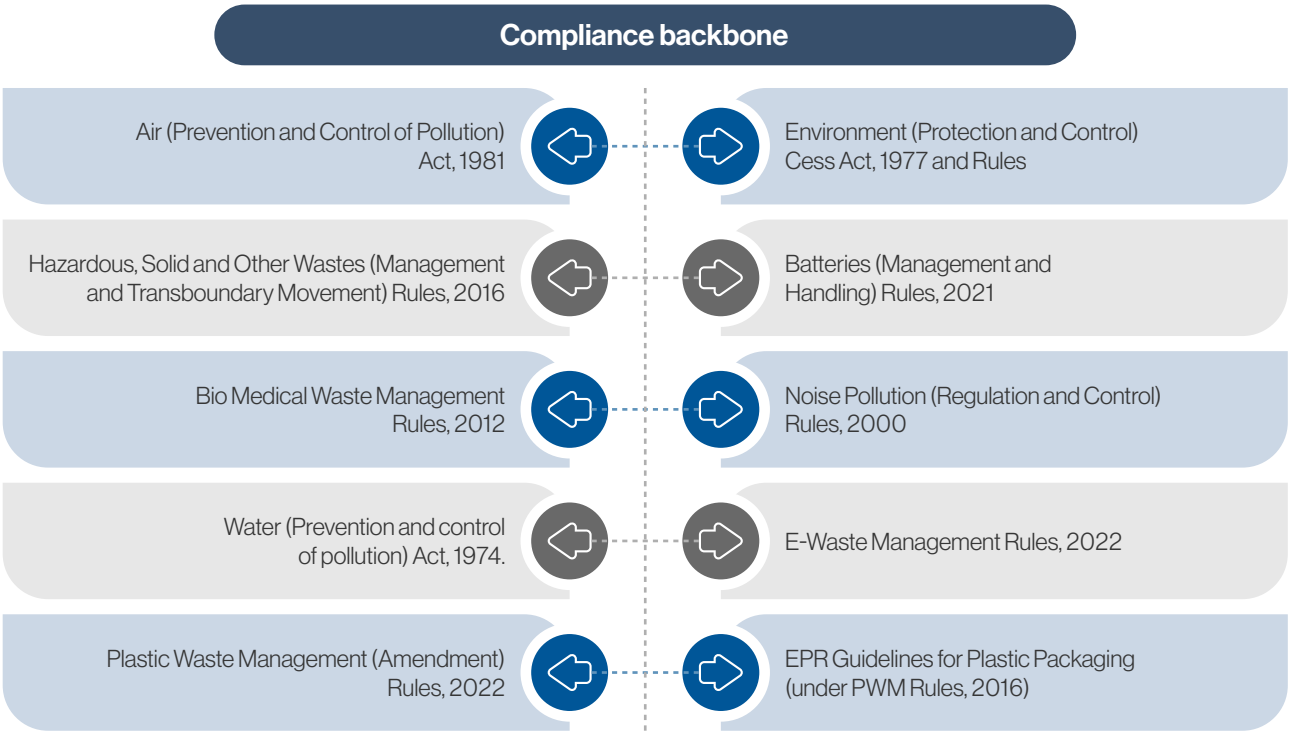
Overview

Himadri's environmental governance is anchored in a robust statutory compliance framework that extends beyond regulatory adherence to shape operational decisions, strengthen risk controls, and drive continuous improvement. By embedding national laws and Central Pollution Control Board (CPCB) guidelines into standard operating protocols, monitoring systems, and audit mechanisms, Himadri ensures environmental responsibility is integrated into daily operations across domains such as air and water quality, hazardous waste, Extended Producer Responsibility (EPR), biomedical waste, and noise management.

Continuous monitoring under the Air (Prevention and Control of Pollution) Act, 1981 enables early detection and

prevention of emission breaches, while manifest tracking under the hazardous and other wastes (Management and Transboundary Movement) Rules, 2016 ensures cradle to grave accountability for all waste streams. Compliance with Extended Producer Responsibility provisions under the Plastic Waste Management Rules, Battery Waste Management Rules, and E Waste Management Rules reduces downstream liabilities and enhances traceability across the value chain, while adherence to the Biomedical Waste Management Rules, 2016 and the Noise Pollution (Regulation and Control) Rules, 2000 safeguards occupational health and strengthens community relations. Fiscal responsibility is reinforced under the Environment (Protection) Cess Act, 1977, ensuring prudent resource utilisation.

Himadri complies fully with the environmental regulatory framework prescribed by the Ministry of Environment, Forest and Climate Change (MoEFCC), the CPCB, and respective State Pollution Control Boards (SPCBs), maintaining valid Consents to Operate (CTO) for all manufacturing units. Compliance is assured through periodic reviews of CTO conditions, continuous monitoring of emissions, effluents, and waste streams, timely statutory reporting, and the integration of legal requirements into Environmental Aspect and Impact Assessments (EAIAs). This structured approach transforms potential risks into governance driven responses, minimising the likelihood of non compliance, reputational damage, and operational disruption while reinforcing transparency and stakeholder trust.







# Strengthening our climate resilience through global standards

### Overview

Himadri embedded ISO 14001:2015, ISO 50001:2018, and ISO 22301:2019 into its governance

architecture to manage climate-related risks. These standards are not treated as isolated certifications but as operational frameworks that aligns with environmental stewardship,

energy performance, and business continuity with Himadri's broader climate resilience strategy.

**ISO 14001:2015** enables proactive identification and mitigation of environmental risks such as water scarcity, extreme weather, and ecosystem degradation through structured impact assessments, legal compliance reviews, and operational controls.

**ISO 50001:2018** complements this by embedding energy performance management into daily operations, driving efficiency, lowering emissions, and reducing exposure to volatile energy markets and carbon regulations.

**ISO 22301:2019** adds a third layer by institutionalising business continuity planning to ensure critical infrastructure and supply chains remained functional during climate-induced disruptions like floods, heatwaves, or energy outages.

Together, these ISO frameworks standardise risk identification, control, and continual improvement across all sites and functions, enabling Himadri to maintain regulatory compliance, anticipate disruptions, and protect long-term value through a unified, audit-ready climate governance model.

Management system	Mahistikry	Liluah (I&II)	Korba	Vizag	Falta	Sambalpur	Corporate Office
ISO 14001:2015	✓	✓	✓	✓	✓	✓	✓
ISO 50001:2018	✓	✓	✓	✓	✓	✓	✓
ISO 22301:2019	✓	✓	✓	✓	✓	✓	✓

## Himadri's environmental risk assessment

Himadri's Environmental Risk Assessment (ERA) Framework is a strategic instrument that systematically identifies, evaluates, and mitigates environmental risks across its manufacturing units, project sites, and service areas, transforming potential liabilities into opportunities for resilience and sustainable growth. Aligned with ISO 14001, ISO 50001, national regulations, and internal ESG commitments, the framework integrates environmental considerations into operational planning, governance, and long term strategy. Governed by the Environmental Aspect & Impact Assessment (EAIA) Standard

within the hazard identification and Risk Assessment system, it is reviewed annually by the Committee at Board, ESG Council and implemented through Steering Committees and different Task Forces. Risks are assessed under normal, abnormal, and emergency conditions using structured parameters - severity, probability, detection, and control effectiveness - with legal requirements fully embedded. Significant aspects are prioritised through a risk rating system, escalated to leadership, and addressed through targeted mitigation and controls. Compliance is assured via statutory

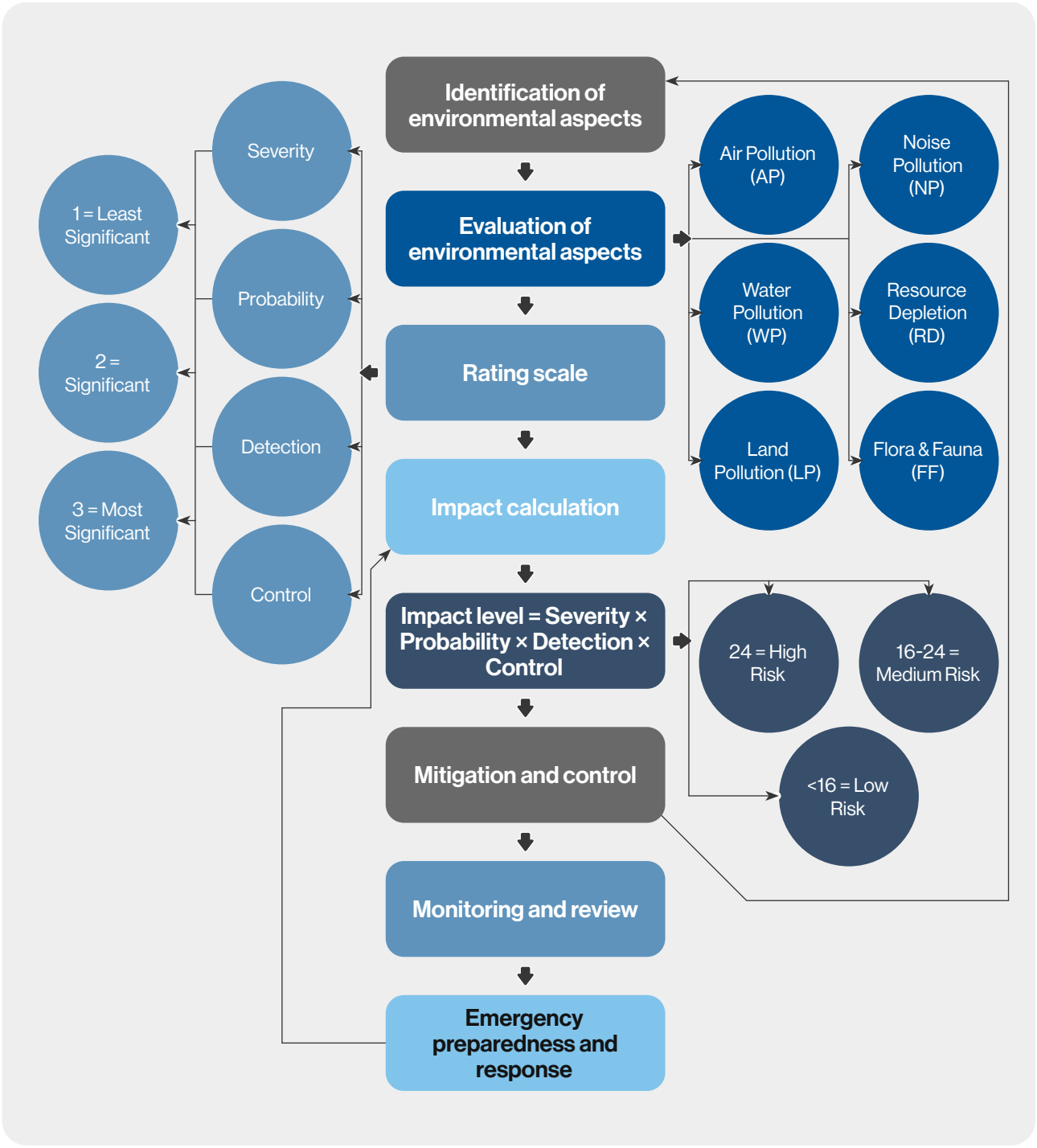
consents for air, water, waste, and land/ groundwater protection, supported by monitoring plans, audits, and corrective actions, while emergency preparedness is reinforced through inspections, spill logs, and real time monitoring. By embedding ERA into governance, Himadri not only ensures regulatory compliance and operational efficiency but also drives innovation in circularity, strengthens stakeholder trust, and secures competitive advantage in an increasingly climate and compliance focused marketplace.

### Assessment methodology

Himadri's EAIA process systematically identifies, evaluates, and manages environmental aspects across all operations. Aspects are documented in a register, scored on severity, probability, detection, and control, and rated as high, medium, or low risk, with legal and

emergency linked aspects automatically deemed significant. Significant risks trigger preventive, corrective, and control measures embedded into SOPs, training, and monitoring systems. Performance indicators are regularly reviewed, reported, and updated, while emergency preparedness is ensured through response plans, training, and drills.

Integrated within the ERA Framework and aligned with ISO standards and national regulations, the EAIA process strengthens compliance, minimises liabilities, enhances ESG disclosures, and informs strategic investments in pollution control, energy efficiency, water stewardship, and circular economy initiatives.





From assessment to action:  
EIA & EMP

Himadri has established a comprehensive Environmental Impact Assessment (EIA) process and a fully implemented Environmental Management Plan (EMP) that together form the backbone of its environmental governance framework. In line with the EIA Notification, 2006, ISO 14001:2015, and internal ESG commitments, the EIA systematically identifies and evaluates environmental aspects and impacts under normal, abnormal, and emergency conditions,

integrating all legal and regulatory requirements and prioritising significant risks for mitigation. The EMP is developed immediately after the EIA is completed and approved, and is typically submitted alongside the EIA report to regulators as part of the project approval process, becoming a binding document once environmental clearance is granted.

The EMP translates assessment findings into site specific objectives, measurable targets, and control measures with defined responsibilities, timelines, and monitoring protocols. It is implemented

during project construction and operation, with effectiveness assured through continuous monitoring, audits, and periodic reviews that update measures as conditions evolve. This integrated system ensures a complete inventory of aspects and impacts, compliance with applicable requirements, documented reduction plans, engineered and administrative controls, emergency preparedness, and transparent reporting - closing the loop between assessment and action while embedding accountability, resilience, and sustainability into daily operations.

Operational registers and stakeholder feedback mechanisms

Overview

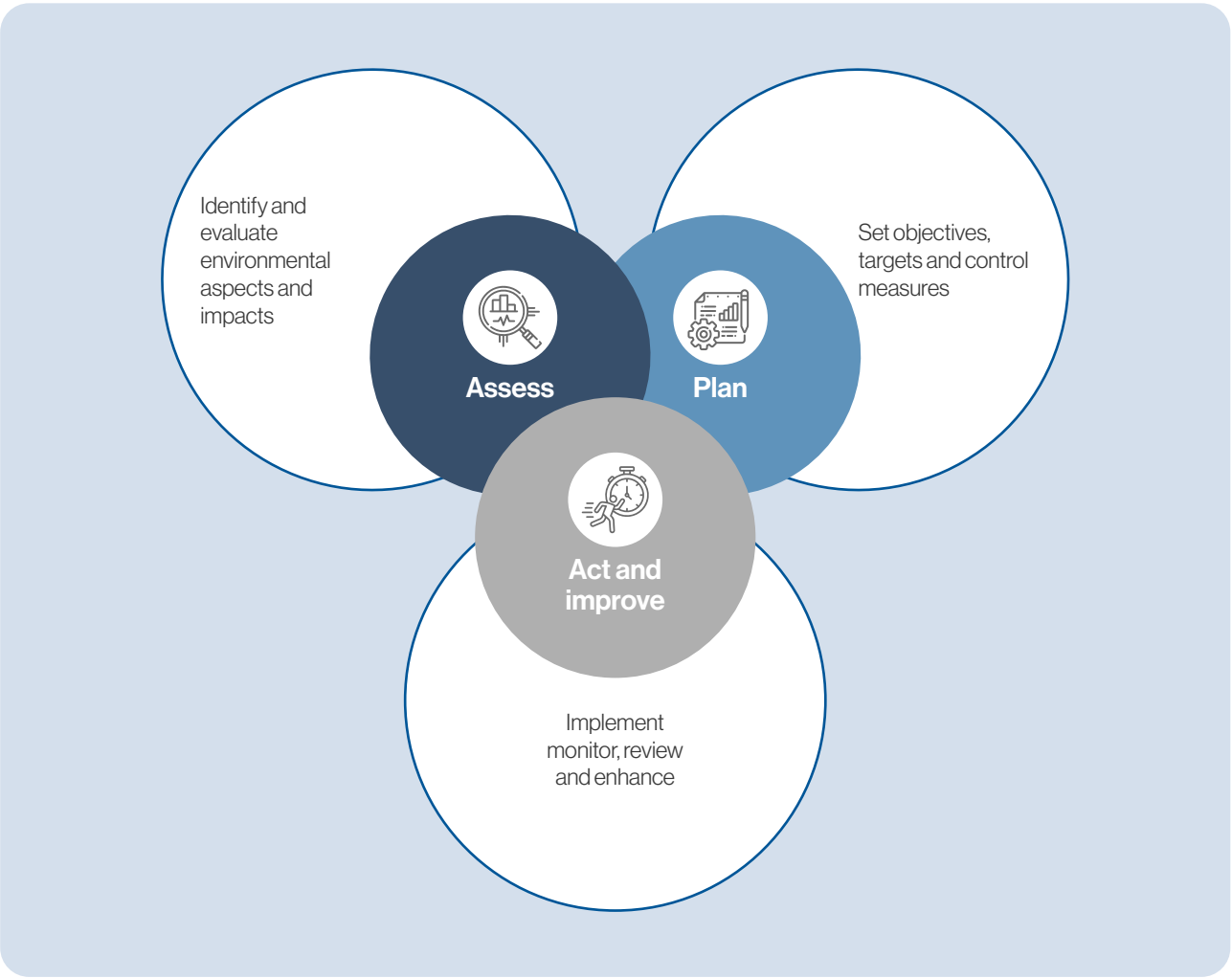
Himadri maintained a structured set of registers and logs that ensured traceability, compliance, and continuous improvement in environmental performance. These records capture legal obligations, operational incidents, stakeholder communications, and employee inputs, forming an auditable link between day-to-day activities and governance oversight. They are reviewed at defined intervals by site-level Sustainability Steering Committees and the ESG Council, with insights feeding into risk

registers, preventive maintenance, and strategic decision-making.

Alongside these registers, one of those is the employee feedback and grievance register, which is supported by a transparent grievance redressal mechanism that allows employees to raise environmental, health, and safety concerns through structured forms, open channels, or direct engagement. Each submission is logged, categorised, investigated, and tracked to closure, with progress updates shared at defined intervals. Resolutions are formally documented, and closure

is confirmed only after verification and acceptance by the complainant. This process not only ensured a compliance with governance requirements but also builds trust by demonstrating that every concern was addressed with accountability and transparency.

Himadri's Employee Feedback & Grievance Register is supported by a transparent Grievance Redressal Mechanism that allows employees to raise environmental, health, and safety concerns through structured forms, open channels, or direct engagement.



Environmental aspect reporting

Himadri is advancing its digital transformation with a sustainability-driven workplace culture that empowers employees to proactively observe and report environmental concerns through a dedicated QR-based system. This digitized Environmental Aspect Reporting platform enables real-time identification of issues such as spills,

emissions, waste mismanagement, and resource wastage. By streamlining the documentation of location details, risk levels, corrective actions (CA), and Environment Improvement Opportunities (EIO), Himadri enhances both responsiveness and accountability - reinforcing its commitment to responsible, technology-enabled operations.



QR Code to Report

Himadri's Environmental Emergency Preparedness

Environmental emergency preparedness is an essential component of safe and responsible operations at Himadri. Our Environmental Emergencies Framework ensures that any event whether a chemical spill, wastewater release, fugitive air emission, hazardous waste leak, or disaster-triggered incident is managed quickly and effectively. Employees are trained to recognize risks early and report them without delay, enabling

immediate containment actions such as emergency shutdowns, controlled evacuations, and deployment of spill recovery and fire-response resources. A clear command structure guides coordination between on-site response teams, external authorities, and mutual aid partners. Communication protocols ensure timely updates to regulators and neighbouring communities, helping maintain trust and transparency. Once an

incident is resolved, our teams undertake cleanup and remediation, followed by structured root-cause analysis to prevent recurrence. Lessons learned are incorporated into SOP revisions and future training programs. By prioritizing preparedness, rapid response, and continuous improvement, we strengthen environmental protection and safeguard people and ecosystems around our locations.

Risk management coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Operational sites covered under environmental risk assessment	✓	✓	✓	✓	✓	✓	✓
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓



# Himadri's environmental governance

## Overview

Our environmental governance is central to corporate resilience, aligning business conduct with environmental, social, and ethical expectations while reducing legal, financial, and reputational risks. Strong governance ensures climate, compliance, and supply chain risks are managed at the board level, improves access to capital as investors integrate ESG metrics, and builds stakeholder trust through clear policies, targets, and transparent reporting. By embedding sustainability into strategy and operations, environmental governance transforms compliance into a strategic asset that drives efficiency, innovation, and long term value creation.

At Himadri, our environmental governance structure is a strategic enabler, with environmental stewardship integrated from Board deliberations to shopfloor execution. The Board-level ESG Committee oversee climate and resource strategy, while ESG linked KPIs tie leadership incentives to performance. The ESG Council, led by the CMD-CEO, translates directives into programmes aligned with Net Zero ambitions and the UN SDGs, supported by site level Steering Committees. Four cross functional Task Forces under the HARMONISE framework - on GHG reduction, energy optimisation, zero liquid discharge, and circular economy - embed environmental stewardship into daily operations, converting

governance intent into measurable impact.

## FY24-25 ESG performance highlights

**GHG Reduction Task Force:** 36.08% reduction in emission intensity; Internal Carbon Pricing integrated into capex.

**Energy Optimisation Task Force:** 17.42% reduction in energy intensity via efficiency and digital monitoring.

**Zero liquid discharge Task Force:** 26.19% reduction in water intensity; expanded reuse of treated water.

**Circular economy Task Force:** Reusable packaging introduced, virgin material use reduced, industrial symbiosis studies launched.

Coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Environment governance	✓	✓	✓	✓	✓	✓	✓



## Board-level ESG Committee

- Reviews, and sanctions sustainability-linked capital expenditure programmes
- Oversees Net Zero pathways
- Approves all environmental & climate action KPIs
- Aligns governance with global standards
- Anchors sustainability in strategic decision-making
- Executive accountability for decarbonisation

## ESG council

- Operationalises Board directives into climate and resource efficiency programmes
- Reviews & approves environmental KPIs including climate action
- Drives clean tech innovation
- Ensures measurable progress toward Net Zero and SDG alignment

## Sustainability Steering committee

- Localise environmental strategy at site level
- Develop action plans
- Monitor all KPIs & YoY intensity of GHGs
- Engage supply chains
- Lead workforce training in environmental best practices
- Embed sustainability into daily operations

## GHG reduction Task Force

- Manages and monitors GHGs, VOCs, NOx, SOx, PM, and POPs to improve ambient air quality
- Leads decarbonisation across Scope 1-3 emissions
- Embeds Internal Carbon Pricing into CAPEX and procurement decisions
- Prepares business for carbon regulation and enhances low-carbon market positioning

## Energy optimisation Task Force

- Manages and monitors energy consumption
- Improves energy efficiency across processes and utilities
- Deploys digital energy monitoring for real-time optimisation
- Conducts captive power analysis to reduce losses and emissions
- Reduces exposure to energy volatility and strengthens ESG ratings

## ZLD Task Force

- Manages and monitors groundwater and wastewater streams
- Reduces groundwater intake and maximises treated water reuse
- Upgrades ETP-WRP systems for compliance and performance
- Expands reuse across process, cooling, and landscaping applications
- Mitigates drought risk and supports water-positive branding

## Circular economy Task Force

- Manages and monitors entire waste generation chain, disposal and recyclability
- Minimises waste and repositions by-products as resources
- Pilots recyclable packaging and reuse pathways across operations
- Explores industrial symbiosis and material loop closure
- Reduces virgin material dependency and enhances stakeholder trust

## Global commitments backed by independent recognitions

### Overview

Himadri's sustainability strategy is anchored in global frameworks and sectoral benchmarks, aligning with the UN Global Compact, advancing all 17 SDGs, and pursuing science aligned decarbonisation through the Science Based Targets initiative (SBTi) while supporting Mission LiFE for sustainable lifestyles. Within

the chemical sector, it upholds the Responsible Care® initiative and the International Sustainability and Carbon Certification (ISCC) to strengthen safety, responsible sourcing, and circular economy practices. These commitments are validated by independent recognition, including an ICRA ESG Rating of 80 (Excellent), a Platinum Medal from EcoVadis (top 1% globally), and a 'B' rating from

CDP for climate change and water security. Guided by its Together, towards tomorrow philosophy, Himadri continues to advance decarbonisation, energy efficiency, water stewardship, and waste reduction, reaffirming alignment with the Task Force on Climate related Financial Disclosures (TCFD) to enhance transparency and embed climate resilience into strategic decision making.



“Every new project is an opportunity to build a cleaner, smarter future.”



**Saumya Brata Dutta**  
Head - Growth Projects

### Designing future-ready, low-carbon industrial infrastructure

Growth projects at Himadri are designed with sustainability at their core, integrating renewable energy potential, strong pollution control systems, water stewardship, and digital automation. We are building assets that are resilient, resource-efficient, and aligned with global environmental standards.

As Himadri expands its footprint across speciality materials and energy technologies, our focus is to deliver infrastructure that supports long-term sustainability, operational reliability, and Net Zero aspirations.

Our continued priority is to deepen governance maturity, enhance ESG data integrity, and ensure that Himadri remains a transparent, responsible, and future-ready organisation.

## Clean Air Mission: Advancing air quality management and GHG control

### Overview

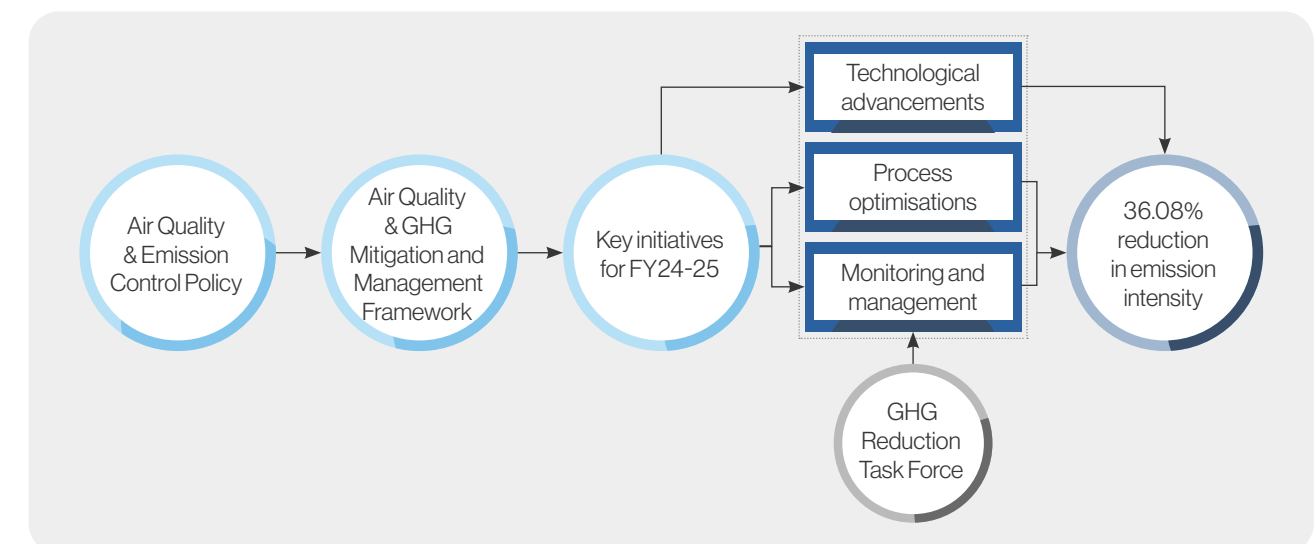
Himadri's Clean Air Mission represents the cornerstone of its environmental stewardship, an integral part of Himadri's Net Zero 2050 vision, aligned with India's National Clean Air Programme (NCAP) and global frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD).

In FY23-24, Himadri established the technical and governance foundation for this mission by deploying advanced pollution control infrastructure, including scrubbers, condensers, desulphurisation units, Nitrogen oxides (NOx) abatement systems, dust suppression networks, and Volatile Organic Compound (VOC)

mitigation technologies across key operations.

These initiatives marked the first phase of a structured, policy-driven programme implemented under the Air Quality & Emission Control Policy and the Energy Efficiency & GHG Emission Management Policy, overseen by the GHG Reduction Task Force. Functioning within Himadri's TCFD-aligned governance architecture, the Task Force integrated air-emission risks into the corporate risk register, mapped high-impact sources, ensures that emission control systems exceeded statutory requirements, and keeping all internal stakeholders actively informed on GHG emission data and progress on reduction measures.

Control measures included process optimisation, advanced pollution control technologies, and preventive maintenance to ensure consistent performance. Emission monitoring was conducted through authorised agencies using calibrated instruments, with parameters, frequency, and responsibilities defined in site-specific monitoring plans. The data was reported to regulatory authorities and reviewed to track progress, benchmark performance, and identify further reduction opportunities. This integrated approach ensured that air emissions remained within prescribed limits while reinforcing Himadri's broader climate and environmental objectives.



Air emission and GHG control coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
Annual third-party GHG assurance	✓	✓	✓	✓	✓	✓	✓
Quarterly 3 <sup>rd</sup> party air quality monitoring	✓	✓	✓	✓	✓	✓	N/A
Monthly internal air quality monitoring	✓	✓	✓	✓	✓	✓	N/A
VOCs reduction measures	✓	✓	✓	✓	✓	✓	✓
Emission reduction measures	✓	✓	✓	✓	✓	✓	✓
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓





Key initiatives

Technological advancements

Eliminating acidic vapour releases

Himadri installed heavy-duty acid fume absorber systems in both its Old and New DM Plants to capture and neutralise acidic vapours before atmospheric release. This system neutralises vapours using an alkaline solution, achieving over 95% removal efficiency. Routine maintenance, pH checks, packing inspection, and flowmeter calibration ensured a sustained performance. This initiative reduced airborne acid pollutants, protected worker health, improved community air quality, and prolonged asset life.

Adoption of advanced technology mode in coal tar operations

As part of its ongoing energy and emissions strategy, Himadri introduced a Advanced technology operating mode in its coal tar unit during FY23-24 to strengthen efficiency and sustainability. This innovation, achieved through a

reconfiguration of the stripping and rectification sections, has delivered measurable gains in fuel economy, GHG reduction, and naphthalene recovery.

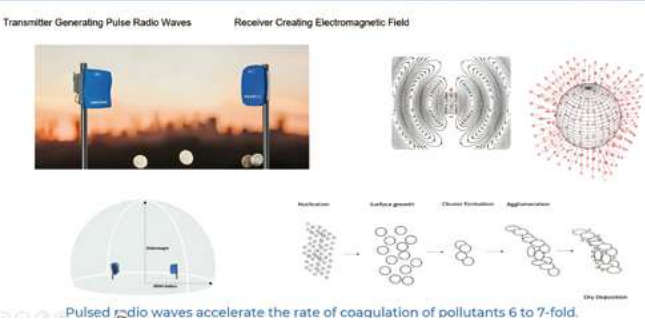
Performance outcomes in FY24-25 highlight the impact of this upgrade:

**Specific fuel consumption (TDU):** Reduced from 48 Kg/Ton (baseline) to 43.1 Kg/Ton in FY23-24, and maintained at 45.06 Kg/Ton in FY24-25.

**Naphthalene recovery:** Improved from 85.8% (baseline) to 87% in FY23-24, and further to 92.1% in FY24-25.

Dust suppression enabled by Pure Skies 2.0 technology

Ambient monitoring identified fugitive dust from open yards and internal roads as a contributor to PM<sub>2.5</sub> and PM<sub>10</sub> levels. Himadri deployed Pure Skies 2.0 large-area pulsed radio waves ionisation systems across critical locations to reduced particulate concentration. These systems created an electrostatic field that caused airborne dust to cluster and settle. Post-installation data showed a marked decline in PM levels, improved compliance margins, and a cleaner work environment.



Process optimisations

Scope 3 reduction through route optimisation

Himadri has reduced Scope 3 transport emissions by optimising routes for high-volume destinations, consolidating loads, and cutting unnecessary vehicle movements. Between Apr-24 and Mar-25, truck dispatches fell by 64, saving 116,833 Km of travel distance, lowering fuel consumption, and achieving cost savings Significantly. Key customers such as CEAT Limited (Nasik), Riddhi Polymers (Madurai), and Ralson Tyres (Pithampur) benefited from fewer vehicle movements - 35, 17, and 12 trucks avoided respectively- directly reducing diesel use and associated GHG emissions. This initiative strengthens supply chain efficiency while reinforcing Himadri's commitment to Scope 3 decarbonization and sustainable operations.

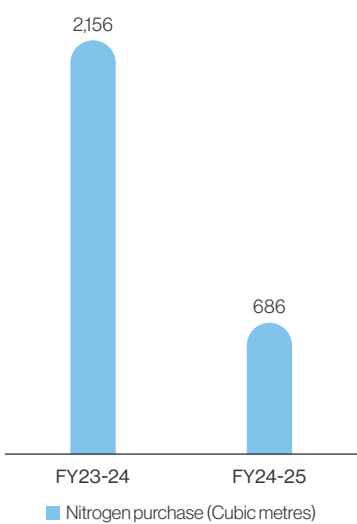
Infrastructure optimisation for sustainable nitrogen supply

Earlier, nitrogen for expansion tanks was supplied through high-pressure cylinders entailing transport emissions, handling risks, and packaging waste. Himadri transitioned to a centralised nitrogen grid with pressure regulation, eliminating over 200 transport movements annually and reducing Scope 3 emissions.

Installation of secondary vent condenser

In FY24-25, the CTD-Byproduct department installed a secondary vent condenser in the dehydration column to manage uncondensed vapour emissions during high feed rates. The unit ensured near-zero moisture release, preventing naphthalene and VOC emissions while maintaining compliance with air quality norms.

Nitrogen supply optimisation



Improving combustion stability

The initiative insulated the cold air pipeline from the Process Air Blower (PAB) discharge to the Air Preheater (APH) inlet, mitigating thermal losses. This raised intake air temperature by ~10°C, reducing the duty requirement on the APH since warmer air requires less energy input to reach operational levels. The resultant operational improvement estimated 0.1% increase in the overall yield. This measure directly lowered overall energy consumption and contributed to GHG reduction by improving thermal efficiency.

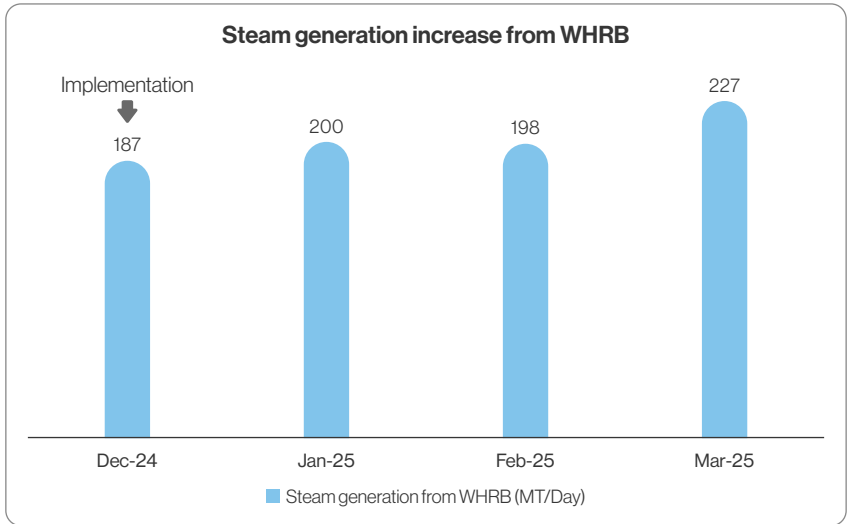
Reducing emissions through fuel flexibility

Cabon black line #4 was re-engineered for dual-fuel capability, allowing operation on Imported Feed Stock (IFS) or blended Anthracene Oil (AO). This flexibility significantly improved process optimisation, reducing particulate emissions while improving efficiency and resilience against fuel supply variations.

Lowering stack emissions through de-aerated hot water

Inefficiencies in waste heat recovery boilers increased fuel consumption and emissions. By connecting all five WHRBs

to the de-aerated hot water feed systems, Himadri improved steam generation and fuel efficiency, reducing SOx, NOx, and GHG emissions while reducing operational costs.



Fuel switch from thermal oil to steam in coal tar processing

In our 480 TPD Coal Tar distillation unit, Himadri replaced fuel-oil-heated thermal oil systems with high-pressure steam heating, eliminating fuel oil use entirely. This shifted reduced specific fuel consumption from 8 Kg/Tons to zero, avoiding 293 t CO<sub>2</sub>e annually while improving process safety and efficiency. The system continued to operated at zero fuel-oil consumption, maintaining long-term decarbonisation gains.

Fuel additive integration for cleaner combustion

A multi-functional fuel additive was introduced in CBD, in the previous FY across multiple processes to catalyse complete combustion. The additive breaks down asphaltenes, enabling cleaner burning, lower soot formation, and improved heat transfer efficiency. The initiative reduced specific fuel consumption 4-5%, reducing fuel use and reduced GHG & air emissions.

Monitoring and management

Operational discipline and monitoring

All engineered controls operates under defined SOPs. Online ambient monitoring systems continuously track SOx, NOx, SPM, & VOC concentrations. Any deviation triggers immediate investigation and corrective action, reviewed by the GHG Reduction Task Force to ensured transparency and governance oversight.

Managing vehicle movement and road congestion

To curb emissions from internal logistics, Himadri implemented a vehicle and road congestion management framework in FY23-24, and further optimised it in FY24-25. Road layouts were re-engineered, gate management accelerated, and delivery schedules optimised. High-traffic areas were now sprayed with treated recycled water to suppress dust, resulting in reduced idling, lowering emissions & SPM and improved on-site safety.



Air pollution control infrastructure

Himadri deployed a comprehensive suite of state-of-the-art air pollution control systems across all units, designed to meet national standards and aligned with global best practices. These included:

**Particulate matter control**

Pulsed radio waves system, bag filters, and cyclone separators to capture fine and coarse particulates.

**Gaseous emission abatement**

Wet scrubbers, flue gas desulphurisation, and NOx abatement systems for SOx, NOx, and acid gases.

**VOC reduction**

Condensers and activated carbon adsorbers for oxides and VOCs.

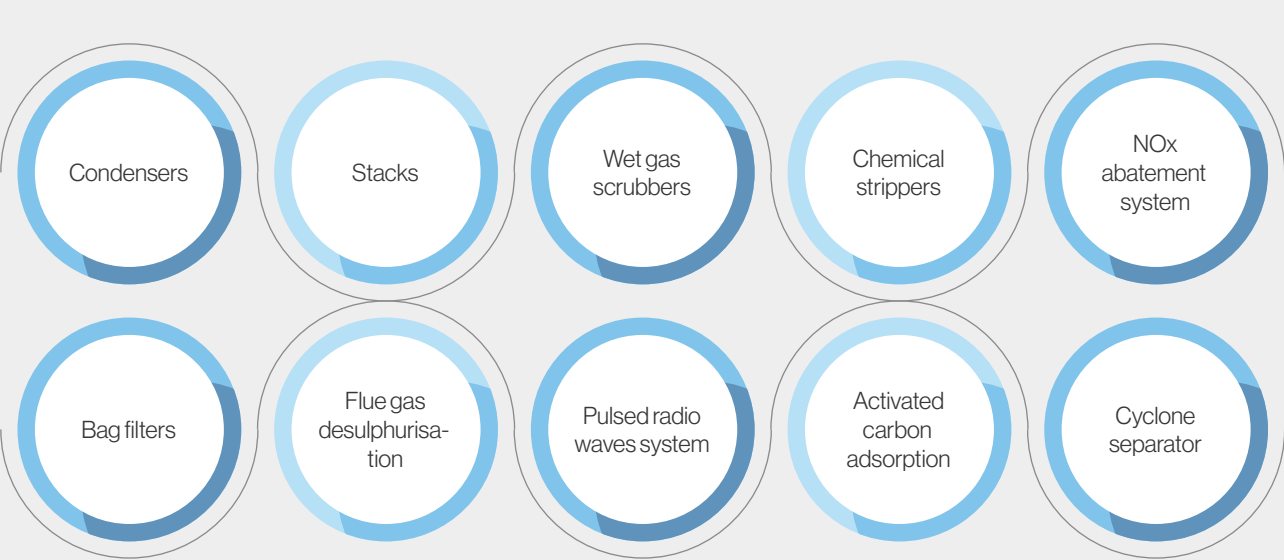
**Specialised treatment**

Scrubbers and chemical strippers for hazardous or high-toxicity streams.

**Final dispersion**

Engineered stacks designed for optimal treated gas dispersion.

All systems undergo continuous monitoring, preventive maintenance, and periodic third-party audits to ensured sustained compliance and high performance.



VOCs and odour mitigation measures

Himadri implemented a comprehensive suite of engineering and process interventions to reduced volatile organic compound emissions and eliminate odour nuisances, reinforcing statutory compliance, operational excellence, and community confidence.

Redesigned sampling system to reduce VOCs

In the Rectification Column (RC) at out Coal Tar Division, a redesigned system was implemented, featuring a covering pipe and chimney that safely captures vapours during sampling, reducing VOC emissions and environmental footprint.

VOC emission reduction using vent condensers

Installation of a secondary vent condenser in the dehydration column at the CTD-ByProduct division has significantly reduced VOC emissions. The condenser captures residual vapors, improving recovery efficiency and minimising atmospheric discharge. This initiative strengthens compliance, enhances sustainability, and reflects Himadri's commitment to responsible production practices.

Hot material vapour scrubbing unit

To manage vapour emissions from hot material handling, Himadri had previously installed a packed tower wet scrubber in an earlier phase of its environmental management programme. The system employs counter-current absorption, where vapours rise from the base of the tower and interact with a downward flow of specialised scrubbing liquid (wash oil). This mechanism efficiently captures VOCs especially low molecular weight hydrocarbons and aromatics.

Temperature is precisely regulated through integrated cooling coils, while the enriched scrubbing liquid (rich oil) was periodically replaced to maintained consistent removal efficiency. Following commissioning, daily monitoring checklists and operational protocols were institutionalised. In the current reporting year, the system underwent key upgrades,

including optimisation of scrubbing fluid chemistry and automation of flow control. These enhancements had significantly improved VOC capture efficiency and audit preparedness.

Nitrogen blanketing for storage tanks

To prevent VOC losses from light oil storage, Himadri introduced an automated nitrogen blanketing system during an earlier infrastructure upgrade, initially implemented for the light oil storage tanks. The system maintained controlled internal tank pressure, condenses vapours into liquid form, and safely vents nitrogen-enriched mixtures. This effectively contains odour-causing compounds and prevents episodic VOC spikes during material transfer operations.

Building on the success, in FY24-25 there was an expansion of storage tanks, integration of real-time pressure monitoring and automated interlocks enhancing containment efficiency, reliability, and regulatory compliance.

VOC and odour control from process vents

Persistent vent losses from the coal tar dehydration column were identified as a key contributor to VOC emissions and odour concerns. To address this, a second vertical-mounted condenser was installed downstream of the existing unit, creating a two-stage condensation system. This dual setup captures residual moisture vapour and trace organics, reducing VOC concentrations to near-zero and eliminating boundary-level odour incidents. By capturing sulphur-bearing and aromatic compounds responsible for odour, the upgraded system had enhanced process stability, improved downstream efficiency, and strengthened environmental compliance.

Air quality and GHG emissions management framework

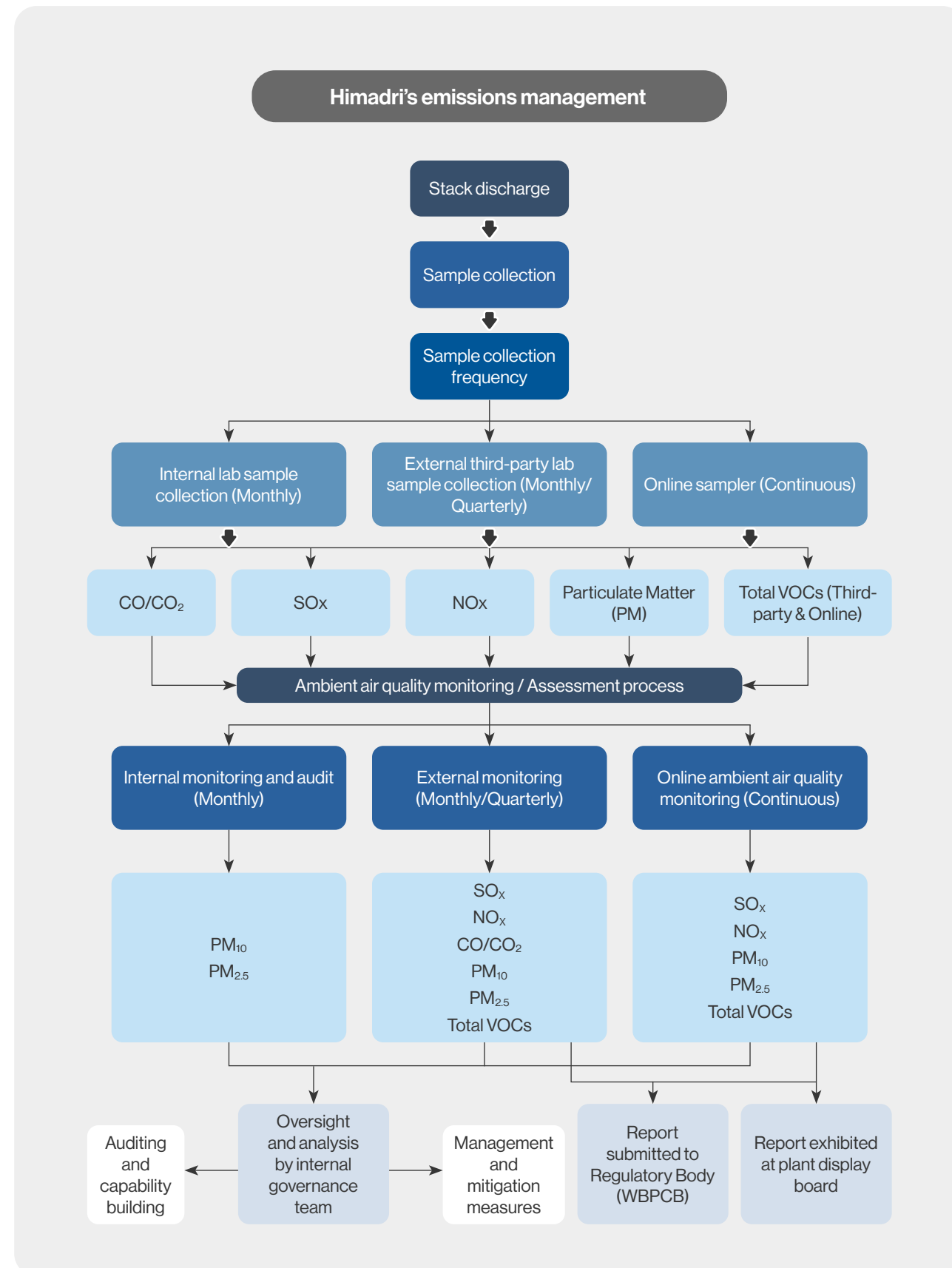
Himadri established a robust air quality management system that integrates real-time monitoring with periodic sampling to track key air pollutants across its operational footprint. Continuous monitoring covered parameters such as particulate matter (PM), nitrogen oxides (NOx), Sulphur oxides (SOx), and volatile organic compounds (VOCs). All sensors were regularly calibrated, and sampling protocols were validated to ensured data accuracy and reliability.

Collected data is reviewed by the internal environmental governance team to ensured compliance with both national and international air quality standards. A complete emission inventory was maintained across all operations, with significant sources prioritised for mitigation. All applicable legal and regulatory requirements related to air emissions are identified, reviewed, and embedded into operational controls, ensuring that every facility meets or exceeds prescribed norms.

Reduction targets for key pollutants were defined at site and corporate levels, enabling the early detection of deviations and timely corrective actions. This proactive system not only safeguards employee health and community well-being but also reinforces Himadri's commitment to sustainable manufacturing and environmental stewardship.

Monitoring data is periodically reported to regulatory authorities and reviewed internally to benchmark performance and identify further reduction opportunities. This integrated approach ensures that emissions remained within prescribed limits.





### Role of the Task Force

The GHG Reduction Task Force serves as Himadri's central risk-mitigation body for air emissions and greenhouse gas management, ensuring that all outputs remained within enterprise-defined thresholds to prevent regulatory non-compliance, operational disruptions, and reputational risks. Functioning as the governance bridge between the Board-level ESG Committee and site-level Sustainability Steering Committees, the Task Force set conservative standards for key parameters, including particulate matter, nitrogen oxides (NOx), sulphur oxides (SOx), volatile organic compounds (VOCs), and persistent organic pollutants (POPs) alongside measurable GHG reduction targets aligned with emerging global and national requirements.

By approving cleaner production technologies, safer material substitutions, and process controls that exceeded statutory limits, our Task Force proactively is continuously reducing the likelihood of environmental breaches and mitigated

long-term ecological liabilities. Risk management was strengthened through Continuous Emission Monitoring Systems and ambient air quality stations, provided real-time data to detect and correct deviations before they escalated into incidents.

VOC-related risks are addressed through structured detection and response programmes, vapour recovery systems, and sealed transfer infrastructure, minimising fugitive emissions and community impact. For POPs, our Task Force ensures that destruction and removal efficiencies consistently met or surpassed applicable standards, and that all POP-bearing waste streams were fully traceable from generation to final disposal, eliminating uncontrolled release.

GHG risks are further mitigated through energy efficiency upgrades, renewable energy integration, and process heat recovery initiatives, reducing Himadri's exposure to future carbon pricing and transition risks. Quarterly governance review consolidates performance data

from all plants, with mandatory root-cause analyses and corrective actions for any variance.

Preventive control is reinforced through workforce training, ensuring universal, role-specific competence in managing air pollutants, VOCs, POPs, and GHGs. By combining technical rigour, governance oversight, and continuous improvement, the Task Force transformed air emission and GHG management from a compliance obligation into a proactive, measurable, and audit-ready risk management system designed to stay resilient and responsive to evolving regulatory frameworks, scientific advancements, and stakeholder expectations.

# Himadri's water management and stewardship: **The Blue Resource Mission**



## Overview

Himadri's Blue Resource Mission serves as a strategic pillar of its environmental governance framework, aligned with Himadri's Net Zero 2050 vision and embedded within the Water Efficiency & Preservation Policy.

In FY24-25, Himadri advanced from foundational compliance to circular water stewardship, integrating risk mapping, engineered controls, and behavioural discipline across all major operations. This transformation was guided by the ZLD Task Force, which embedded water-related risks into the corporate risk register, ensuring that every intervention remained traceable, auditable, and performance-linked.

Our Mission aligns with national initiatives like Jal Shakti Abhiyan, National Water Mission, and the Catch the Rain (JSA:CTR) campaign, which promoted rainwater harvesting 'where it falls, when it falls.' It also reflected global sustainability frameworks aimed at minimising freshwater dependence, achieving zero untreated discharge, and maximising water reuse, treating these not as aspirational goals but as operational imperatives.

Recognising water as both a critical industrial input and a shared community resource, Himadri positions stewardship as a strategic priority. Comprehensive site level water balances are maintained and periodically reviewed to identify conservation opportunities. In FY24-25,

water risk assessments were expanded in line with CGWB guidelines and global tools such as the WRI Aqueduct, incorporating vulnerability mapping and seasonal stress analysis. These insights drive major infrastructure upgrades, including the expansion of waste water treatment capacity from 450 KL to 1,250 KL, enabling full recycling of process water and significantly reducing freshwater dependence.

All sites operate in full compliance with State Pollution Control Board requirements, supported by valid consents and rigorous monitoring of water use and treatment. Independent third party audits identified further efficiency opportunities - such as expanded Clean In Place (CIP) systems, rainwater harvesting,

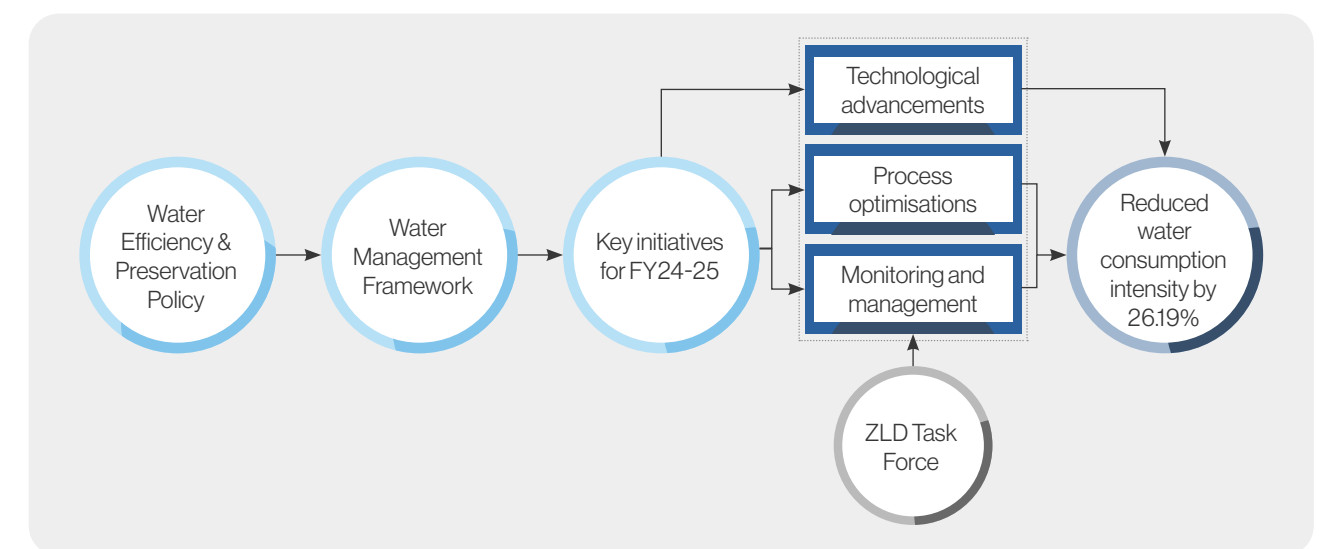
and condensate recovery - which are progressively integrated into conservation plans. Guided by a 2026 target to reduce groundwater intake by 20% per Tons of production, Himadri continues to strengthen its water governance systems, ensuring compliance while safeguarding ecosystems, enhancing water security,

and protecting shared community resources.

## Water Audit

Himadri undertakes an independent water audit every three years to ensure transparency in stewardship. This drove initiatives to further reduced freshwater dependency and enhanced resource

efficiency. These actions reinforced Himadri's commitment to sustainable water management and operational resilience.



## Water recycled in FY24-25

**1,83,765.5<sub>KL</sub>**

Primary & secondary treated water (via ETP)

**4,38,000<sub>KL</sub>**

Tertiary treated water (via WRP)

Water management and stewardship coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
ZLD implementation	✓	✓	✓	✓	✓	✓	N/A
Quarterly 3 <sup>rd</sup> party freshwater and wastewater monitoring	✓	✓	✓	✓	✓	✓	✓
Regular wastewater monitoring and management	✓	✓	✓	✓	✓	✓	N/A
Measures for water recycle/reuse	✓	✓	✓	✓	✓	✓	✓
Water audit	✓	✓	✓	✓	✓	✓	N/A
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓





Key initiatives

Technological advancements

Rainwater harvesting and surface runoff capture

In alignment with the Jal Shakti Abhiyan: Catch the Rain (JSA:CTR) campaign, Himadri's Sambalpur Unit commissioned an advanced surface runoff harvesting system designed to capture rainwater. The system integrated recharge pits, surface collection tanks, and diversion channels into the site's overall water balance model. Captured rainwater was channelled to the effluent treatment plant, where it was treated and reused in process and utility operations.

This initiative reduced groundwater dependence, mitigated drought-related risks, and strengthened site-level water security during dry spells. By supporting aquifer recharge and enhancing resilience, it underscored Himadri's commitment to community-linked water stewardship under the National Water Mission (NWM) and the JSA:CTR campaign. The project also reinforced regulatory alignment and established the Sambalpur unit as a model for decentralised industrial water management.

To diversify water sources and minimise dependence on groundwater and external supply more, rainwater harvesting

systems were expanded across multiple manufacturing locations at the Korba unit. New rooftop catchment systems were installed on:

**ADM building:** 5.4m × 18.8m (289.52m²)

**Store and process office:** 20m × 13 m (260m²)

**New weighbridge:** 3m × 3m (9m²)

The collected rainwater was filtered and stored for process reuse, while surplus volumes were directed to percolation pits to recharge groundwater. In FY24-25, these systems collectively captured and reused 7,57,018 litres of rainwater and recharged 31,500 litres into the aquifer. Feasibility studies will help replicate this model across all operational sites, with the objective of progressively increasing harvested volumes each year.

Condensate recovery advancement

At the CTD Division, Himadri implemented a targeted condensate recovery initiative to reduced groundwater consumption and optimise steam system efficiency. The programme addressed multiple inefficiencies in high-pressure (HP) and low-pressure (LP) steam lines, focusing on both resource conservation and energy

performance. A detailed assessment of the steam-condensate network revealed issues:

- Steam bypassing during stall conditions, causing vent losses and heat dissipation
- Overflow in condensate collection pits due to faulty steam traps, particularly in HP circuits
- Increased make-up water demand, fuel wastage, and operational risks including water hammering and gasket failures

To mitigate these challenges, the team deployed Steam Operated Pump Traps (SOPT) across critical HP steam lines. These systems automatically alternated between trapping and pumping modes, ensuring uninterrupted condensate evacuation even under stall conditions. Supporting infrastructure enhancements included:

- Fabrication of dedicated HP and LP condensate headers
- Installation of check valves, strainers, and thermal insulation
- Integration with existing utility systems for continuous, stable operation

Installation of venturi in quench system

In FY24-25, Himadri installed a venturi device within the quench section of Line #1, targeting a yield improvement of approximately 0.2%. The venturi's introduction optimised fluid dynamics within the quench process, leading to increased operational efficiency, and reduced water consumption & wastage.

Commissioning of new water recovery plant

Himadri commissioned a fully automated water recovery plant designed to reclaim process water from multiple internal streams, including cooling tower blowdown, process wash water, and condensate drains. The plant features a multi-stage treatment process clarification, filtration, and reverse osmosis to produce high-quality recovered water suitable for reuse in cooling systems, boiler feed, and process applications.

This advanced facility had significantly enhanced Himadri's internal water recirculation rate, reduced freshwater withdrawal, and strengthened resilience against water scarcity risks. Performance was monitored through a SCADA-based control system, ensuring adherence to internal water quality standards and regulatory norms. The initiative supported Himadri's long-term goals of water neutrality and resource efficiency, while safeguarding operational continuity under climate-stress conditions.

Fill pack replacement in cooling towers

To enhance cooling tower performance and reduced water losses, Himadri replaced aged fill packs with high-efficiency, low-fouling PVC fill media. The upgraded design improves the heat exchange, leading to lower cooling water temperatures and reduced evaporation losses.

This intervention improved thermal efficiency, optimised concentration cycles, and reduced blowdown frequency, cutting makeup water demand and enhancing cooling tower performance.

Transition to a double-stage cooling system

In FY24-25, our CTD division at Himadri transitioned from a single-stage cooling system (Old Rectification Column) to a condenser to a double-stage configuration in the New Rectification Column, integrating a steam generator and heat exchanger. The upgrade enabled efficient heat recovery from process streams and reduced evaporation losses from cooling towers.

This transition lowered the cooling tower load, saving approximately 8 KL per day of water during FY24-25. The double-stage system enhanced energy recovery and water efficiency, reinforcing Himadri's integrated water-energy management and decarbonisation goals.

Heat exchanger integration in blowdown line

A shell-and-tube heat exchanger was installed in previous FY in the CPP blowdown line to recover residual heat from high-temperature boiler blowdown water. The recovered heat preheated the incoming makeup water before it entered the boiler feed system, lowering energy input requirements for steam generation.

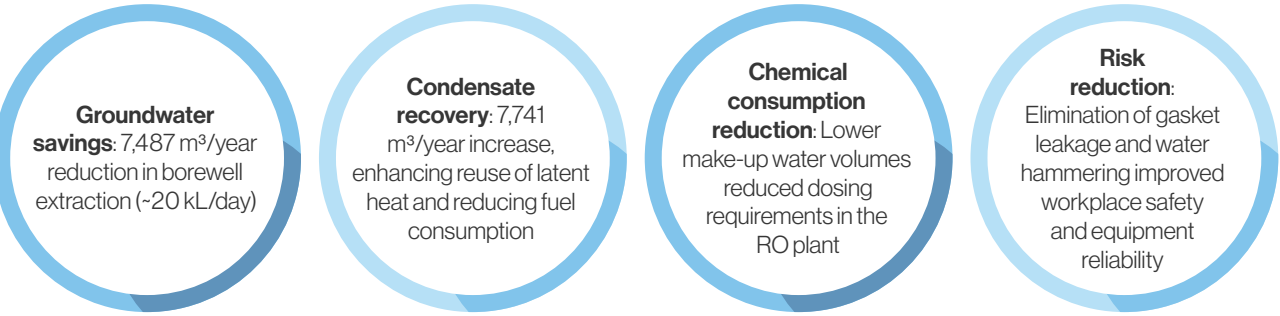
This initiative reduced energy consumption and cooling water requirements for blowdown discharge, thus utilising thermal energy in the blowdown line to generate around 1900 tons of steam annually, equivalent to 480 MW of power.

Condenser recovery system installation

The captive power plant introduced a high-efficiency condenser recovery system to capture condensate from turbine exhaust and auxiliary steam systems that were previously lost to drains. The recovered condensate is redirected to the deaerator feedwater tank, reducing freshwater demand and heating energy needs.

Automated controls and sensors ensures efficient recovery and quality assurance. The system strengthened the thermal cycle, enhanced water conservation, and contributed to decarbonisation through closed-loop resource recovery.

In FY24-25, four SOPTs were successfully commissioned across key process units, yielding significant performance gains:



This initiative demonstrated how process-level optimisation can delivered multi-dimensional outcomes, conserving natural resources, reducing energy intensity, and improving operational resilience. By maximising condensate recovery and reducing freshwater dependence, the Mahishtikry unit had strengthened Himadri's commitment to sustainable manufacturing and continuous improvement.

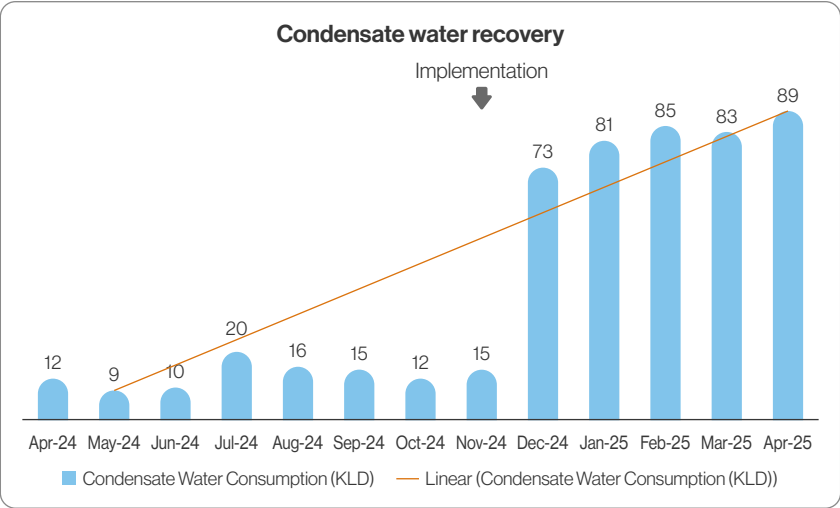


Process optimisation

Automation of condensate recovery system

To replace the inefficient manual condensate recovery process, Himadri implemented automation of the condensate water recovery system specifically for Lines #3 and #4. The implementation was carried out using existing P&ID guidelines, ensuring seamless integration and compatibility with the current process operations. The system recovers 30-50 KL/day of high-temperature process water, redirecting it to the other process as required.

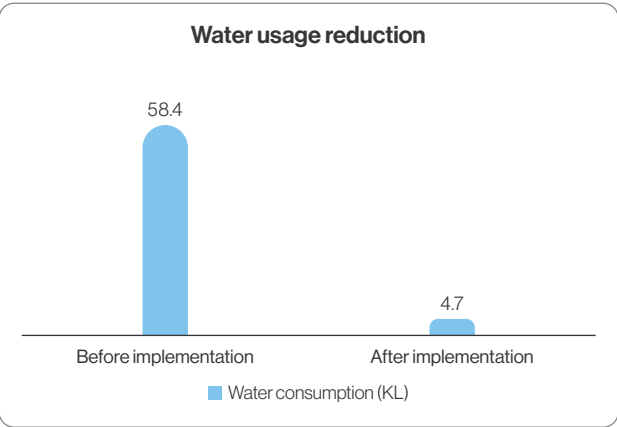
This closed loop system, reduced fresh water intake, stabilised operations, and supported Himadri's ESG commitments by enhancing resilience against water stress.



Innovative Caustic Soda Lye (CSL) bucket neutralisation process

In the SNF-PCE Division, laboratory cleaning previously consumed approximately 58.4 KL of water annually and generated effluent requiring frequent neutralisation. Himadri introduced a simple yet innovative CSL bucket neutralisation method, allowing reuse of the same solution over a three-day cycle and recycling it into production batches.

This intervention reduced water use by 92% (to about 4.7 KL annually), lowered effluent load, and eliminated frequent dosing, thereby reducing costs, chemical handling risks, and waste generation. The initiative exemplified how low-tech, circular approaches delivered high-impact sustainability outcomes.



Cooling tower blowdown optimisation

In FY24-25, Himadri implemented a blowdown optimisation programme in its Captive Power Plant (CPP) to improve water and energy efficiency. Real-time total dissolved solids (TDS) monitoring systems were deployed to dynamically regulate Intermittent Blowdown (IB) and Continuous Blowdown (CB) and continuous blowdown rates, maintaining optimal boiler chemistry while minimising water wastage.

This precision control reduced blowdown volume, lowered chemical treatment amounts, and improved boiler efficiency. The initiative decreased thermal load on cooling towers, reinforcing Himadri's commitment to data-driven, intelligent water management.

Water conservation in cleaning operations

CTD introduced a methodology for cleaning heat exchangers - using specialized chemicals - significantly reducing freshwater consumption during

cleaning. Previously, cleaning 15 heat exchangers required 720 KL of water per cycle, driven by continuous high-flow rinsing. After implementing the specialized CIP process, total water usage has dropped to 15 KL, achieving a saving of 705 KL and a 98% reduction in water consumption per CIP cycle. This initiative delivers substantial environmental benefits while maintaining full cleaning effectiveness and compliance.

Monitoring and management

Arresting steam leakages in CPP and central boiler division

During FY24-25, a targeted steam loss reduction programme was undertaken across the Captive Power Plant (CPP) and Central Boiler Division. Using thermal audits and ultrasonic leak detection, leakage points were identified and rectified through gasket replacements, valve overhauls, and pipeline repairs during planned shutdowns.

The initiative reduced make-up water demand for steam generation, improved boiler efficiency, and contributed to daily water savings of approximately 462 KL further optimising fuel use and system performance.

Tank bottom sealing with bitumen

To prevent corrosion and leakage in long-term storage tanks, Himadri introduced a preventive maintenance

system combining a sand cushion layer for drainage and a durable bitumen coating to form a waterproof barrier. This dual-layer protection mitigates corrosion, prevents contamination, and extends tank life, particularly during monsoons. The intervention safeguards product integrity, enhances asset reliability, and reduced environmental risks.

Integrated water management framework

Himadri's water management framework is rooted in its commitment to Zero Liquid Discharge (ZLD), resource conservation, and regulatory compliance. Wastewater is treated as a recoverable resource, with no untreated effluent released into the environment.

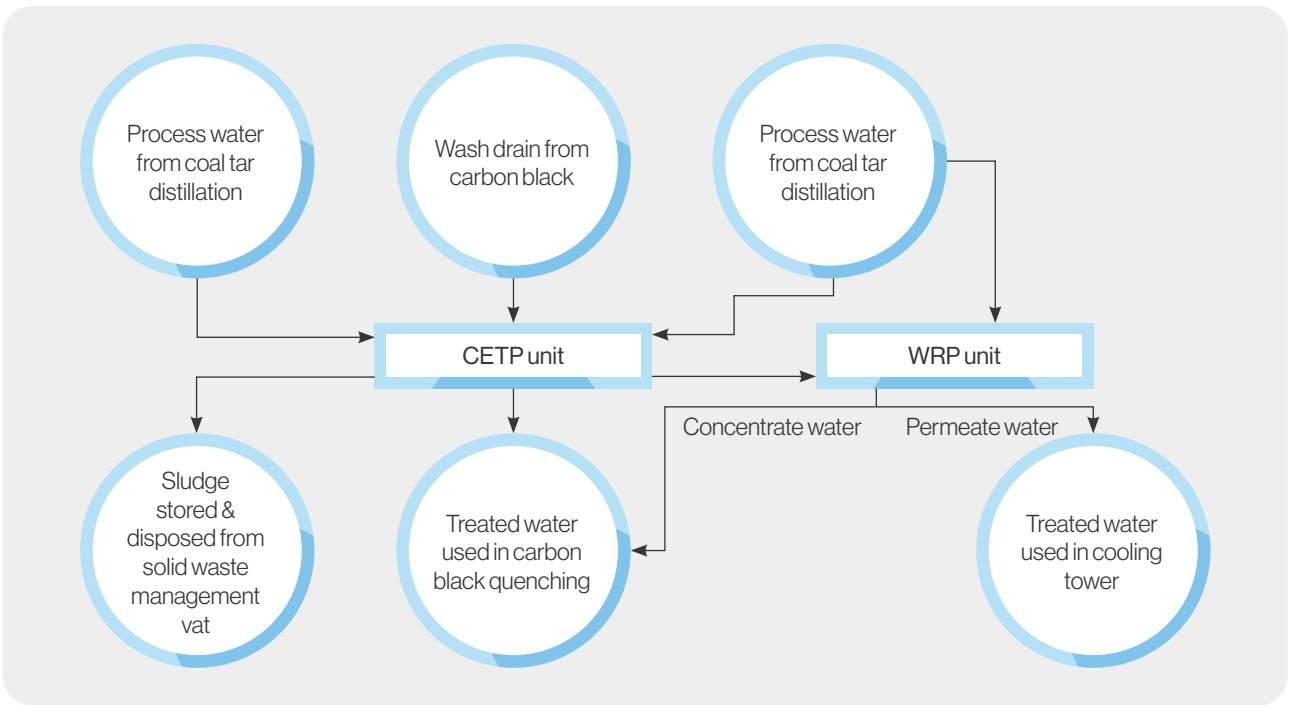
At the core of this system lies the Water Recovery Plant (WRP), which processes treated effluent from the ETP, DM plant backwash, RO reject, and cooling tower blowdown through multi-stage clarification, ultrafiltration,

reverse osmosis, and degasification. With a recovery capacity of 1,200 KL/day, the permeate is reused across cooling towers, process systems, and RO feed, while the concentrate is repurposed within operations minimising groundwater dependency.

Quality monitoring is conducted by NABL-accredited in-house laboratories and validated through third-party audits to ensured CPCB compliance. Parameters tested include- pH, COD, BOD, Oil & Grease, TSS, phenolic compounds,

cyanide, and heavy metals (as and when required). Reduction plans at both site and corporate levels aim to lower wastewater volume and pollutant load through advanced physico-chemical and biological treatment systems.

This closed-loop framework embeds water stewardship into daily operations, safeguards ecosystems, strengthened compliance, and reinforces Himadri's long-term water security vision.







Persistent Organic Pollutants (POPs) abatement

At Himadri, the abatement of persistent organic pollutants (POPs) is a strategic environmental priority, integrated within our Environmental Frameworks and overseen by various Task Forces, ESG Council, and the Board-level ESG Committee. This governance ensures that POP management is embedded in business decisions, aligned with CPCB directives, and benchmarked against global standards, including the Stockholm Convention. Our strategy is delivered through five integrated pillars:

source prevention, advanced effluent treatment, waste governance, structured monitoring, and capacity building. We minimised POP formation by adopting cleaner technologies, safer substitutions, and stringent process controls that go beyond statutory thresholds. Multi-stage treatment and Zero Liquid Discharge (ZLD) systems capture and degrade persistent compounds, while cradle-to-grave waste traceability ensured no leakage into soil, water, or air. Continuous monitoring, aligned with CPCB and

global standards, was complemented by transparent reporting under GRI and CDP frameworks. Equally important, we build organisational capacity through role-specific training, independent audits, and culture-building initiatives that fostered continuous improvement. Together, these measures ensured that Himadri not only complies with regulatory requirements but also leads with proactive stewardship turning POP risk management into a driver of resilience, compliance assurance, and long-term environmental protection.

POPs management coverage

POPs management coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
Safe handling and containment procedures for wastes	✓	✓	✓	✓	✓	✓	N/A
Secure disposal of hazardous wastes by authorised 3 <sup>rd</sup> party	✓	✓	✓	✓	✓	✓	N/A
Monthly and quarterly monitoring of emissions & wastewater	✓	✓	✓	✓	✓	✓	N/A
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓

Role of the ZLD Task Force

The ZLD Task Force acts as the strategic command centre for all water-related environmental governance at Himadri. Reporting to the ESG Council and, ultimately, to the Board-level ESG committee, the Task Force ensures that water risk is addressed not merely as a compliance requirement but as a critical operational and reputational priority.

Its mandate covers the complete spectrum of water stewardship from mapping withdrawal and consumption patterns to prioritising initiatives based on water scarcity, regulatory exposure, and community impact. The Task Force also evaluates and approves capital investments in conservation and treatment technologies, while verifying sustained performance through continuous monitoring and robust audit trails.

The team convenes monthly to review flow meter analytics, ETP dashboards, and water quality data, initiating root-

cause analyses wherever anomalies are detected. Each initiative is explicitly linked to a risk identified in the previous reporting cycle, with residual risk commentary documented for audit readiness and accountability.

Beyond compliance, the ZLD Task Force ensures that Himadri's water

management strategy remained aligned with national water mandates and global disclosure frameworks. By translating operational efficiencies into transparent and verifiable ESG performance, it reinforces Himadri's leadership in sustainable water governance.



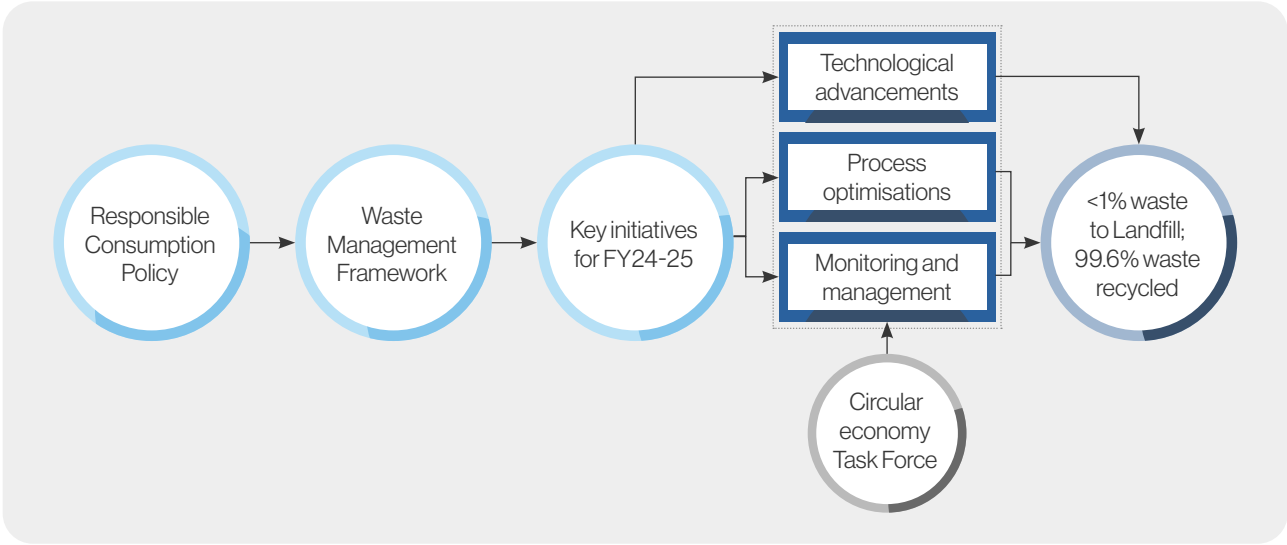
Our responsible consumption and circular economy practices

Overview

The core of Himadri's Net Zero 2050 vision comprises its Responsible Consumption and Circular Economy framework, aligned with national regulations, Extended Producer Responsibility (EPR) mandates, and global sustainability standards. Waste management has long been central to Himadri's environmental legacy, with the business model itself rooted in the upcycling of industrial by products. Building on its transition from compliance driven disposal to engineered circularity, Himadri now ensures that every significant material stream hazardous, non hazardous, or plastic is recovered,

repurposed, or responsibly treated at source. Comprehensive systems govern waste from generation to final disposal, supported by inventories, stream maps, and strict compliance with MoEFCC, CPCB, and SPCB requirements. In FY24-25, Himadri advanced circular economy initiatives by reducing virgin polymer dependency, extending material lifecycles, and embedding reprocessed content into packaging and logistics. Guided by its Circular Economy Integration Principles and Sustainable Procurement Policy, the ESG Circular Economy Task Force enforces responsible consumption into the corporate risk register, prioritises

actions by material impact and compliance exposure, and ensures outcomes exceeds statutory and stakeholder expectations. Waste minimisation is now embedded in operational planning, with reduction, reuse, and recycling measures implemented wherever feasible. Disposal is carried out only through authorised facilities following due diligence checks, while continuous monitoring and reporting enable traceability, trend analysis, and new reduction opportunities. Through this integration, Himadri ensures material use and waste management remain responsible, compliant, and aligned with its broader sustainability vision.





Circular economy and waste management coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
Circular supply chain & logistics	✓	✓	✓	✓	✓	✓	✓
Circular technology measures	✓	✓	✓	✓	✓	✓	✓
EPR and plastic waste reduction	✓	✓	✓	✓	✓	✓	✓
Mass balance tracking	✓	✓	✓	✓	✓	✓	N/A
Waste segregation and disposal protocols	✓	✓	✓	✓	✓	✓	✓
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓

Circular economy and industrial symbiosis

Himadri fundamentally operates as an industrial recycler, transforming by products from heavy industries into advanced carbon materials. >95% of total material inputs are sourced from recycled origins, underscoring its leadership in circular economy implementation. Himadri's core model upcycles coal tar from the steel industry and CBFS oil from petrochemical industries into high performance products such as coal

tar pitch and speciality carbon black. By relying on non-virgin raw materials, Himadri reduces dependence on fossil fuels while improving material efficiency and lifecycle value. Circularity is embedded across operations through closed loop systems that maximise recovery and minimise waste. In the Carbon Black Division, process off gases are captured and used to generate electricity in a 28 MW captive power plant, meeting internal energy needs and exporting surplus to

the grid, thereby eliminating all our Scope 2 emissions. The generated flue gas is point-captured and processed through a specially designed boiler, to meet 90% of our operational need, showcasing Himadri's energy independence. Himadri also reuses its own by products: anthracene oil is reintroduced into carbon black production, naphthalene oil is refined into industrial and household-grade naphthalene.

Embedding circularity through EPR: Himadri's plastic reduction and packaging innovation

Beyond logistics, Himadri integrates post-industrial and post-consumer recycled metals and thermoplastics into production. Though the Company does not produce plastics directly, usage exists in upstream HDPE drums and downstream packaging. In FY24-25, 145.76 MT of upstream plastic waste was generated against 562,352.87 MT of total production, all recyclable and managed under the Responsible Consumption Policy with CPCB-approved recyclers, ensuring zero incineration or landfilling. Himadri is also registered under India's Extended Producer Responsibility (EPR) framework.

Packaging risks are minimised through bulk reusable container systems: 100% of raw materials upstream and 77% of Coal Tar downstream are delivered in bulk tankers. For Carbon Black, 20% of plastic bags contain recycled content and 35% of volumes are shipped in paper bags.

Himadri continues to expand recycled and paper use, piloting innovative materials and deepening supplier collaboration. These efforts mitigate compliance, environmental, and reputational risks while

reinforcing Himadri's role as a responsible leader in sustainable chemical production and supply chains.



Key initiatives

Technological advancements and innovation

Plastic pallet transition

Historically, export dispatches relies on wooden (pine) pallets, contributed to deforestation, which were prone to breakage, inconsistent in quality. In FY24-25, Himadri initiated a shifted to plastic pallets a more durable, hygienic, and reusable alternative.

The transition evolved further to incorporate reprocessed plastic pallets manufactured from certified recycled materials. These maintained structural integrity and load-bearing capacity while substantially reducing the carbon footprint associated with virgin plastic. A colour-coded system blue for virgin and black for

reprocessed supported traceability and internal audit readiness. This significantly reduced deforestation impact, lowered virgin plastic consumption, extended pallet lifecycle, and strengthened Himadri's traceable, circular procurement practices.



Pallet - Virgin Plastic



Pallet - Reprocessed Plastic Materials

New packaging material implementation using reprocessed plastic

Himadri further advanced circularity and material efficiency in speciality carbon black dispatches through a series of packaging upgrades. PE bags were standardised into high performance 20 Kg and 50 lb for export grades (E 273),

ensuring durability and compliance. Truck liners were redesigned with 20% reprocessed plastics, reducing virgin polymer dependency, while jumbo bag covers incorporated reprocessed PE in LLDPE formulations, maintaining UV and moisture resistance with lower environmental impact.

Collectively, these initiatives reduced virgin material use, strengthened packaging resilience, and aligned Himadri's practices with evolving customer expectations and regulatory requirements reinforcing its commitment to responsible consumption and circular economy principles.



High-performance reprocessed PE bags-front side



High-performance reprocessed PE bags -backside





Sampling system optimisation in tank farm

A centralised sampling grid was installed across eight storage tanks, allowing oil samples to be routed through an underground line into a collection pot for reuse eliminating unsafe disposal and elimination of spillage & wastage.

Reduced chemical use for corrosion management

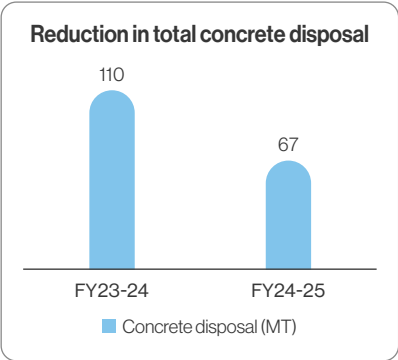
Corrosion management has shifted from heavy caustic dosing to a water-washing method in rectification column MoC, reducing chemical use intensity. Caustic use dropped from 29.404 MT in FY23-24 to 16.535 MT in FY24-25, improving reliability and environment protection.

Process optimisation

Reuse of PCE concrete trial waste

Concrete generated during PCE trials was reused on-site for pavements and pathways, replacing virgin aggregates and cement. In FY24-25, 73 MT of 140 MT of trial concrete was reused, reducing disposal by 67 MT (48%) YoY and fully embedding this practice into the trial SOPs.

Financial Year	Trial Concrete Produced (MT)	Reused as Blocks (MT)	Disposal Reduction (MT)
FY23-24	110	0	0
FY24-25	140	73	67 (~48%)



Coal tar division - R&D lab

The coal tar distillation plant expanded its R&D focused to extract higher-value speciality chemicals such as HLSFO, Solvent Oil, Phenol, Cresols, Quinoline, Carbazole, and Fluorene from oil fractions. Using a 14-bulb fractional distillation column, compounds were isolated at precise boiling points, ensuring high purity and yield efficiency. This innovation not only enhanced profitability but also reduced waste and built resilience against commodity price fluctuations.

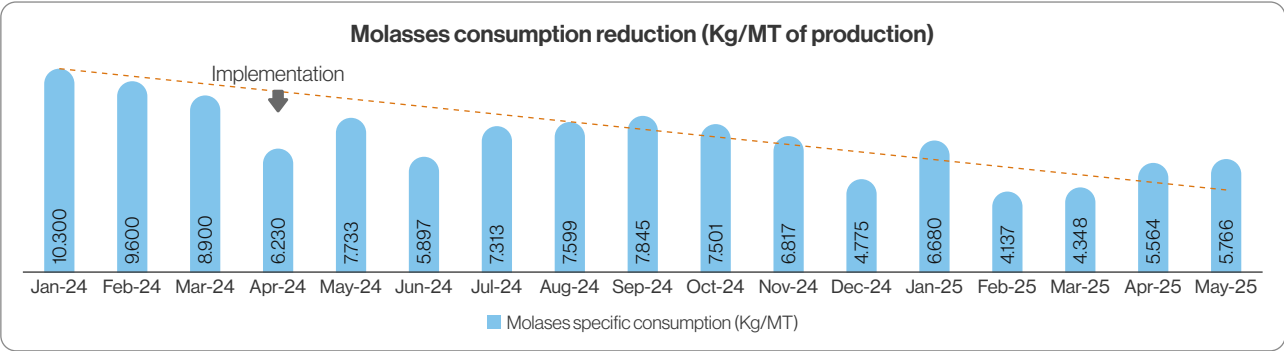
Modification in molasses dilution tanks - Lines #1 & #2

A dedicated heating coil and a Level Control System with DCS in the molasses dilution tank were installed to significantly reduced molasses wastage through gland leakage reduction, and prevent unwanted fermentation by maintaining optimal process conditions. This optimisation cut product loss by 42.4% (from 10.2 Kg/MT in June 2023 to 5.88 Kg/MT in June 2024), reducing molasses consumption & wastage.

Key achievements:

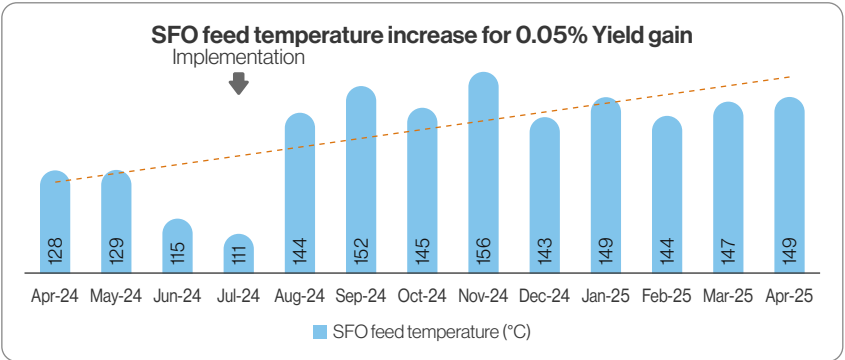
10.2  
Kg/MT, June 2023  
(before implementation)

5.88  
Kg/MT, June 2024 (after implementation;  
42.4% reduction)



Increase in SFO temperature - Hard Black Reactors, Line #2

By raising SFO feed temperature from 120 °C to over 170 °C through a common steam heater system, Himadri achieved improved reaction kinetics, 0.05% yield gain, lower fuel use, and enhanced product consistency demonstrating sustainable process optimisation.



Jumbo bag loadability optimisation - Carbon Black division

Jumbo bag capacity was optimised from 1,000 Kg to 1,250 Kg, with 1,100 Kg final fill ensuring load safety and efficiency. This resulted in +2.2 MT per container gain (22 MT to 24.2 MT), reduced polymer use, fewer dispatches, and enhanced logistics efficiency.

Modification in fuel oil system - Line #4

To increase process flexibility, Line 4 was upgraded to supported 100% IFS operation with controlled blending of Anthracene Oil (AO) (40-50%) as required. This dual-mode capability stabilised combustion, enhanced resilience to supply fluctuations, and delivered a 0.25% yield improvement.



Monitoring and management

ZWTL: Zero Waste to Landfill

At Himadri, zero waste to landfill is a structured discipline, not an aspiration. With landfill intensity already below 1% and 99.6% of waste recycled through CPCB approved third-party vendors, we have aligned our governance and data systems to achieve aforementioned targets. Our ISO 14001 standardised waste management and circularity framework integrates waste management into every operational decision, ensuring hazardous waste is routed through authorised treatment channels and recovery is

prioritised wherever feasible. Upstream, industrial by products such as coal tar and CBFS oil are transformed into value added chemicals; downstream, scrap, plastics, and pallets are reprocessed or directed to waste to energy systems, with only inert or non recyclable fractions sent for final disposal. A detailed, categorised waste inventory is maintained and benchmarked annually to track diversion rates and identify opportunities for continuous improvement. In line with ZWTL

standards, Himadri is strengthening traceability, documentation, and monitoring through a documented ZWTL Policy, full waste stream traceability and operator protocols, periodic management reviews with corrective action tracking, and diversion via reuse, recycling, recovery, and waste to energy. This structured approach transforms compliance into value creation. For Himadri, zero waste to landfill is not an endpoint but an ongoing journey toward industrial leadership, environmental stewardship, and stakeholder trust.

# Himadri advancing circularity through responsible waste management



## Overview

Waste management is critical to a speciality chemicals company like Himadri because chemical byproducts, hazardous wastes, and process effluents pose substantial regulatory, safety, and reputational risks. Proper handling, treatment, and disposal ensures compliance with environmental and occupational health laws, avoiding fines, shutdowns, and legal liabilities. Effective waste management also protects worker safety and nearby communities from exposure to toxic substances and prevents contamination of soil, water, and air.

Operationally, waste reduction and segregation lower raw material and disposal costs, improving margins. Recovering solvents, recycling

intermediates, and implementing closed loop processes turn waste streams into value streams and reduced dependency on virgin inputs. Robust waste practices supported permits and insurance, facilitate supply chain partnerships, and meet customer and investor ESG expectations. They also drive innovation in process design and resource efficiency, enhancing competitiveness.

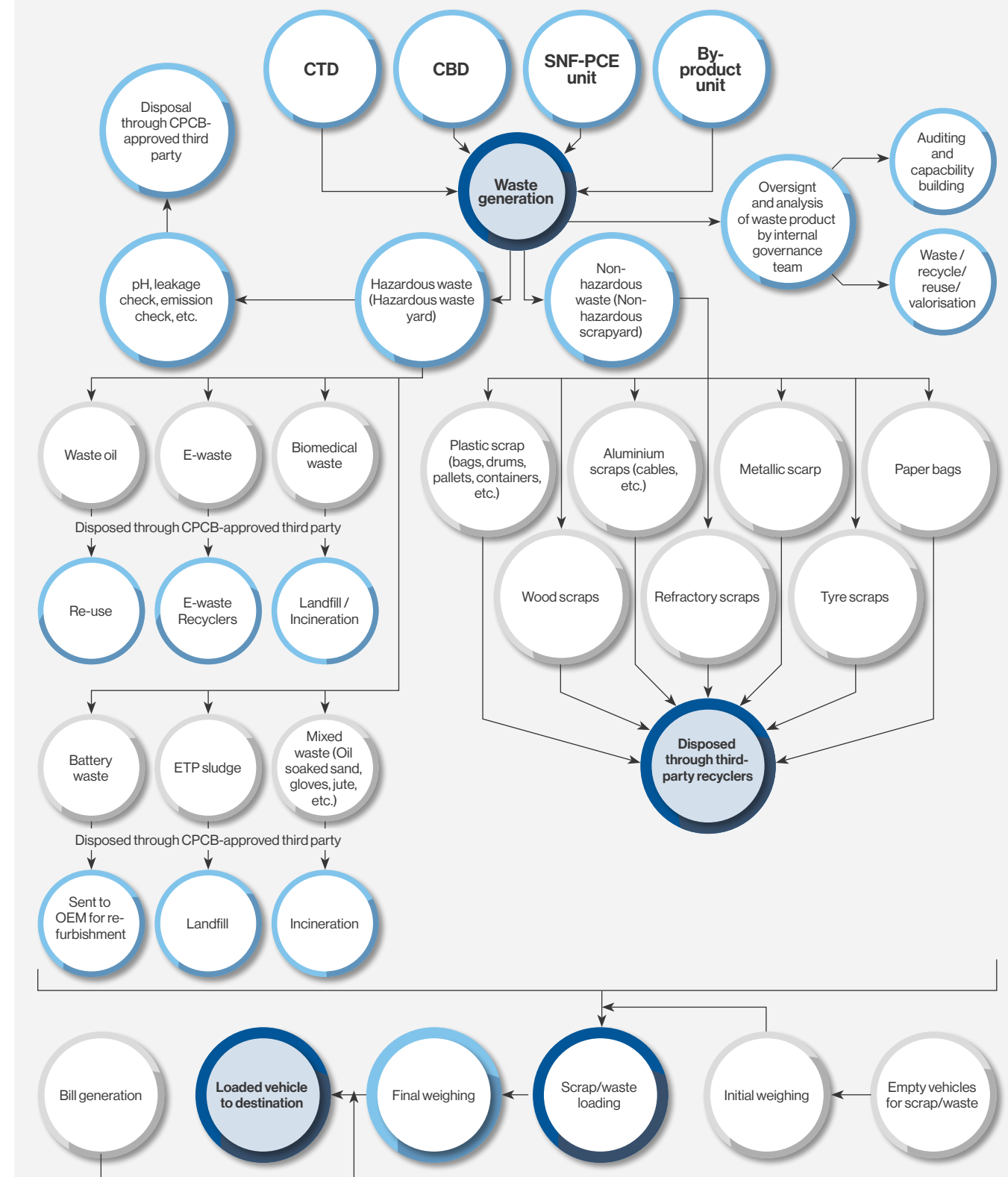
## Hazardous waste governance and compliance framework

Himadri's waste management framework ensures strict compliance with the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016. Each waste stream is characterised using CPCB schedules and NABL-certified testing for

ignitability, corrosiveness, reactivity, and toxicity.

A Uniform Colour-Coded Manifest System tracks every consignment from generation to final disposal, ensuring transparency across generators, transporters, and TSDF operators. Storage follows stringent SOPs closed, labelled containers; segregation of incompatible materials; daily leak inspections; and secure containment systems. Disposal is carried out only through authorised TSDF operators with valid credentials, and all documentation from Form 3 registers to Form 4 annual returns was maintained for regulatory and audit readiness.

## Waste management and circularity flow







Operational execution and site-level safeguards

At Himadri, hazardous and non-hazardous waste management operates under a robust, system driven framework that ensures safety, traceability, and full regulatory compliance. Waste is collected at designated points, tagged with source, type, and date, and stored in secured, concretised enclosures with spill containment. Each site maintains a FORM 3 register, reconciled monthly and verified through audits.

Disposal is jointly managed by the Environment, Safety, and Accounts and respective task forces, with streams such as waste oil, used oil, ETP sludge, mixed waste, oil-contaminated materials, e-waste, battery waste, biomedical waste, and scraps such as plastic, metal, paper, wood, & tyre are handled through material specific Standard Operating Procedure (SOPs). Empty containers are thoroughly cleaned, labelled, and stored separately, while all hazardous waste is dispatched within statutory

timelines using Form 10 manifests and Form 8 TREM cards for safe, traceable transport. Authorised TSDF partners are selected based on compliance records, with disposal certificates archived. Personnel receive regular training in hazard identification, PPE, emergency response, and documentation. Clearly defined roles and responsibilities embed accountability, ensuring the system not only meets CPCB norms but also fosters a culture of environmental responsibility and operational discipline.

Beyond compliance: Waste innovation

Himadri's waste management strategy extends beyond compliance, integrating sustainability and innovation into operations. The focus was on turning environmental obligations into opportunities for resource efficiency, waste valorisation, and toxicity reduction. A key initiative was the Water Recovery Plant (WRP), which treats effluents from the ETP, DM backwash, and cooling tower blowdown through ultrafiltration,

reverse osmosis, and degasification. The recovered water is reused across process, cooling, and gardening applications, substantially reducing freshwater consumption and advancing Zero Liquid Discharge (ZLD) objectives. The WRP not only reduces the environmental footprint but also strengthens resilience against water scarcity and regulatory challenges.

In parallel, Himadri eliminated ozone depleting refrigerants in HVAC systems, replacing them with eco friendly alternatives such as R410A and R32. A multifunctional fuel additive was introduced to improve combustion efficiency in furnace oil and carbon black feedstock, cutting SOx, NOx, and particulate emissions. Himadri is also driving material substitution and process redesign to phase out high toxicity inputs and promoted by product reuse wherever feasible. These efforts were reinforced through audits, supplier collaborations, and cross functional Task Forces that continuously track and improve performance.

customer expectations and long-term environmental stewardship goals.

**Bio-diesel integration in logistics:** As part of our broader environmental sustainability and climate responsibility initiatives, we have undertaken a deliberate transition from conventional fossil-based diesel to Bio-Diesel (Green Diesel) for applicable operations. The bio-diesel utilized is produced from renewable agricultural feedstocks, specifically soyabean oil and palm oil, which have a substantially lower life-cycle greenhouse gas (GHG) emission profile compared to normal diesel.

By substituting normal diesel with bio-diesel, we are able to lower carbon intensity, reduce dependence on non-renewable fuels, and support the use of renewable energy sources.

Together, these initiatives demonstrate Himadri's bio-based innovation and closed-loop resource use, aligning operational efficiency with sustainability and reinforcing its Net Zero pathway.

Our product end-of-life commitment

Himadri's product sustainability framework

Himadri Speciality Chemical Ltd embedded sustainability across the entire product lifecycle from feedstock selection and manufacturing to customer assurance and end-of-life performance. Guided by eco-design principles, bio-based material integration, and transparent product stewardship, Himadri enabled its downstream partners to meet their regulatory, environmental, and circular economy objectives.

Himadri's product sustainability approach is built around four key pillars:



**Comprehensive product information and customer assurance:** Himadri ensures that customers receive complete, audit-ready documentation that communicates product performance, safe handling, and environmental compatibility.

**Technical Data Sheets (TDS):** These detail product performance, application guidelines, and environmental compatibility. For polymer customers, Himadri specifies recyclability within PE, PP, and PET matrices, ensuring that pigmentation does not affect melt flow, mechanical strength, or recycle quality during reprocessing.

**Safety Data Sheets (SDS):** The SDS confirms the absence of Substances of Very High Concern (SVHCs), persistent organic pollutants, and heavy metals.

Himadri's carbon black grades comply with REACH, RoHS, EN 71-3, and other global product safety standards. They were not classified as hazardous under GHS and contain no endocrine disruptors or allergens above permissible limits.

**Heavy metals statement:** Himadri does not intentionally use heavy metals such as lead (Pb), mercury (Hg), hexavalent chromium [Crome (VI)], or cadmium (Cd) in any carbon black grade. Analytical testing using EDXRF and ICP-OES confirms that concentrations remains well below RoHS thresholds:

- Lead, mercury, and hexavalent chromium: < 0.1% by weight
- Cadmium: < 0.01% by weight in homogeneous materials

This assurance supports compliance with EU RoHS, EN 71-3, GADSL, and packaging waste directives.

**Circular product declarations:** Himadri provides recyclability and lifecycle data for selected grades tailored to packaging, automotive, and consumer goods applications. These declarations confirm compatibility with closed-loop recycling systems and the absence of substances that may hinder reprocessing.

**Environmental disclosure:** Although carbon black itself is not biodegradable, Himadri uses biodegradable binders such as molasses in the pelletization process. This reduces dust emissions, improves pellet integrity, and enhances workplace air quality contributing to safer handling and lower environmental dispersion.

Environment-friendly input materials

Advancing circular and bio-based materials

Himadri continues to embed environmentally friendly inputs across its operations, reducing fossil dependency, chemical intensity, and emissions while enhancing circularity.

**Bio-based inputs in effluent treatment:** Himadri has replaced hazardous hydrogen peroxide with cow dung in wastewater treatment. Rich in microbes and enzymes, it enhances treatment efficiency, eliminates chemical use, and supports ZLD goals.

**Bio-based binder in pelletization:** Molasses replaces fossil binders, strengthening pellets, reducing dust, and improving workplace air quality.

**Pyrolysis oil integration:** Tyre-derived pyrolysis oil blended with CBFS lowers Scope 3 emissions and valorises industrial waste.

**Circular use of anthracene oil:** Repurposing coal tar by-product as feedstock avoids disposal emissions, achieving a 45% reduction compared to combustion.

**Low-Sulphur Fuel Oils (LSFO):** In-house modified fuel (0.3% sulphur) with wash oil reduces soot, particulate matter, and CO emissions, supporting cleaner combustion.

**Introduction of CNSL feedstock:** Himadri initiated a pilot program to evaluate Cashew Nut Shell Liquid (CNSL) as a renewable feedstock oil for carbon black production. CNSL, a bio-based by-product of cashew processing, offers the potential to replace a portion of traditional fossil-derived feedstock without altering core manufacturing performance. The adoption of CNSL provides a lower life-cycle carbon footprint compared to petroleum-based oils, supporting Himadri's transition toward more sustainable raw materials. Its use reduces dependency on non-renewable fossil resources and contributes to overall GHG emission reduction, aligning with

Examples of environmentally safer grades

**ONYX 300F & 400F:** Very low PAH content, compliant with USFDA standards.

**KLAREX RG 225:** Low PAH content; suitable for weather stripping, hoses, and profiles.

**JETEX 107, 115P, 205, 207 & 300P:** Excellent UV protection, extremely low grit, ash, sulphur, and toluene extract; designed for food-contact applications.

Product lightweighting and performance efficiency

Himadri's product development strategy emphasises reducing material

intensity while maintaining or enhancing performance.

**High-tint-strength grades:** The ONYX 900 series offers superior pigmentation and UV protection at lower loading levels, enabling lighter end products and reduced raw material consumption.

**Dispersion optimisation:** Grades such as ONYX 646 (textiles) and JETEX 205 (geomembranes) provided excellent dispersion, ensuring uniform coloration and mechanical reinforcement with minimal filler use.

**Performance-to-weight ratio:** Himadri's products maximise functional output per unit weight, improving product efficiency and reducing transport emissions. These

attributes supports lightweighting in automotive interiors, packaging, apparel, and agricultural films, contributing to lower carbon footprints and improved recyclability.

Recyclability and circular design

Himadri's speciality carbon blacks were engineered to support closed-loop recycling systems and ensure minimal interference with downstream reprocessing.

Key design features include:

**Polymer compatibility:** Grades tailored for recyclable thermoplastics (PE, PP, PET, and PVC) without affecting melt flow or tensile strength.



**Non-interference with reprocessing:** Free from halogenated compounds, non-degradable additives, and heavy metal catalysts.

**Bio-based binders:** Molasses-based binders enhance pellet integrity, reduced dust, and promoted cleaner recycling.

**Lifecycle validation:** Himadri collaborates with downstream processors to validate recyclability through melt index, dispersion, and contamination studies.

**Recyclability-optimised grades**

**KLAREX series:** Clean grades for sensitive applications with high recyclability.

**ELECTRA 285 & 295:** Cleaner grades designed to minimise processing wastage.

**ONYX series:** High jetness, optimised for dispersion in master batch and recycled plastics.

**Surface-modified and energy-efficient grades**

Himadri had expanded its portfolio with surface-treated carbon black grades under the COLORX and BARONX series.

**BARONX series:** Surface-modified speciality carbon blacks with functional surface groups that enabled fast wetting and rapid dispersion in demanding

applications such as inks, paints, and coatings. This reduces the need for prolonged mixing or high levels of dispersing agents, lowering additive consumption and overall environmental impact.

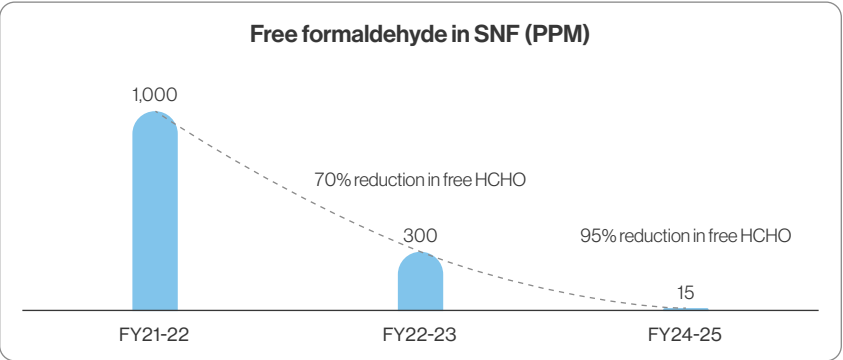
**COLORX series:** Engineered with controlled particle size distribution for superior dispersion and significantly shorter grinding times. By reducing the energy required for dispersion and milling, COLORX grades help customers lower operational energy consumption and associated greenhouse gas emissions.

**Free-formaldehyde reduction in SNF**

Recognising the expanding applications of Sulfonated Naphthalene Formaldehyde (SNF) across gypsum, latex, dyes,

and textiles, Himadri had focused on enhancing product safety and environmental sustainability. Himadri's R&D team had developed low free formaldehyde and low free naphthalene formulations tailored for specific applications.

- Free formaldehyde levels, which were around 1,000 ppm in 2021, were reduced to 300 ppm in 2022 and further optimised to 15 ppm in FY24-25, well below the global limit of 50 ppm.
- For textile applications, free naphthalene content had been reduced from 600-700 ppm in 2023 to below 100 ppm in 2024.



**Sustainable product solutions**

Himadri introduced the KLAREX and VIRTEX series to help tyre manufacturers achieve both cleaner production and lower-emission tyre performance. While KLAREX RG 227 enabled customers to reduce defect-related scrap through exceptional cleanliness and dispersibility, the VIRTEX range, led

by V460, improved rolling resistance to support fuel-efficient, low-carbon mobility. Together, these initiatives strengthened customer sustainability outcomes across manufacturing efficiency, material circularity, and downstream emissions reduction.

Himadri also implemented the TYREGOLD programme to help

customers lower energy use in tyre manufacturing through superior dispersion and reduced heat build-up. The initiative also enhanced tyre toughness and service life, reducing replacement frequency and supporting customers' resource-efficiency and circularity objectives.

Delivering safer, sustainable solutions for **customer operations**



**Commitment to customer health, safety and environmental protection**

All products are manufactured under rigorous quality control systems to ensure safety, reliability, and compliance with national and international standards. The Hazardous Materials and Chemical Management Programme provides a robust framework aligned with Central Pollution Control Board (CPCB) guidelines, Occupational Safety and Health Association (OSHA) 1910 Subpart H, ISO 45001 & 14001, supported by a comprehensive hazardous substance inventory, Globally Harmonised System (GHS) compliant labelling, segregated storage with containment and ventilation, and strict handling and transport protocols that guarantee traceability and regulatory compliance.

**Employee competency and customer awareness**

Employee competency is reinforced through structured training, beginning with

Day 1 induction on hazard classification, Personal Protective Equipment (PPE) use, Safety Data Sheet (SDS) interpretation, and emergency procedures, followed by annual refreshers and role specific modules for operators, supervisors, and logistics staff. Competence is tested through written and practical assessments, with retraining mandated within 15 days if gaps are found, and records retained for five years. Customers are supported with SDS documentation, hazard communication materials, and direct training or technical guidance to ensure safe handling and use of Himadri products.

**Safe treatment, disposal and lifecycle responsibility**

Himadri ensures hazardous wastes are treated and disposed of responsibly with full traceability, using pre treatment methods such as neutralisation, precipitation, and encapsulation for liquids, and stabilisation with binders for solids. Disposal is carried out exclusively through CPCB authorised TSDF vendors,

tracked with statutory manifests and GPS monitoring, with disposal certificates archived for five years. Regular vendor audits and third party verifications strengthen compliance, while circular economy practices encourage customers to minimise waste, recycle, and reduce end of life impacts.

**Use of safer alternatives and waste source reduction**

To reduce toxicity and enhance process safety, Himadri actively substitutes high risk substances with safer alternatives, evaluating each for toxicity, persistence, compatibility, and regulatory acceptance. Recent initiatives include replacing solvent based degreasers with water based formulations and shifting from chromate based inhibitors to phosphate free alternatives. Waste source reduction is achieved through process optimisation, lean inventory, precision dosing, and automation, with hazardous waste generation tracked per ton of product and toxicity indices monitored monthly against annual reduction targets.





Engagement, collaboration and continuous support

Himadri fosters transparent communication with customers, sharing regulatory updates, safety best practices, and sustainable technologies, while collaborating on joint HSE initiatives to strengthen compliance and sustainability performance. Beyond product delivery,

Himadri acts as a long term partner, offering continuous technical support and guidance to help customers adapt to evolving challenges and embed safer, more sustainable practices.

Responsible growth

By embedding HSE principles into every customer interaction, Himadri protects

human health, ensures safe and efficient product use, reduces environmental impact through greener practices, prevents occupational exposure and incidents, and builds stronger partnerships found on transparency, accountability, and mutual respect.



Role of the circular economy Task Force

The circular economy Task Force serves as the strategic hub for responsible consumption, plastic reduction, and packaging circularity in FY24-25, reporting to the ESG Council and Board level ESG Committee. It approves material substitutions, validated supplier compliance with recycled content standards, and drove measurable reductions in virgin polymer use. Key initiatives included shifting to reprocessed

plastic pallets, integrating recycled content in truck liners and jumbo bag covers, and standardising PE bags for recyclability. Monthly reviews of procurement data, supplier certifications, and performance metrics ensured traceability, audit readiness, and accountability.

The Task Force also oversees waste monitoring across departments, reviewing registers for plastics, packaging, sludge, and contaminated wastes, while verifying disposal routes against CPCB authorisations and auditing vendor

performance. Recyclables were directed to approved processors, hazardous wastes were tracked for treatment and disposal, and waste minimisation was embedded in SOPs with quarterly reduction targets under the Environmental Management Plan (EMP). This governance framework strengthened supplier accountability, reduced virgin plastic dependence, and positioned packaging and waste management as core enablers of Himadri's circular economy performance.

Himadri's sustainable energy management



frequencies, and assigned responsibilities. Periodic energy audits (every three years) identify high-consumption areas and recommend focused interventions. All conservation measures are tracked through defined monitoring protocols, benchmarked against industry best practices, and aligned with the Energy Conservation Act and ISO 50001 standards.

Moreover, our in-house clean energy generation meets 100% of our electrical energy needs, resulting in a 17.42% reduction in energy intensity per metric tonne of product sold (vs FY 2021-22 baseline).

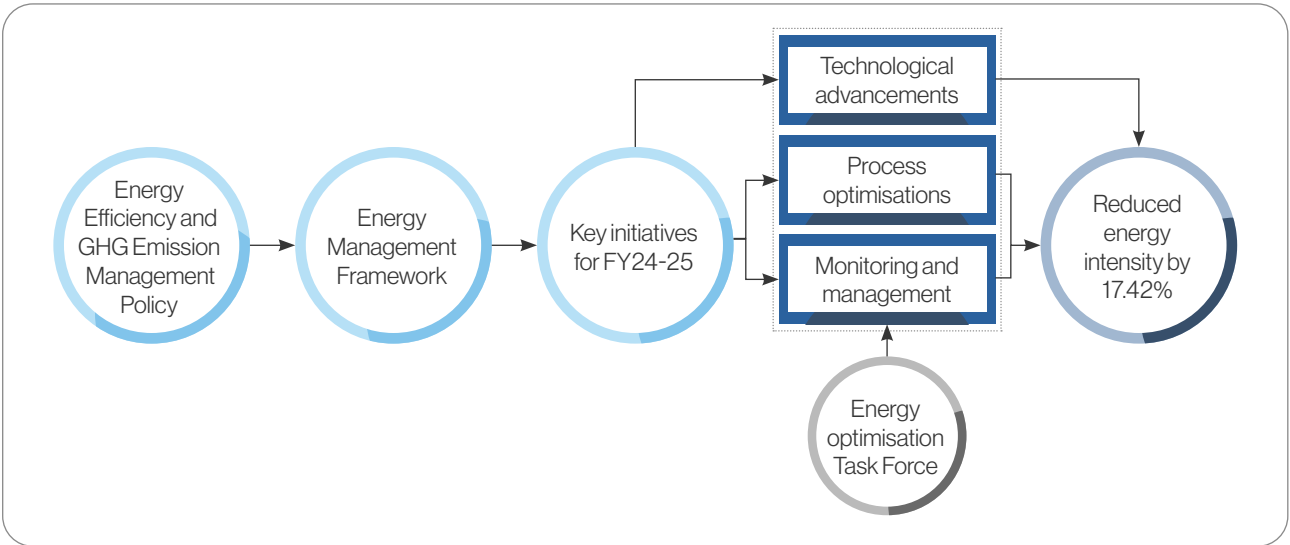
Regular progress reviews ensures that energy targets are achieved, emerging opportunities were leveraged, and continuous improvement remained embedded in day-to-day operations. This integrated, measurable, and compliant approach sustains both operational efficiency and long-term sustainability objectives.

Overview

Energy conservation remains at the core of Himadri's sustainable manufacturing strategy. Our energy management framework integrated process optimisation, equipment modernisation, and real-time energy monitoring across all operational units. This comprehensive approach covers the entire energy balance from sources and utilisation to loss prevention ensuring alignment with national energy efficiency mandates and

global climate goals. Energy stewardship is treated not merely as an operational necessity but as a strategic driver of environmental performance, cost efficiency, and long-term competitiveness.

Himadri maintains a robust compliance framework to identify and review all legal and other requirements governing energy use. Each manufacturing site operates under a documented energy conservation plan that outlines reduction targets, monitoring parameters, review



Energy management coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
Energy intensity tracking	✓	✓	✓	✓	✓	✓	N/A
Energy efficiency measures	✓	✓	✓	✓	✓	✓	✓
Energy audit	✓	✓	✓	✓	✓	✓	N/A
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓



Key initiatives

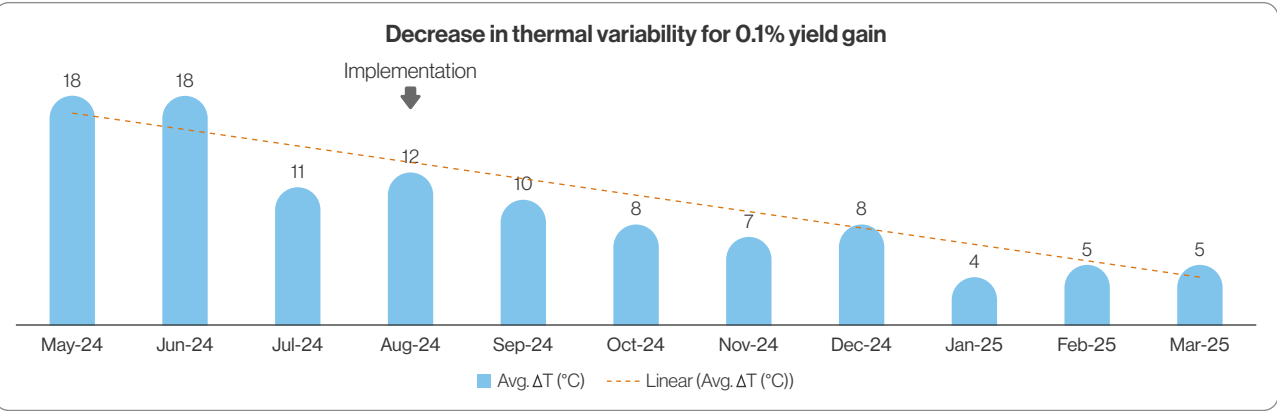
Technological advancements and innovation

Cold-air line insulation - Line #2

In our Carbon Black Division (CBD), temperature consistency is crucial to product quality and energy performance. In Line 2, uninsulated cold-air lines between the Process Air Blower (PAB)

and Air Pre-heater (APH) inlet caused heat losses, increasing fuel demand and process variability. In 2024, Himadri implemented a high-performance insulation system along the entire cold-air line during a planned maintenance shutdown. Post-installation

monitoring showed a 10 °C increase in intake air temperature, improving process stability, reducing fuel use, and enhancing yield by 0.1%. This initiative underscores Himadri's commitment to engineering excellence, energy efficiency, and carbon reduction.

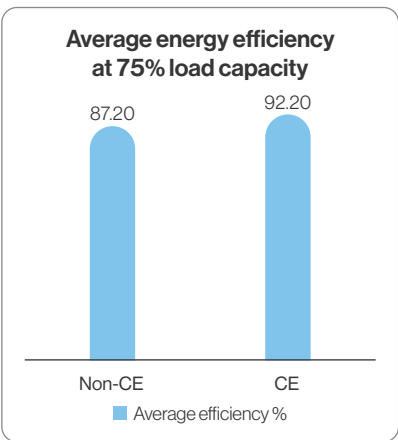


SIMOCODE-based IMCC engineering station upgrade

The previous Intelligent Motor Control Centre (IMCC) operated on a 2012 system, limiting visibility and requiring manual data access. Himadri's upgraded to SIMOCODE version 4.1.1 enabling continuous, centralised monitoring of up to 200 motors, providing real-time data on current imbalance, operating hours, and fault alarms. The system facilitates condition-based maintenance, quicker fault response, and reduced downtime extending equipment life and improving overall energy efficiency.

Energy efficiency through IE3-CE motors

At the Coal Tar Division (CTD) Electrical Department, upgraded drive systems with IE3 high-efficiency motors bearing CE-marked components. The initiative targeted two core outcomes lower energy consumption and enhanced equipment reliability. These motors delivered improved load performance, reduced heat loss, and stable operation, thereby minimising unplanned maintenance and downtime while ensuring long-term energy savings.



Renewable Energy Integration

In line with our decarbonization roadmap and Net Zero commitment, the forthcoming commercial-scale anode material facility is designed to source 50% of its electricity from renewable energy. This transition - through direct and indirect renewable investments - will effectively halve electricity-related emissions.

Sustained waste heat recovery initiatives

Himadri had continuously invested in waste heat recovery (WHR) systems to capture and reuse process heat that would otherwise be lost to the environment. Current efforts focused on maintaining high system efficiency, fine-tuning parameters, and replicating proven models across plants to drive measurable energy and carbon savings.

Integrated heat recovery systems

The carbon black process produces substantial recoverable heat. Himadri's integrated WHR network includes Air Preheaters (APHs), Oil Preheaters (OPHs), Waste Heat Recovery Boilers (WHRBs), and Dryer Air Preheaters (Dryer APHs).

- APHs preheat combustion air, improving fuel efficiency.
- OPHs raise process oil temperature, reducing direct steam requirements.
- WHRBs convert exhaust heat into steam for process or power use.
- Dryer APHs recover heat from exhaust gases to preheat incoming air.

Continuous monitoring through temperature and flow sensors allows

real-time optimisation. In FY24-25, performance remained strong through refined cleaning schedules and airflow balancing.

Boiler blowdown heat recovery

Himadri has implemented a boiler blowdown recovery system that captures heat from water discharged at approximately 100°C and transfers it to boiler feedwater through a heat exchanger. This process raises the feedwater temperature from 30°C to 57°C, enabling the recovery of about 324,000 Kcal/hour and reducing steam consumption by 9.6 tons per day.

In FY24-25, further efficiency gains were achieved through pipeline modifications and improved condensate routing, which stabilised system performance. As a result, heat recovery increased to 360,000 Kcal/hour, cutting steam consumption by 10.8 tons per day.

Micro turbine deployment

Replacing the Pressure Reducing and De-superheating Station (PRDS), we installed a micro turbine in the previous year, which utilised surplus high-pressure steam (60 Kg/cm² at 485 °C) to generate electricity while producing two usable

steam outputs at 20 Kg/cm² and 3.5 Kg/cm². In a single month, the turbine generated 530.6 MWh, offsetting grid demand and reducing emissions. Predictive maintenance, vibration analysis, and steam quality monitoring ensured consistent performance.

Secondary air preheater (APH)

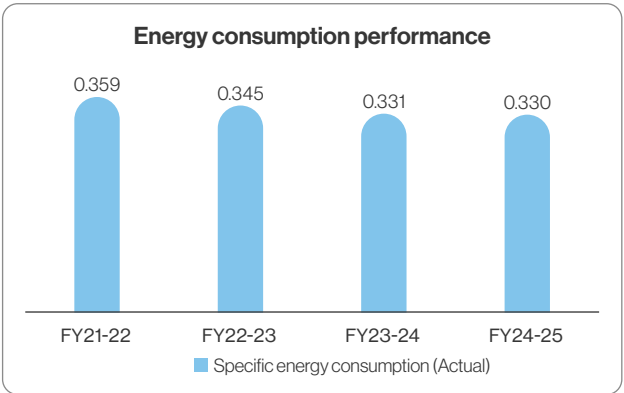
The installation of a secondary air preheater (APH) between the primary APH and the main bag filter enabled additional heat capture from flue gases. In FY23-24, this system channelled 1.20GJ/hour to the oil preheater and 5.45GJ/hour to the captive power plant boiler combustor.

In FY24-25, refined control logic and pipeline modifications improved load balancing and stabilised performance. As a result, energy directed to the oil preheater rose from 1.20GJ/hour to 1.54GJ/hour, representing a 22.2% increase in energy gain. For the boiler combustor, however, the secondary APH was not operational during the year, and so the performance data is not available.

Digital energy management system

To strengthen monitoring and efficiency, Himadri deployed a Digital Energy Management System at the Carbon Black Division, Mahistikry, powered by L&T Electrical & Automation's SmartComm platform. The system integrates 140 smart meters across generation and process areas, enabling real-time tracking of power consumption, anomaly detection, and performance benchmarking.

The initiative supported a 5% energy reduction goal over five years, with a 1.5% annual target at the division level. The system's automated tracking aligned with ISO 50001:2018 and statutory compliance requirements, reducing risks and streamlining audits. Continuous monitoring allows early intervention against abnormal consumption, ensuring operational continuity and equipment health while reinforcing climate-related disclosures and stakeholder confidence.







Fire-heater air-preheater system upgrade

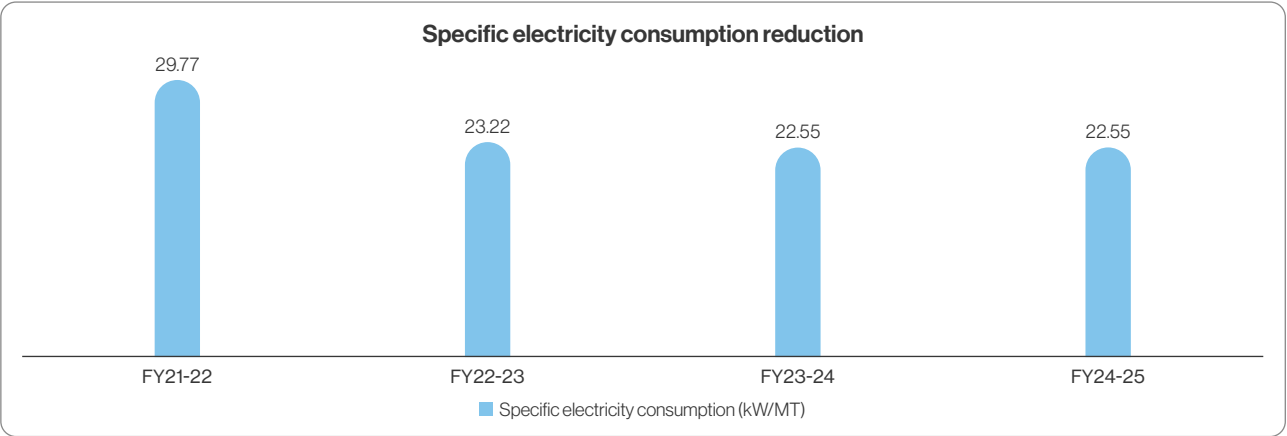
To address soot accumulation in the Air Preheater (APH), which caused high stack temperatures (220-225 °C) and efficiency loss, Himadri replaced the finned tubes with stud-type tubes featuring wider spacing. This reduced stack temperatures to 170-180 °C, enhanced heat recovery, and cut fuel use and indirect emissions illustrating the effectiveness of precision engineering in energy optimisation.

Metric	Before	After	Saving	% Reduction
Energy consumption	3,75,580 kcal/MT	3,66,680 kcal/MT	8,900 kcal/MT	2.37
Specific fuel consumption	42.2 Kg/MT pitch	41.2 Kg/MT pitch	1.0 Kg/MT pitch	2.37

Process optimisation and power management

At our Korba facility, Himadri previously had a capacitor power bank, improving the power factor from 0.86 to 0.99, thereby reducing reactive losses, stabilising voltage, and lowering costs. A facility-wide transition from HPSV lamps to LED lighting had further reduced power consumption, heat generation, and maintenance frequency. Continuous monitoring ensured compliance with ISO 50001:2018, while sustained improvements protect margins from rising energy costs and advancing Himadri's Net Zero 2050 commitment.

Metric	FY21-22	FY22-23	FY23-24	FY24-25
Electricity consumption per MT of production (kW/MT)	29.77	23.22	22.55	22.55
Power factor	0.86	0.99	0.99	0.99



Energy efficiency through operational excellence

At the Treated Black Division (TBD), Himadri launched a targeted initiative to reduced electricity use per metric ton of production addressing both cost efficiency and Scope 2 emissions.

Key interventions

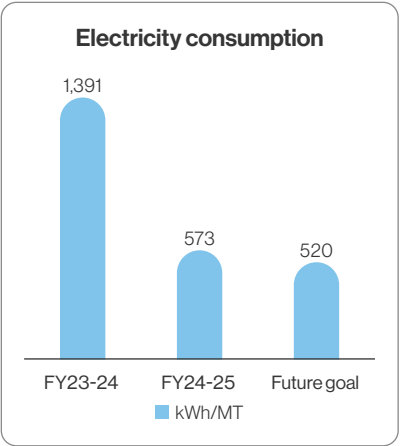
- Process optimisation through scheduling and sequencing equipment use to reduced idle time.
- Preventive maintenance by enhancing equipment reliability and energy performance.
- Employee engagement using training operators on energy-efficient practices and awareness.

Measured impact

- Electricity intensity reduced from 1,391 kWh/MT in FY23-24 to 573 kWh/MT in FY24-25 a 59% reduction.
- Per-ton electricity cost dropped from INR 15,305 to INR 6,305, improving competitiveness and lowering emissions.

Forward strategy

The next phase targets 520 kWh/MT, representing a 63% reduction from baseline, through continued process optimisation, advanced technology integration, and workforce-driven conservation.



Role of the Task Force

The energy optimisation Task Force functions as Himadri's central governance and technical body, driving all energy efficiency and conservation initiatives across its operations. Comprising senior leaders from energy, maintenance, utilities, operations, procurement, and sustainability, the Task Force operates under the Energy Efficiency & GHG Emission Management Policy and aligns with the ISO 50001:2018 framework.

Its mandate covers setting annual and multi-year energy intensity reduction targets, approving capital investments based on internal rate of return, payback period, and verified CO<sub>2</sub>e reduction potential, and ensuring robust monitoring and verification of results. The Task Force establishes energy baselines, identifies Significant Energy Uses (SEUs), and implements ISO 50001-compliant monitoring, measurement, and verification (MMV) plans. By leveraging high-resolution metering, SCADA-linked monitoring, and predictive maintenance protocols, it ensures that every initiative is data-driven, auditable, and results-oriented.

During FY24-25, the Task Force's oversight enabled a series of engineered interventions and process optimisations that significantly reduced energy intensity

and operational costs. Key initiatives included:

- Digitalisation projects, such as the SmartComm-enabled Enterprise Energy Management System with 140 smart meters, SIMOCODE motor control upgrades, and advanced power factor correction systems.
- Thermal and process enhancements, including cold-air line insulation, SFO feed temperature optimisation, venturi installations, and dual-mode fuel flexibility.

- Cross-resource synergies, achieved through waste heat recovery, condensate recovery automation, and cooling tower optimisation.

The Task Force promotes behavioural change programmes and role-specific training to embed efficiency practices at every operational level. This integrated approach not only reduced Scope 1 and Scope 2 emissions but also enhanced resilience against energy market fluctuations, strengthened ESG performance, and advanced Himadri's Net Zero 2050 commitment.





# Industrial noise management: Safeguarding workforce and ensuring community well-being

### Overview

Himadri's industrial noise management strategy is an integral part of its occupational health, safety, and environmental stewardship. It has reinforced Himadri's ESG vision and long-term licence to operate.

In FY24-25, Himadri advances a structured programme to identify, monitor, and mitigate noise emissions across all operational zones, ensuring a complete compliance with statutory requirements

and an alignment with the global best practices.

Implemented under the Occupational Health & Safety Management Systems Policy and the Environmental Management System, these initiatives were governed by the Occupational Health & Safety Task Force. Operating within Himadri's TCFD-aligned oversight framework, the Task Force integrated noise-related risks into the corporate risk register, prioritised mitigation measures

based on workforce exposure profiles and community interface, and ensured compliance with both regulatory and customer standards.

A documented noise reduction plan guided these initiatives, supported by regular monitoring and reviews to ensure sustained compliance. Insights from periodic assessments were used to refine controls, address emerging risks, and identify opportunities for continuous improvement.

Industrial noise management coverage	Mahistikry	Liluah I&I	Sambalpur	Vizag	Korba	Falta	Corporate Office
Noise control measures	✓	✓	✓	✓	✓	✓	✓
Monthly internal noise monitoring	✓	✓	✓	✓	✓	✓	N/A
Quarterly 3 <sup>rd</sup> party noise monitoring	✓	✓	✓	✓	✓	✓	✓
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓

### Key initiatives

#### Technological advancements and engineering controls

Building on the FY22-23 baseline noise mapping study, Himadri implemented a targeted suite of engineering controls to address priority noise sources. These interventions, prioritised under 'Occupational Noise Exposure' and 'Community Disturbance' in the corporate risk register, were designed to achieve measurable decibel reductions at the operator ear level, strengthen compliance margins, and minimise off-site noise propagation towards administrative and welfare zones.

**Acoustic enclosures: Source-level noise attenuation**

To mitigate high-decibel emissions from rotating equipment in the carbon black and pitch processing units, Himadri deployed precision-engineered acoustic enclosures. These vibration-

isolated enclosures, built with layered composite panels and internal sound-absorbing linings, were tailored to the specific frequency ranges of blowers, compressors, and similar machinery. Post-installation dosimetry indicated average noise reductions of 8-12 dB(A) at operator ear level. In FY24-25, focus remained on sustaining performance through preventive maintenance, integrity inspections, and targeted improvements to ensure continued worker protection and compliance.

**Barrier systems - perimeter noise containment and community protection**

To safeguard administrative and welfare facilities located near high-noise operational areas, Himadri installed modular, weather-resistant noise barriers

along strategic periphery segments. Designed for a 20 dB(A) insertion loss based on predictive modelling, these barriers constructed from high-density acoustic panels with corrosion-resistant framing significantly reduced direct noise transmission from process units to sensitive receptors.

Following installation, monitoring confirmed that the boundary noise levels were within CPCB-prescribed limits with the following outcomes:

- Reduced community interface risks during peak operations
- Lower noise intrusion in welfare zones, enhancing employee comfort
- Documented compliance with ambient noise standards

These barriers were now integrated into Himadri's environmental risk management framework, with regular octave band analysis and personal noise dosimetry ensuring sustained

performance. Deviations triggered immediate corrective measures such as seal replacement or panel reinforcement. The initiative reduced the number of employees requiring enrolment in hearing

conservation programmes demonstrating tangible improvements in health risk mitigation.

#### Process optimisations

##### Silencer retrofits: High-pressure steam vents

In the CTD & Boiler units, Himadri retrofitted high-pressure steam vents with reactive and dissipative silencers to reduce tonal noise peaks during venting operations. These were designed based on site-specific acoustic profiling, calibrated to match each vent's pressure,

temperature, and flow conditions. The retrofit achieved noise reductions of up to 6 dB(A), bringing operational zones well within regulatory limits.

The intervention delivered the following benefits:

- Lower acoustic fatigue among operators and maintenance personnel

- Improved communication clarity during venting cycles
- Enhanced overall workplace comfort

Silencers are now a part of the environmental management system, marked by routine maintenance checks and acoustic performance verifications, ensuring sustained attenuation over time.

#### Monitoring and data management

##### Precision noise monitoring and data integrity programme

Himadri established a comprehensive noise monitoring network using calibrated sound level meters positioned across high-risk zones, including carbon black reactors, utility corridors, and material handling areas. Continuous and peak readings were logged at defined intervals to ensure statistical reliability and compliance with ISO 1996 and CPCB standards.

Calibration certificates and instrument serial numbers were recorded in the central OHS database for full audit traceability. Data integrity was reinforced through dual-instrument verification, automated anomaly detection, and centralised data validation, ensuring accurate and defensible reporting.

##### Noise mapping and source targeting

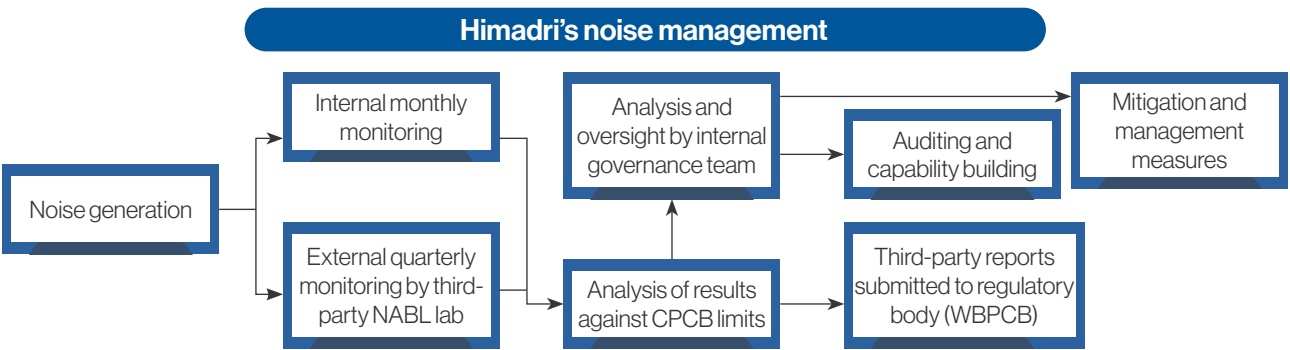
Leveraging high-resolution datasets, Himadri developed detailed noise management system to translate monitoring data into actionable insights. These maps helped:

- Identify high-exposure zones by decibel intensity and exposure duration.
- Pinpoint dominant sources such as high-temperature reactors, high-pressure vents, pumps, blowers, boilers, and turbines.
- Categorise sources based on controllability, cost-benefit, and potential for engineering attenuation.
- Integrate control actions into the site-level risk register, ensuring full governance oversight and accountability.

##### Administrative controls and workforce protection

Recognising that engineering controls alone cannot eliminate all risks, Himadri reinforced administrative controls and workforce protection protocols to safeguard personnel:

- Shift rotation: High-exposure tasks were rotated to limit cumulative noise dose.
- Access control: Entry to areas exceeding 65 dB(A) continuous exposure was restricted, per CPCB norms.
- PPE compliance: Mandatory use of hearing protection devices was enforced through toolbox talks and regular compliance audits.





# Mission Prakriti: Nurturing nature, empowering people



## Overview

Launched in the reporting year, Mission Prakriti reflects Himadri's strategic commitment to build environmental capability across operations and stakeholder ecosystem.

The programme was designed to embed sustainability as a shared responsibility, empowering employees, suppliers, and communities to understand, act upon, and improve environmental outcomes. This was

achieved through structured learning, inclusive engagement, and continuous improvement.

## Building environmental capability

In FY24-25, Himadri institutionalised eight structured learning and engagement formats, the foundation of Mission Prakriti's implementation. These formats ensure consistent knowledge transfer, enhance operational awareness, and nurture a culture of environmental accountability:

**Executive sessions:** For strategic alignment on ESG priorities.

**Virtual briefings:** To disseminate sustainability performance updates.

**Town halls:** For open dialogue and feedback at site level.

**Classroom sessions:** Focused on environmental SOPs and compliance practices.

**LMS modules:** Tailored to specific operational roles and regulatory needs.

**Interactive learning modules:** Offering scenario-based training.

**Toolbox talks:** Reinforcing environmental and safety protocols daily.

**Recognition for everyday actions:** Celebrating individual contributions to sustainability.

To deepen engagement, Himadri is developing a second phase of Mission Prakriti featuring participatory and adaptive learning formats designed to make sustainability learning more accessible and collaborative:

- Role-based learning paths aligned with operational functions and risk profiles.
- Peer-led green circles for cross-functional idea exchange and problem-solving.
- QR-linked micro-learning for on-demand environmental guidance at workstations.

- Knowledge-sharing huddles to promote informal peer-to-peer learning.
- Story-sharing forums to capture and circulate practical sustainability insights from the field.

These initiatives seek to make sustainability not just a concept, but an evolving practice that is owned, improved, and lived by the organisation.

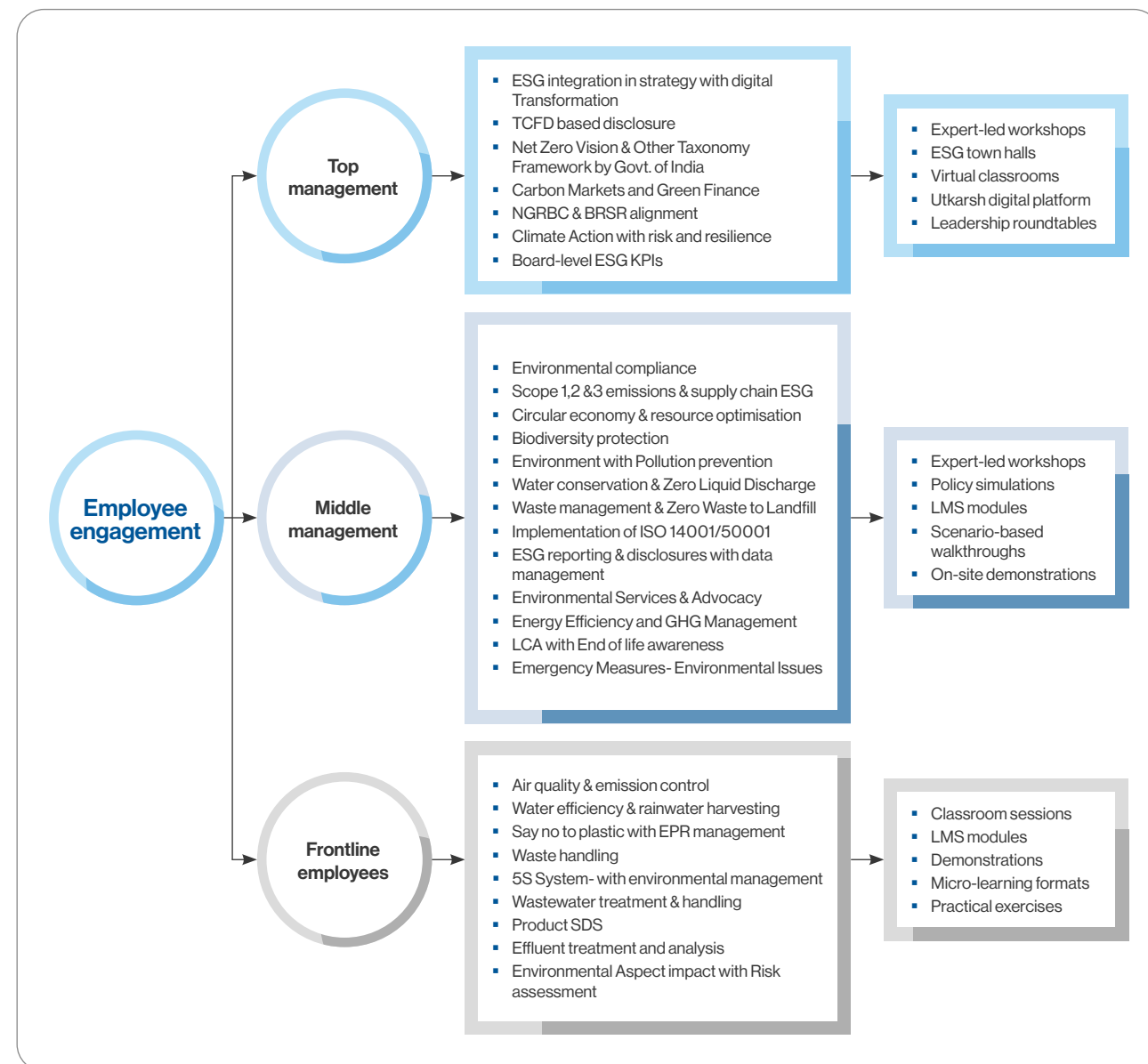
Mission Prakriti emerged not as a standalone training programme but a capability-building and cultural transformation framework. By combining structured instruction with peer-led innovation and recognition, Himadri nurtured a workforce that was environmentally literate, operationally responsible, and aligned with Himadri's long-term sustainability.



## Employee engagement

As a part of Mission Prakriti, Himadri adopted a more hands-on and inclusive approach to employee engagement. This ensured that every individual, whether in leadership, operations, or support roles, contributed to environmental action.

In FY24-25, over 5,140 man-hours of training sessions were delivered, covering 100% employees through classroom sessions, online learning, and on-the-job reinforcement. Upcoming initiatives such as peer-led Green Circles will provide regular forums for teams to share ideas, solve challenges collaboratively, and co-create site-level sustainability solutions. This approach fostered shared ownership, encouraged innovation, and builds a strong sense of purpose among employees.



## External training and global standards exposure

Mission Prakriti integrated structured learning aligned with international standards and best practices. Himadri partnered leading global academies to ensure that employees and stakeholders were equipped with the right tools, frameworks, and knowledge.

**EcoVadis Academy:** Focuses on sustainability performance and responsible supply chain management. Employees received training on environmental policy, GHG accounting, energy and water efficiency, biodiversity protection, and sustainable procurement, enabling them to assess, report, and improve ESG outcomes in line with global benchmarks.

### UN Global Compact (UNGC)

**Academy:** Provides exposure to the UN's Ten Principles and Sustainable Development Goals, focusing on climate resilience, water stewardship, biodiversity risk management, and sustainable finance. Modules covers human rights, anti-corruption, and ethical governance practices.

**ISCC Academy:** Builds capacity for international sustainability certification and compliance on traceability and chain of custody. Participants have learned about audit readiness, verification of sustainability attributes, and the responsible management of certified materials, covering biodiversity, legal compliance, and safe working conditions.

### Mission LiFE (Lifestyle for Environment)

Integrated into Himadri's employee development agenda as part of India's national sustainability movement. Training modules promoted low-impact behaviours (energy conservation, water efficiency, waste segregation, and sustainable consumption). Employees took part in pledge-based activities, workplace demonstrations, and measurable campaigns to reinforce personal accountability and sustainable living.

**~30%**  
active participation

## Stakeholder engagement

Mission Prakriti extends beyond internal learning to build collaborative partnerships with suppliers, customers, regulators, and local communities. Engagements focused

on transparency, co-creation, and shared learning. This ensures that all stakeholders understands Himadri's sustainability goals and everyone is constantly contributing towards achieving them. Joint initiatives, dialogue sessions,

and collaborative projects enabling shared ownership of results, helping to align external partners with Himadri's ESG commitments and regulatory expectations.







Themed celebrations and community action

Global observances such as World Environment Day and Earth Day were leveraged under Mission Prakriti as opportunities for hands-on environmental action involving employees, families, suppliers, and communities. In the last three years, large plantation drives remained a focus:



Participants were involved in planting and post-plantation care, helping improve biodiversity, carbon sequestration, and green cover.

At the Korba Unit, the greenbelt was expanded by 2,200 sq. ft. in FY24-25, covering 1.72 acres (40% of the plant

footprint) with 1,183 native and adaptive species. The survival rate improved by 2.12% over the previous year, reinforcing our existing 33% green belt coverage as per regulatory guidelines.

Green pledges, interactive sessions, and children's drawing competitions

connected individual participation to collective impact. Mission Prakriti strengthened Himadri's culture of sustainability and deepened its engagement with surrounding communities.



Mass plantation on World Environment Day 2024



Oath ceremony on World Environment Day 2024 & Commitment board- World Environment Day 2024



Training and capability building coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
Targeted employees and stakeholders trained on environmental issues and management	✓	✓	✓	✓	✓	✓	✓
Targeted employees trained on GHGs, air, water, noise, POPs, plastic, circular economy, & energy management	✓	✓	✓	✓	✓	✓	✓
Targeted employees trained on environmental laws and regulations	✓	✓	✓	✓	✓	✓	✓
Targeted employees trained on environmental risk assessment and management	✓	✓	✓	✓	✓	✓	✓
Targeted employees trained on ISO standards	✓	✓	✓	✓	✓	✓	✓
Environmental governance oversight	✓	✓	✓	✓	✓	✓	✓

Life cycle assessment: Understanding and reducing our product footprint

Overview

At Himadri, environmental stewardship extended beyond regulatory compliance; it was about understanding, measuring, and reducing product environmental impact throughout their lifecycle. During the reporting year, Himadri conducted a comprehensive Life Cycle Assessment for its key products like Carbon Black, Coal Tar Pitch, Naphthalene, Sulphonated Naphthalene Formaldehyde and Polycarboxylate Ether. The assessment aligned with the ISO 14044 standard, ensuring that the methodology followed was globally recognised, systematic, and transparent.

Himadri mapped the complete environmental footprint of each product from upstream raw material transport and production processes to downstream delivery. This holistic perspective enabled Himadri to identify high-impact stages, prioritise improvements, and set measurable reduction targets for emissions and resource use.



Key insights and value from the LCA

The LCA exercise delivered several strategic benefits:

**Enhanced carbon footprint clarity:** Himadri gained precise, product-level data that helped shape targeted emission reduction strategies.

**Sustainable decision-making:** Insights from the LCA informed choices in raw material sourcing, production optimisation, and logistics efficiency.

**Commitment to continuous improvement:** The findings became the foundation for reviewing and updating sustainability targets, including progress toward the Net Zero 2050 goal.

**Alignment with global standards:** Compliance with ISO 14044 strengthened Himadri's credibility and reinforced alignment with the UN Global Compact and UN Sustainable Development Goals.

As an intermediary speciality chemical manufacturer, Himadri recognises its influential role in promoting eco-design, circularity, and recyclability across the value chain. While certain lifecycle elements extended beyond its control, Himadri remained committed to minimise

environmental impacts wherever possible even in upstream and downstream processes.

Continuous investments in research and development supported the creation of products that contributed to a low-carbon economy, while supplier and customer

collaborations ensured that sustainability remained embedded through the product journey.

**Way forward:** we are in process of conducting the Product-grade wise LCA and their comparative study.



# Himadri’s low-carbon market shift

### Value chain alignment and logistics decarbonisation

During the reporting period, Himadri aligned its value chain with decarbonisation goals, recognising Scope 3 emissions and supply chain practices as critical to transition readiness. Supplier ESG self assessments and audits, followed by corrective plans, ensured alignment with Himadri’s climate objectives and carbon reduction pathway. Logistics related emissions were reduced through the introduction of biodiesel across transport fleets, supporting India’s national biofuel objectives while lowering lifecycle emissions. Transparent ESG disclosures and third party assured reporting reinforced accountability, while decarbonising logistics and embedding sustainability in the supply chain mitigated reputational and compliance risks, strengthened climate resilience, and extended commitments beyond the factory gate.

### Market diversification and low carbon product innovation

Himadri recognised that transition risks extend beyond compliance to evolving customer expectations and market shifts away from carbon intensive products. In response, Himadri pursued diversification into low carbon, high performance materials, expanding into sectors supporting the global energy transition. R&D focused on alternative raw materials and next generation products such as LFP/LMFP cathode materials, advanced speciality carbon blacks, and nanotechnology enabled solutions, while integration into high value speciality chemicals reduced dependence on commodity markets and strengthened profitability. Each innovation was validated through life cycle assessments to quantify carbon advantages and ensure performance and sustainability standards, enabling Himadri to mitigate market risks while capturing growth opportunities in emerging green sectors.

### Carbon pricing readiness and energy transition

As global carbon pricing mechanisms gained momentum, Himadri embedded an internal carbon pricing framework for Scope 1 and Scope 2 emissions into capital expenditure decisions. All investment proposals reflected potential future carbon costs, prioritising low emission technologies and energy efficient processes. To accelerate our energy transition, Himadri expanded renewable energy use through power purchase agreements and onsite solar, complemented by process upgrades and the phased retirement of high emission assets. These measures reduced fossil fuel dependence, mitigated exposure to fuel price volatility and regulatory cost escalation, and lowered reputational risks. Progress is tracked through an internal carbon ledger enabling scenario modelling and strategic planning, positioning Himadri to thrive in a low carbon economy with long term competitiveness and climate resilience.

### Initiaves to reduce Scope-3 emissions

Scope 3 category	Himadri’s activities	Initiatives to reduce (Transition steps)	
		Retrofit	Replacement
Category 1: Purchased goods and services	Goods and services purchased during the Financial year	Himadri uses its process fuel internally, yield has increased	Himadri is focusing on bio-based fuel
Category 2: Capital goods	Capital goods purchased during the Financial year	Energy efficient equipment and machinery	Renewable powered energy efficient equipment and machinery, low carbon products.
Category 3: Fuel- and energy-related activities not included in Scope 1 and Scope 2	Fuel and energy not accounted in Scope 1 and Scope 2	Bio diesel consumption in tankers. Himadri uses in-house fuel oils in interdepartmental processes and intradepartmental processes	
Category 4: Upstream transportation and distribution	Fuel consumed during upstream transportation and distribution	Live GPS tracker in tankers to monitor and optimise the route	Himadri is focussing on introducing Evs in its fleet aligning with Government of India’s EV policy
Category 5: Waste generated in operations	Emission from third-party waste disposal and treatment procedures	Third party value added recycling	H2ICE (Subjected to public sector infrastructural development)
Category 6: Business travel	Travels regarding business via road, railway, and Airlines	Online meetings are given priority also we are prioritising travelling via railway in place of cars and airlines where it is possible	Himadri is focussing on introducing Evs in its fleet in company provided transportation
Category 7: Employee commuting	Communication among the employees	Company provided transportation to the employees and focusing on Bio-diesel.	Himadri is focussing on introducing Evs in its fleet in company provided transportation
Category 9: Downstream transportation and distribution	Fuel consumed during downstream transportation and distribution	Live GPS tracker in tankers to monitor and optimise the route	Himadri is focusing on EV cars aligning with Government of India’s EV policy

# Himadri’s reporting commitment

### Overview

Himadri’s climate strategy has evolved into an integrated framework combining operational efficiency, emissions reduction, and resource stewardship. In FY 2024–25, targeted energy optimisation, process improvements, and circular resource initiatives delivered measurable reductions in GHG emissions and energy intensity. Climate disclosures aligned with the TCFD framework were expanded to include water, waste, and energy mix metrics, with performance indicators embedded into governance and decision-making to support transparent reporting and long-term value creation.

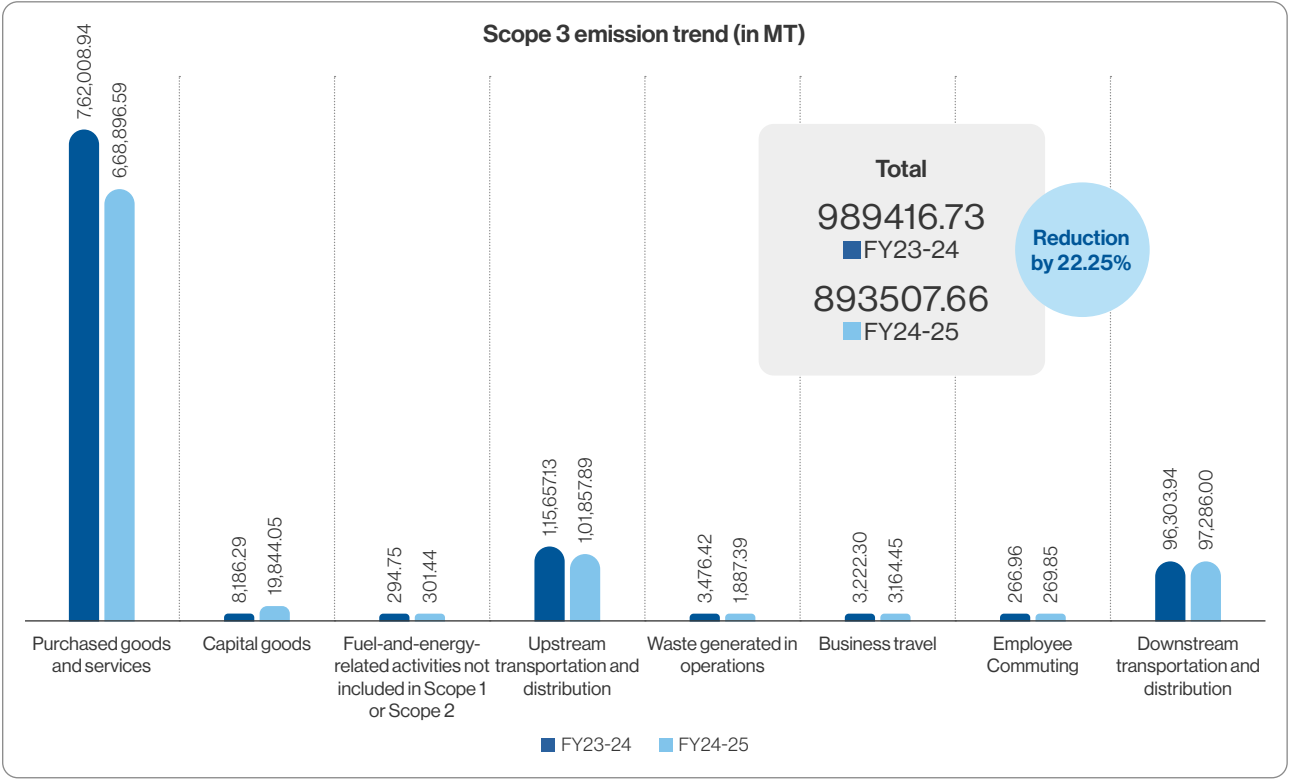
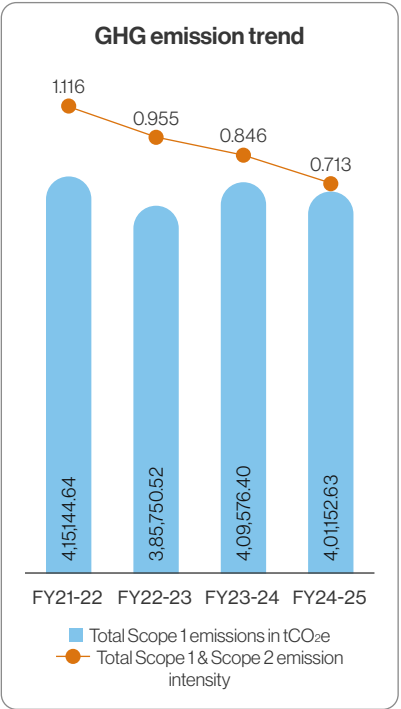
### GHG accounting through deep value chain engagement

Himadri adopts an integrated GHG accounting approach involving internal and external stakeholders across operations, procurement, logistics, finance, and R&D to ensure robust data quality at corporate and product levels.

Guided by the Board, cross-functional teams enable high-resolution primary data collection for Scope 1–3 emissions, moving beyond industry-average estimates. This is supported by structured value-chain engagement, including ESG self-assessments, partner risk profiling, audits, and joint mitigation plans. GHG inventories are prepared in line with the GHG Protocol and IPCC 2006 Guidelines, using validated databases such as Ecoinvent v3.9.1, UK DEFRA, and US EPA datasets.

### GHG emissions trend

In FY24-25, Himadri reported 401,152.63 metric tons CO<sub>2</sub>e under Scope 1 and 2, achieving a milestone with the elimination of Scope 2 emissions by becoming a net exporter of electricity through captive power generation from waste gas recovery. This circular energy system reinforced low carbon operations while reducing reliance on external power. Emissions intensity declined further through steam reuse, energy efficiency upgrades, and tighter operational controls.



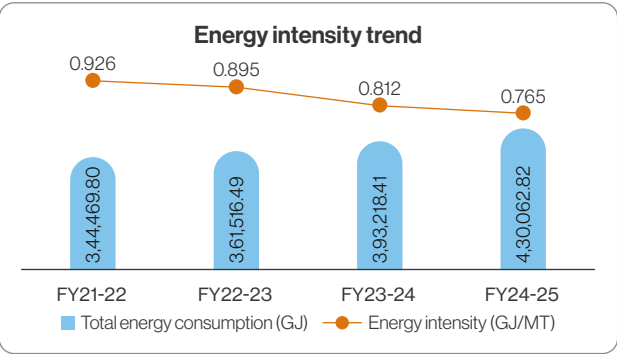




Energy intensity trend

Despite an increase in total energy consumption from 3,44,469.80 GJ in FY21-22 to 4,30,062.82 GJ in FY24-25, Himadri reduced energy intensity from 0.926 to 0.765 GJ per ton of output. This decoupling of energy use from production growth underscored the effectiveness of Himadri's energy optimisation.

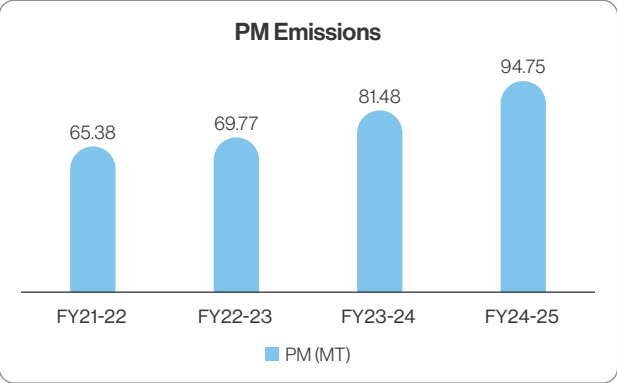
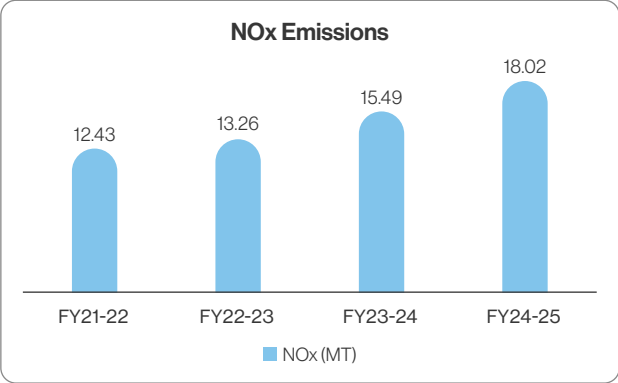
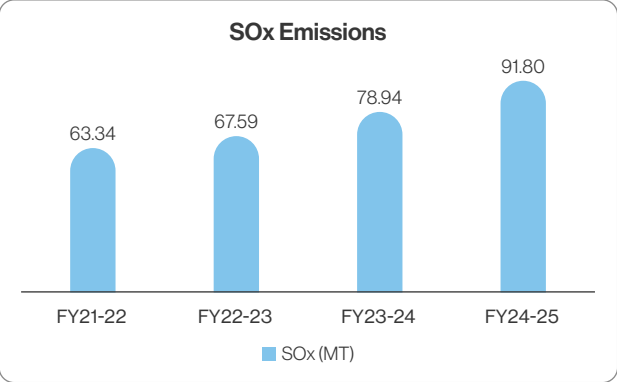
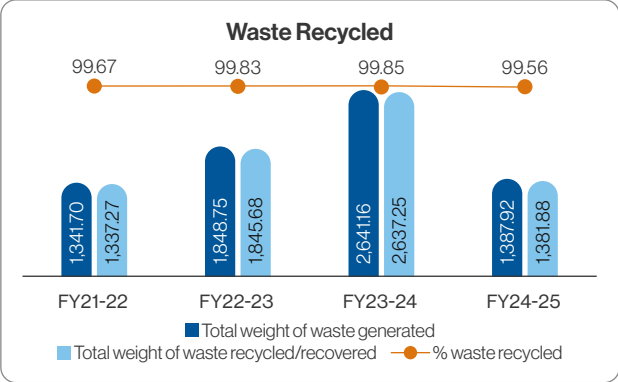
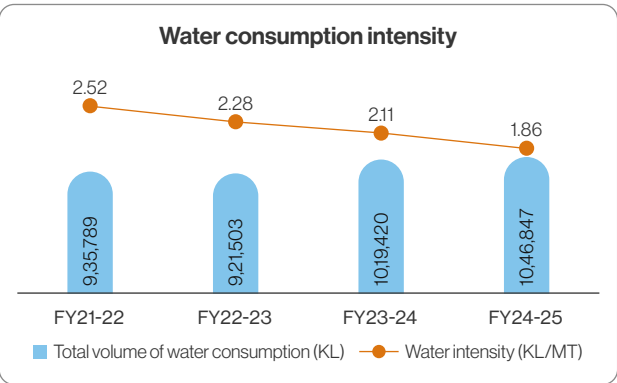
Key drivers included the implementation of a digital energy management system, the integration of waste heat recovery units, and enhancements in process yield. These measures not only lowered energy consumption per unit of production but also strengthened cost efficiency and operational resilience.



Broader climate performance metrics

Beyond GHG emissions and energy intensity, Himadri widened its climate performance tracking to cover water usage, waste management, and air quality. These parameters provided a comprehensive understanding of climate-related risks and opportunities.

Targets were established for reducing freshwater withdrawal, increasing water recycling ratios, and enhancing waste segregation cum co-processing. Himadri continued to shift its energy mix towards low carbon and renewable sources, reinforcing its climate resilience.



Strengthening transparency through robust audit and assurance systems

Transparency is a core sustainability principle at Himadri, supported through a robust system of internal audits, external assessments and third-party assurance. The Company conducts quarterly internal audits across all manufacturing locations, evaluating key environmental parameters such as energy use, GHG emissions, water consumption and waste management. These audits ensure policy adherence, regulatory compliance, data accuracy and continuous improvement. Findings are reviewed by the ESG Council and senior leadership, with regular updates presented to the ESG Committee at the Board level.

External audits are carried out annually by globally recognised firms to validate alignment with ISO 14001 and ISO 50001. These reviews confirm the accuracy of the Company's energy profile, GHG emission accounting, and water management practices, strengthening systems and enhancing resource optimisation.

For critical environmental metrics, Himadri undergoes third-party assurance by TUV

SUD. This includes validation of GHG emissions in line with the GHG Protocol and SBTi pathways, verification of energy efficiency improvements, and assurance of water and waste data in accordance with GRI and global standards.

This integrated audit framework enhances data integrity, accountability and transparency, enabling Himadri to effectively communicate progress while advancing its commitment to sustainable and responsible business practices.

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

Himadri's way forward

Himadri's environmental stewardship entered a new phase, scaling proven initiatives and unlocking cross-site synergies. The current year will be one of transition from pilot-scale successes to enterprise-wide integration, ensuring that every initiative delivers measurable environmental gains, strengthens governance maturity, and aligns with national missions and global sustainability frameworks.

**CCU/CCUS implementation**

As part of its long term decarbonisation strategy, Himadri is exploring the integration of Carbon Capture, Utilisation, and Storage (CCU/CCUS) technologies to address high concentration CO<sub>2</sub> streams from carbon black production and captive power plant tail gas. Post combustion capture systems are being evaluated for retrofitting with existing energy recovery infrastructure, enabling captured CO<sub>2</sub> to be channelled into utilisation pathways such as precipitated calcium carbonate production, urea synthesis, and synthetic fuels or chemicals, with surplus volumes proposed for secure geological storage in line with ISO 27914 standards.

The adoption of CCU/CCUS is expected to deliver multi dimensional benefits: technically, enabling up to 90% reduction in CO<sub>2</sub> emissions from targeted sources and lowering Scope 1 emissions; economically, creating new value streams from waste gases and reducing dependence on virgin raw materials; and environmentally, aligning with UN SDG 13 (climate action) and India's draft CCUS policy. By advancing this initiative, Himadri positions itself ahead of regulatory developments, strengthens resilience against carbon pricing and border adjustment mechanisms, and enhances its ESG credentials with global customers.

**Biodiesel and EV programme: Expansion and optimisation**

Himadri's biodiesel and electric vehicle fleets, operational for logistics and employee transportation, moves into an expansion and optimisation phase. The programme will focus on increasing the share of low-emission vehicles, expanding EV charging infrastructure, strengthening biodiesel supply chain resilience, and integrating telematics for route optimisation and energy-use analytics. These actions will deepen emissions reduction, enhance efficiency, and position Himadri as an emerging leader in the area of sustainable mobility within the sector.

**Expanding circularity: Anthraquinone and carbazole**

Himadri is pursuing forward integration by applying its coal tar distillation expertise to manufacture anthraquinone and carbazole - premium speciality chemicals used in dyes, hydrogen peroxide production, pharmaceuticals, agrochemicals, and OLED technologies. Representing an investment of INR 120 Crore, this initiative marks the first large-scale effort of its kind in India, strengthening domestic capabilities, reducing reliance on imports, and supporting the Government's Atmanirbhar Bharat vision.



Key performance indicators

KPI's	Units	FY21-22	FY22-23	FY23-24	FY24-25
Learning and capability development					
Targeted employees trained on environmental issues	%	100	100	100	100
Operational efficiency					
10% Energy intensity reduction per MT of product sold by 2025 against baseline 2021	%	Baseline	-3.33	-12.29	-17.42
25% Scope 1 & 2 emisison intensity reduction per MT of product sold by 2025 against baseline 2021	%	Baseline	-14	-24.20	-36.08
5% Scope 3 emisison Intensity reduction per MT of product sold by 2025 against baseline 2023	%	-	-	Baseline	-22.25
Reduce fresh ground water withdrawal intensity by 20% by 2026 from baseline year 2021	%	Baseline	-9	-16.30	-26.19
Legal compliance					
Achive 100% compliance against CPCB regulations	%	100	100	100	100
% of product LCA coverage	%	-	-	100	100
Carbon footprint					
Total gross Scope 1 GHG emissions	tCO <sub>2</sub> e	4,15,144.64	3,85,750.52	4,09,576.4	4,01,152.63
Total gross Scope 2 GHG emissions (market or location based)	tCO <sub>2</sub> e	0	0	0	0
Total gross Scope 3 downstream GHG emissions	tCO <sub>2</sub> e	-	-	96,303.94	97,286.00
Total gross Scope 3 upstream GHG emissions	tCO <sub>2</sub> e	-	-	8,93,112.79	7,96,221.66
Total energy consumption	GJ	3,44,470	3,61,516.49	3,93,218.41	4,30,062.82
Assessment of facilities and value chain entities					
3 <sup>rd</sup> party quarterly air audit	%	100	100	100	100
Monthly internal audit for air quality	%	100	100	100	100
Industrial noise measures and monthly monitoring	%	100	100	100	100
Odour (VOC) third party quarterly monitoring	%	100	100	100	100
Odour (VOC) quarterly internal audit	%	100	100	100	100
Sites covered under physical climate risk assessment	%	-	-	100	100
Operational sites covered under environmental risk assessment	%	100	100	100	100
Complaints and grievance disclosure					
Incidents reported wrt biodiversity loss due to operations	No.	Nil	Nil	Nil	Nil
Ecological conservation					
Operational sites located in legally protected or biodiversity-sensitive areas	%	100	100	100	100
Responsible consumption management					
Achive <1% waste to landfill intensity by 2026 against Baseline year 2021	%	Baseline	<1	<1	<1
Total water consumption	KL	9,35,789	9,21,503	10,19,420	10,46,847
Total weight of hazardous waste	MT	4.43	3.07	3.91	6.03
Total weight of waste generated	MT	1,341.7	1,848.75	2,641.16	1,387.92
Total weight of waste recycled/recovered	MT	1,337	1,845.68	2,637.25	1,381.88



“Sustainable mobility begins with responsible materials. Our tyre division is engineering solutions for a cleaner, circular future.”



Somesh Satnalika  
Business President, Tyre Division

Driving sustainability across the tyre value chain

The tyre division is embracing sustainability as a cornerstone of product development and operational excellence. We are integrating eco-friendly raw materials, improving compounding technology, optimising energy use, and enhancing product life-cycle performance. Through close collaboration with OEMs and mobility partners, we are advancing circularity through material regeneration, tyre pyrolysis partnerships, and closed-loop recycling.

Our ambition is to create tyres that are durable, energy-efficient, and produced with minimal environmental impact. By combining material innovation, customer collaboration, and responsible manufacturing, we aim to play a leading role in the global shift towards sustainable mobility.



“Innovation must be responsible- and responsibility must be innovative.”



Soumen Chakraborty  
President, Carbon Black Division

Advancing high-performance and sustainable treated black solutions

We are improving process stability, reducing emissions, enhancing filtration, and strengthening circularity across the Treated Black division. Our focus is on developing advanced grades for polymers, fibres, coatings, and emerging EV technologies, products that deliver high performance with lower environmental impact.

Through operational responsibility and material innovation, we are shaping a business that aligns with global sustainability expectations and Himadri's long-term growth agenda.





Part 3

# Occupational, Health and Safety at Himadri



## Executive summary

Himadri believes that sustainable growth is derived from the protection, empowerment, and well-being of its people.

Through its 'Together, towards tomorrow' philosophy, the Company has placed occupational health and safety at the core of its business.

In FY24-25, Himadri advanced its OHS framework through structured governance, rigorous compliance, and deeply human-centric approaches.

The Company achieved more than 11 million man-hours without lost time injury and maintained a lost time frequency rate of below 1.0.

These positive outcomes reflect the Company's leadership commitment and collective participation across its workforce and partners.

### Key highlights, FY24-25

**Zero accident vision:** Progressed the zero accident vision programme built on learning, culture, commitment, and communication.

**ISO 45001:2018 Certification:** Reinforced global-standard OHS management systems across all sites.

**SA 8000:2014:** Himadri upholds SA 8000:2014 standards by maintaining a safe, healthy, and ethically managed workplace. The Company proactively identifies and controls risks through regular risk assessment and inspections, safety SOPs, and continuous monitoring. Employees receive thorough safety training, health surveillance, and access to occupational health centres. Active Safety Committees ensure worker participation and timely resolution of concerns. Through strong prevention measures, transparent practices, and employee engagement, Himadri demonstrates a firm commitment to protecting its workforce and meeting SA 8000:2014 requirements.

**100% training coverage:** Delivered safety and health programmes to every employee and contractor.

**Process safety enhancement:** Completed additional HAZOP studies in collaboration with M/s DEKRA to strengthen risk identification.

**Contractor and value-chain integration:** Extended audits, governance, and capacity-building to all third-party personnel.

**Occupational health improvement:** Expanded health surveillance, medical infrastructure, and mental-well-being initiatives.

By complementing discipline with empathy, Himadri has demonstrated that safety excellence and business performance were inseparable. The OHS framework not only protected people but also reinforced organisational resilience, compliance maturity, and long-term sustainability.

## Beyond business: Himadri's human-centric commitment to care

### Overview

Health, safety, and respect for human rights formed the foundation of Himadri's responsible growth during the year under review. The Company upheld the highest ethical and safety standards to secure the well-being of its employees, contractors, and neighbouring communities.

### Strategic investments in safety excellence

As a responsible leader in the speciality chemicals sector, Himadri invested consistently in the creation of safe, secure, and compliant workplaces. Its KPI-driven safety strategy focused on prevention through the following initiatives:

- Deployment of advanced monitoring and detection systems

- Robust emergency response and evacuation protocols
- Full PPE compliance and safe chemical-handling practices
- Continuous capability-building for employees and contractors

The Company integrated modern fire-detection and digital control systems aligned with its zero accident vision.

### Comprehensive employee well-being

Employee welfare remained central to Himadri's operations. Every employee was covered under health insurance and ESIC. Active ESG and Safety Committees reviewed workplace conditions. A proactive risk-management framework

enabled early hazards identification, translating into 11 Million LTI-free person-hours.

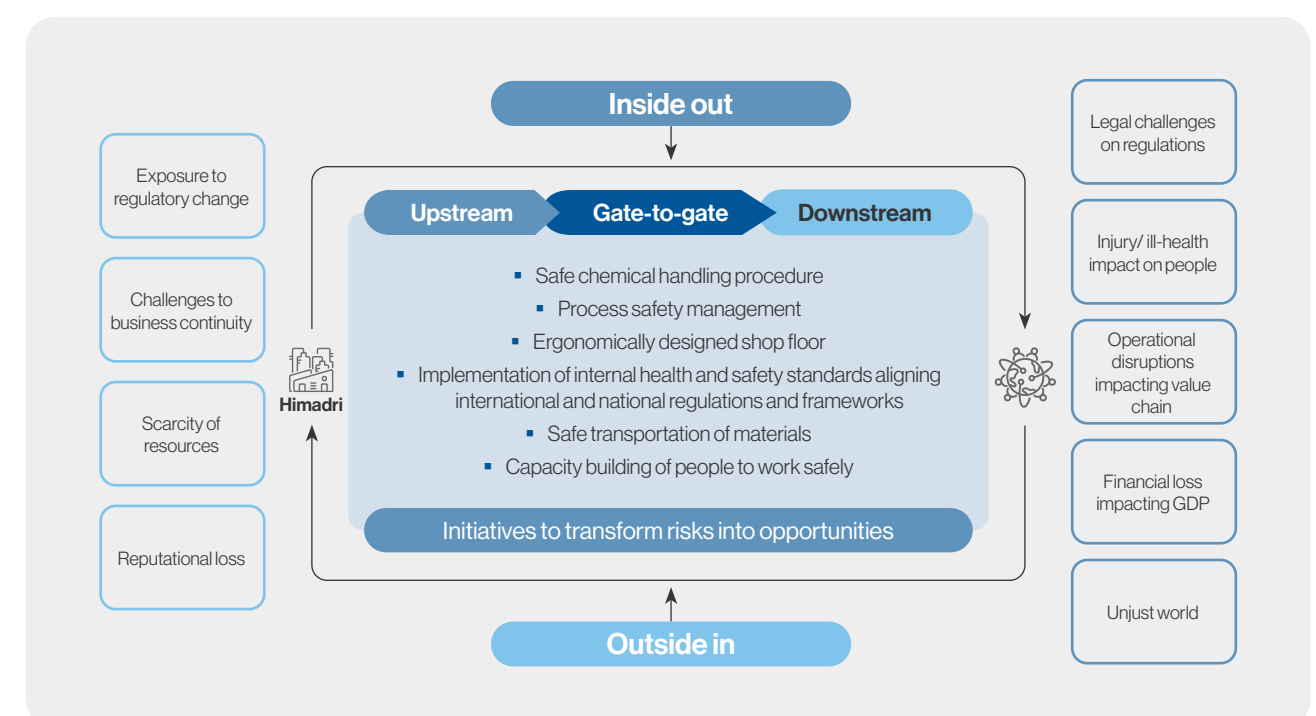
Periodic medical assessments, ergonomic improvements, and wellness programmes ensured that employees worked in environments that promoted physical and mental health.

### Global standards and ethical labour practices

Himadri's management systems complied with ISO 45001:2018 for OHS and SA 8000:2014 for ethical labour practices. These frameworks guaranteed fair wages, safe conditions, and zero tolerance for child or forced labour. As a UN Global Compact signatory, Himadri upheld human rights, labour, environment, and anti-corruption.

## Double materiality and stakeholder focus

Himadri evaluated impact on people and planet as well as the influence of external ESG factors on its performance. This approach enhanced business continuity, regulatory preparedness, and workforce resilience.







Inside-out impact

Key practices and outcomes

Focus area	Actions implemented	Impact achieved
Safe chemical handling	Applied hierarchy of controls-elimination, substitution, engineering, administrative, PPE.	Prevented exposure and contamination.
Process safety management	Embedded HAZOP studies and risk assessments in process design.	Reduced process hazards and improved integrity.
Ergonomic shop floors	Redesigned workstations and tools.	Lowered repetitive-stress injuries; improved productivity.
Compliance with global standards	Adopted ISO 45001:2018, OSHA guidelines, responsible care principles.	Strengthened stakeholder trust and global credibility.
Safe transportation of materials	Implemented driver training, packaging standards, route risk assessments.	Minimised logistics incidents.
Capacity building	Conducted regular workshops and safety campaigns.	Fostered shared responsibility and inclusive culture.

Outside-in impact

Key practices and outcomes

Himadri recognised that external environmental, social, and regulatory developments influenced performance sustainability. Its resilience was anchored in anticipation and adaptation.

**Regulatory change:** Maintained dynamic systems aligned with evolving global norms.

**Business continuity:** Operated a structured BCMS framework to sustain production.

**Resource scarcity:** Promoted material efficiency and circularity.

**Reputation management:** Strengthened transparency and stakeholder engagement.

**Legal compliance:** Conducted regular audits to pre-empt non-compliance.

**Health risks:** Enhanced ergonomics and preventive monitoring.

**Operational disruptions:** Used integrated safety systems to safeguard supply-chain stability.

**Financial impacts:** Preserved operational stability and long-term value creation.

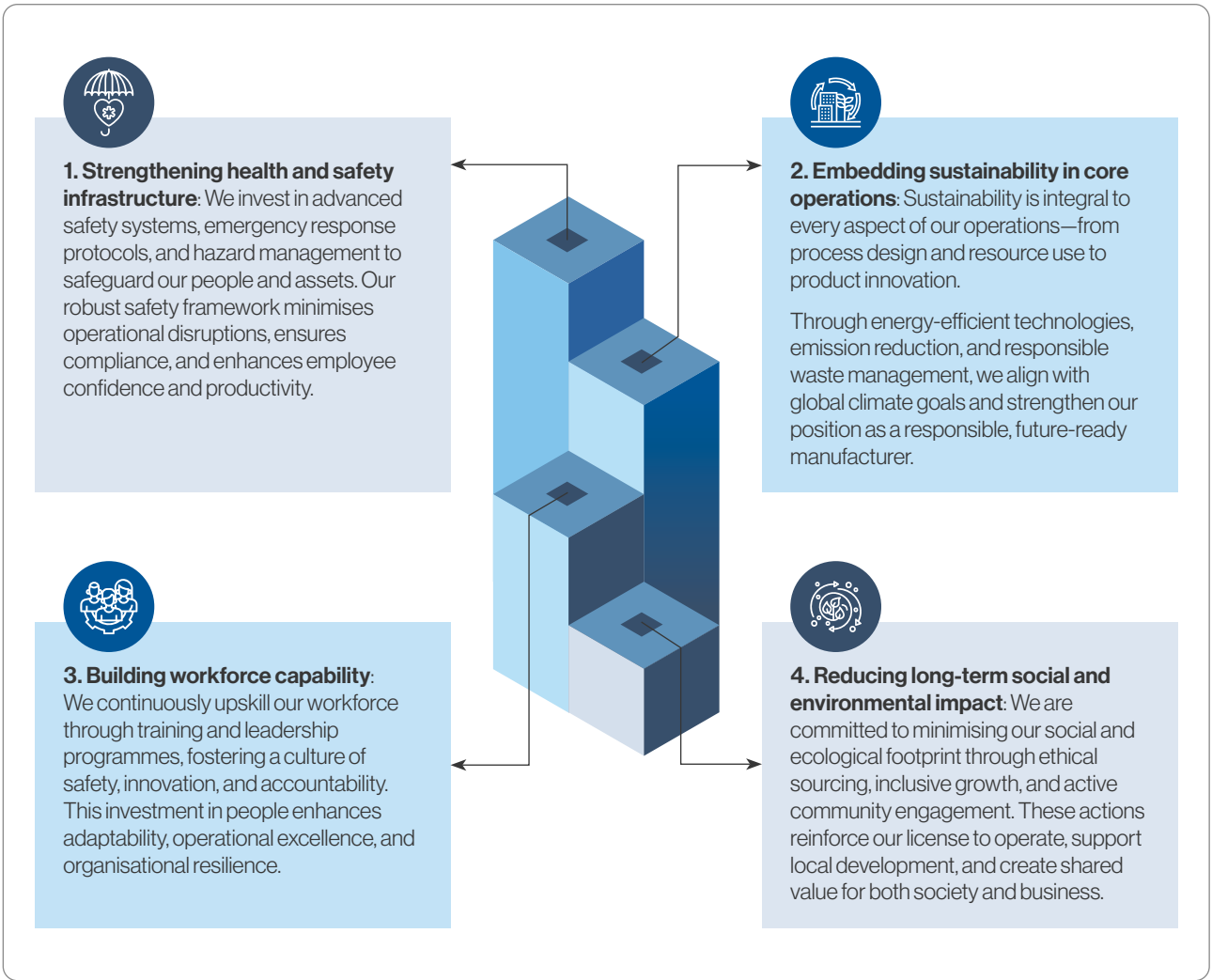
**Social equity:** Advanced inclusivity and ethical sourcing.



Strategic approach

Transforming risks into opportunities

At Himadri, risks are not barriers but drivers of innovation, resilience, and sustainable growth. The Company focuses on turning double materiality risks into long-term opportunities through the following pillars:



Transforming risks into opportunities

At Himadri, risks are not barriers but drivers of innovation, resilience, and sustainable growth. The Company focuses on turning double materiality risks into long-term opportunities through the following pillars:

Health and safety policy and deployment of safety standards

Himadri's structured, people-first approach to occupational health and safety ensures that every employee and

contractor works in a secure, informed, and empowered environment.

Guided by the vision to become an industry benchmark in workplace safety, the Company implemented ISO 45001:2018, the global standard for Occupational Health and Safety Management Systems. This certification represents more than compliance: it embodies a prevention-first mindset, integrating safety into every process, decision, and action.

Employee and contractor participation

Inclusive participation represents the backbone of Himadri's safety culture. Over 80% of employees contribute to safety audits, observations, and discussions, reinforcing safety as a shared value rather than a top-down directive.

Contractors receive the same training and are covered under uniform safety protocols, ensuring alignment with Himadri's standards. This collaborative model draws inspiration from the

Netherlands Oil and Gas (NOG) safety standards, emphasising joint responsibility and collective vigilance at all worksites.

#### Competency development

To deepen safety, Himadri aims to achieve 25,000 person-hours of health and safety training by 2025, covering 100% of its workforce. Training modules include emergency preparedness, hazard identification, chemical safety, ergonomics, and process safety.

Sessions are interactive and site-specific, helping employees and contractors translate learning into practical workplace safety behaviour.

#### Structured standards and audits

Himadri's Safety Management Framework is reinforced by 18 comprehensive safety standards and detailed operational manuals; including the Occupational Health and Safety Manual, Training Manual, and procedures for PPE compliance, Lock-Out Tag-Out

(LOTO), Permit to Work (PTW), Accident/ Incident Reporting, and Occupational Health Committee operations.

Regular audits, inspections, and risk assessments are conducted across workplace, electrical, ergonomic, machine, and chemical safety domains. These assessments are used proactively to identify improvement areas rather than assign fault, supporting a culture of continuous learning and prevention.

### Health and safety policy and deployment

Policy coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Health and safety policy	✓	✓	✓	✓	✓	✓	✓
Drug and alcohol policy	✓	✓	✓	✓	✓	✓	✓

### Deployment of health and safety standards

Standard coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Contractor safety standard	✓	✓	✓	✓	✓	✓	✓
Risk assessment standard	✓	✓	✓	✓	✓	✓	✓
Hse stress management	✓	✓	✓	✓	✓	✓	✓
Training standard	✓	✓	✓	✓	✓	✓	✓
Tool box talk standard	✓	✓	✓	✓	✓	✓	✓
Hse audit and inspection	✓	✓	✓	✓	✓	✓	✓
Hazardous chemical handling	✓	✓	✓	✓	✓	✓	✓
Occupational health and safety committee standard	✓	✓	✓	✓	✓	✓	✓
Management of change	✓	✓	✓	✓	✓	✓	✓
Two way communication	✓	✓	✓	✓	✓	✓	✓
Machine safety	✓	✓	✓	✓	✓	✓	✓
Vehicle management standard	✓	✓	✓	✓	✓	✓	✓
Accident and incident reporting	✓	✓	✓	✓	✓	✓	✓
Lock tag and try standard	✓	✓	✓	✓	✓	✓	✓
Ergonomic standard	✓	✓	✓	✓	✓	✓	✓
Permit to work standard	✓	✓	✓	✓	✓	✓	✓
PPEs standard	✓	✓	✓	✓	✓	✓	✓
Electrical safety standard	✓	✓	✓	✓	✓	✓	✓

### Deployment of manuals

Manual coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Occupational health and safety manual	✓	✓	✓	✓	✓	✓	✓
Health and safety training manual	✓	✓	✓	✓	✓	✓	✓
Contractor safety manual	✓	✓	✓	✓	✓	✓	✓
Occupational health manual	✓	✓	✓	✓	✓	✓	✓
HSE project manual	✓	✓	✓	✓	✓	✓	✓
Emergency preparedness plan	✓	✓	✓	✓	✓	✓	✓

### Performance and continuous improvement

Himadri tracks its safety performance through the Lost Time Frequency Rate (LTIFR), aiming to maintain it below 1.0, demonstrating its commitment to a zero-harm culture.

The Management of Change (MoC) framework ensures that any process, equipment, or personnel change is evaluated for potential risks, mitigated, and documented before implementation, reinforcing systematic risk management and operational discipline.



### Management system certifications

Himadri implemented ISO 45001:2018, establishing a robust Occupational Health and Safety (OH&S) management framework that ensures a safe and healthy workplace. The Company also adheres to SA 8000:2014, underscoring its commitment to ethical labour practices,

social accountability, and respect for human rights. These certifications safeguard employees and third-party personnel by addressing critical areas such as child labour prohibition, workplace safety, fair wages, and transparent grievance redressal.

Himadri also adopted ISO 28000:2022, the international standard for supply chain security management. This enables systematic identification and mitigation of logistics and supply chain risks, strengthening reliability, continuity, and safety across its global operations.





Management system	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
ISO 27001:2013	✓	✓	✓	✓	✓	✓	✓
ISO 14001:2015	✓	✓	✓	✓	✓	✓	✓
ISO 45001:2018	✓	✓	✓	✓	✓	✓	✓
ISO 50001:2018	✓	✓	✓	✓	✓	✓	✓
SA8000:2014	✓	✓	✓	✓	✓	✓	✓
ISO 31000:2018	✓	✓	✓	✓	✓	✓	✓
ISO 22301:2019	✓	✓	✓	✓	✓	✓	✓

Corporate philosophy and commitment

Himadri's philosophy of 'Together, towards tomorrow' seeks to create a sustainable planet that nurtures people and the environment. As a signatory to the United Nations Global Compact (UNGC), Himadri upholds health and safety as a core element of responsible business, aligning with the global principles of sustainable development and human rights.

The Company's approach emphasises proactive risk management, employee well-being, and adherence to national and international safety standards. Comprehensive safety protocols, periodic training, and continuous monitoring minimise workplace hazards. By integrating safety within sustainability initiatives - safe chemical handling and ergonomic workplace practices - Himadri ensures that health and safety remain a strategic priority.

**Vision zero: A commitment to a safer future**

Himadri's commitment to 'vision zero accident/incident' represents its dedication to a sustainable, safe, and responsible future - across the four pillars of Planet, People, Community, and Governance.



Vision Zero Framework

This is built on four pillars of Learning, Culture, Commitment, and Communication. The vision zero framework transforms safety into a lived value across operations.

**Learning:** Continuous learning through training, workshops, and digital modules equips employees and partners to identify and manage risks effectively.

**Culture:** Safety is embedded in Himadri's DNA. Every individual takes ownership of their safety and that of others, creating trust and accountability.

**Commitment:** Leadership drives Vision Zero, with visible commitments from the CMD to frontline teams. Safety expectations, resources, and accountability are defined and reinforced.

**Communication:** Transparent communication - through Safety Alerts, Town Halls, Committee Meetings, and Toolbox Talks - fosters awareness, engagement, and a shared safety dialogue.

Unlike traditional compliance-driven programmes, Vision Zero views safety as a core business value and an investment in people and performance. Each incident

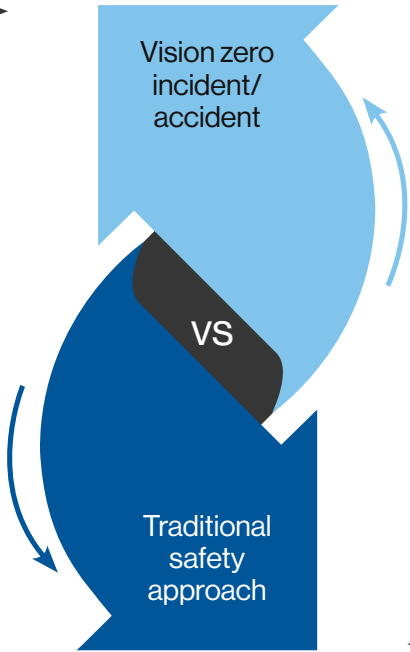
is treated as a learning opportunity, fuelling continuous improvement and embedding safety into Himadri's organisational fabric.

Through this holistic, inclusive, and proactive approach, Himadri continues its journey toward a truly zero-incident workplace, where safety is not only practiced but lived - every single day.



Key differences

- Vision zero incident/accident
- Safety commitment strategy
- Safety is a journey, a process
- Creating safety
- Safety is an integrated part of the business differentiation
- Business leadership
- Safety embraced by all
- Benchmark on good practice and leading indicators
- Safety is an investment with tangible returns
- Workers contribute to solutions
- Incidents are opportunities for learning
- Safety culture and learning



- Safety control strategy
- Safety is a goal
- Preventing accidents
- Safety programmes
- Risk management
- Safety owned by few
- Benchmark of injuries
- Safety is a cost
- Workers are a part of the problem
- Incidents are failures
- Safety management systems

Health and safety objectives and targets

At Himadri, health and safety remain central to operational excellence. The vision of 'zero accident / incident' continues to guide all strategic and ground-level initiatives in FY24-25. Rooted in proactive risk management, employee participation, and leadership accountability, our Health, Safety and Environment (HSE) objectives aim to build a resilient, safety-driven culture across all operations.

To strengthen this commitment, Himadri has established 10 overarching health and safety objectives, supported by 22 micro-objectives that define the specific roles and responsibilities of leaders, employees, and contract workers. This structured framework ensures accountability, inclusiveness, and continuous improvement at every organisational level.

For FY24-25, the Company has set clear, measurable targets focused on strengthening compliance, enhancing

hazard awareness, and ensuring timely mitigation of safety risks. The priorities include reducing Lost Time Injury Frequency Rate (LTIFR), expanding training coverage, ensuring timely closure of incident investigations, and strengthening critical risk controls. Leadership engagement, standardised audits, and digitised monitoring systems further reinforce Himadri's unwavering focus on safety.

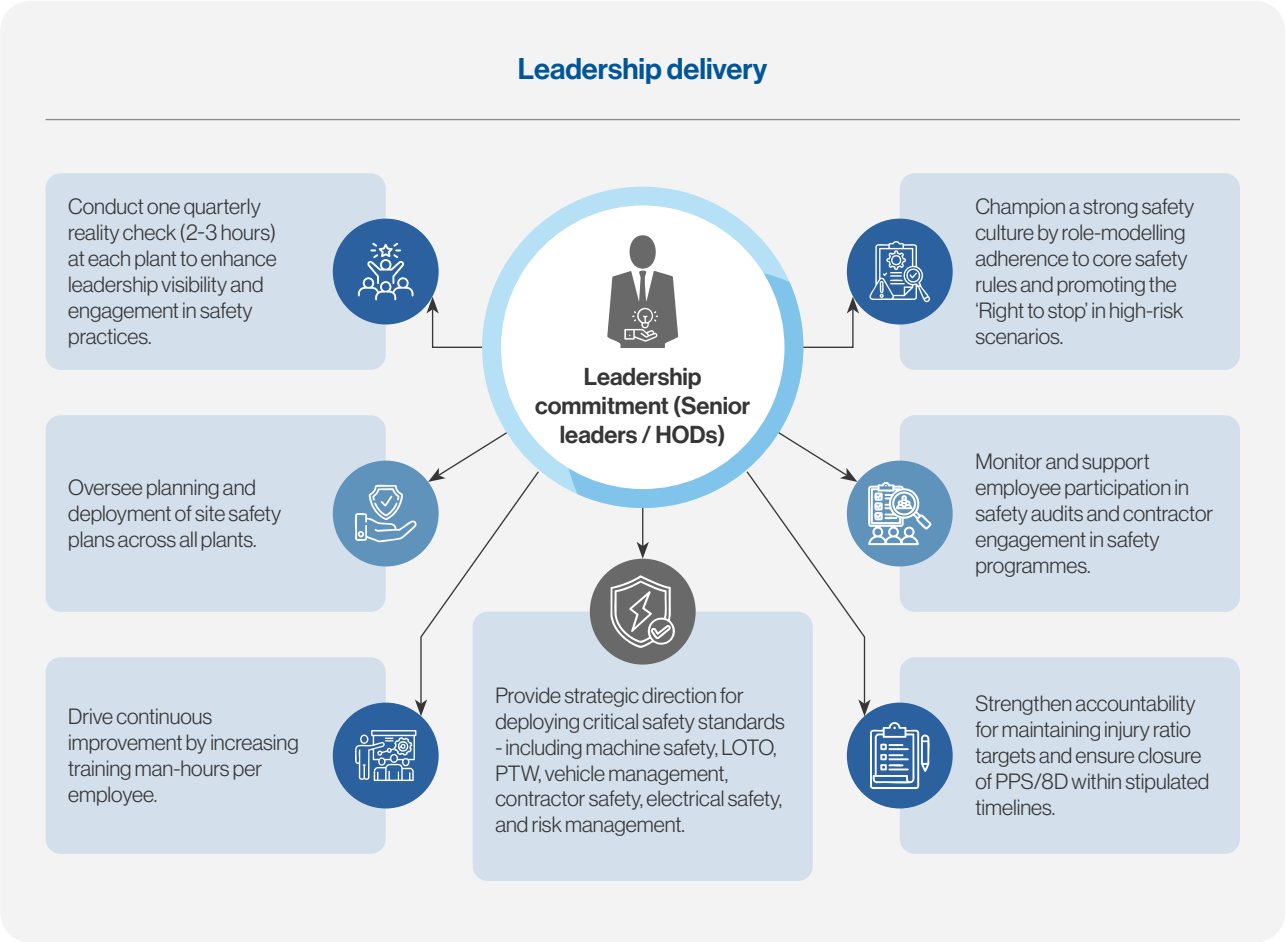


Integrating safety into performance

To ensure shared ownership and measurable accountability, 15-20% of health and safety objectives have been integrated into the Key Result Areas

(KRAs) and Key Performance Indicators (KPIs) of all employees, including the middle management and frontline teams. This alignment ensures that safety is not viewed as a standalone responsibility but as an essential component of daily

performance and operational excellence. By linking individual contributions to organisational goals, Himadri strengthens its safety-first culture, supports its ESG commitments, and drives progress toward vision zero accident/incident.



Key safety targets for FY24-25

- MTIFR reduction:** Reduce major total injury frequency rate by 10% from baseline. Encourage frontline reporting and strengthen corrective action tracking.
- Process safety events:** Achieve a 10% reduction in process safety events through adherence to protocols and data-driven improvements.
- Line PPS implementation:** Introduce practical problem solving systems to capture unsafe acts/conditions and ensure 100% closure within 24 hours for critical issues.
- Safe work instructions (SWI):** Develop SWIs for all routine and standard tasks,

- providing clear procedural guidance and standardisation.
- Risk assessment and RPN reduction:** Conduct risk assessments for all standard and non-standard activities, targeting an RPN of ≤ 32.
- Strengthen standards deployment:** Enhance compliance across all plants, with measurable improvements reflected in internal audit outcomes.
- Quarterly internal audits:** Conduct comprehensive plant-level audits using a standardised checklist focused on H&S implementation.
- Monthly HSE steering committee meetings:** Facilitate monthly reviews under the plant head's leadership,

- ensuring cross-functional insights and timely actions.
- Safety event calendar:** Launch a consolidated safety event calendar (safety day, campaigns, and awareness drives) by April 2025 to promote active workforce participation.
- HSE reward and recognition programme:** Introduce an incentive programme to recognise frontline safety performance and encourage proactive compliance.
- Safety alerts and lesson learning sessions:** Standardise and circulate safety alerts and LLS communications across all sites to enhance awareness and continuous learning.

KPIs/Objective	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
LTIFR < 1	✓	✓	✓	✓	✓	✓	✓
Maintained SIOPA rate =>10/employee/year	✓	✓	✓	✓	✓	✓	✓
Safety Audit participation => 85% throughout the year.	✓	✓	✓	✓	✓	✓	✓
Maintain ratio between Minor Injuries and DO's - 1:0.5	✓	✓	✓	✓	✓	✓	✓
90% Closure of 8D PPS with LLS of LTI.MTI, SDO in 90 days.	✓	✓	✓	✓	✓	✓	✓
Focused Deployment of standards like machine safety, LLT, PTW, electrical safety, vehicle management, contractor safety management and risk management	✓	✓	✓	✓	✓	✓	✓
Initiated 'Right to STOP' to deal with eminent high-risk situation & mitigate in fast track mode	✓	✓	✓	✓	✓	✓	✓
Improved training Man-hours from 5.5hr/head/year to 11hr/head/year	✓	✓	✓	✓	✓	✓	✓

Structured toolkit and monitoring for various layers of employees

A role-specific HSE Toolkit has been developed to ensure clarity and usability across functions. It provides practical guidance, performance parameters, and monitoring methods for achieving each defined objective.

Each goal adheres to the SMART framework: Specific, Measurable, Achievable, Relevant, and Time-bound, ensuring that targets are realistic, trackable, and aligned with both individual KRAs and the organisation's broader ESG roadmap. Through this integrated and measurable approach, Himadri continues to

strengthen its culture of accountability, operational discipline, and safety excellence, moving steadily toward a zero accident / zero incident workplace.





KPIs/Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
MTIFR 10% reduction from previous year	✓	✓	✓	✓	✓	✓	✓
Focus on Unsafe Act while capturing SIOs and during Safety Audits to progress on culture building process	✓	✓	✓	✓	✓	✓	✓
Developed SWI for all listed standard activities	✓	✓	✓	✓	✓	✓	✓
Risk assessment of all listed Standard & Non-standard activities and Closing RPN >=32	✓	✓	✓	✓	✓	✓	✓
Quarterly Internal Audits of the plants with comprehensive and standard checklist. Majorly on H&S Implementation	✓	✓	✓	✓	✓	✓	✓
Monthly HSE Steering Committee meeting under leadership of Plant head	✓	✓	✓	✓	✓	✓	✓
Monthly safety event, campaigns	✓	✓	✓	✓	✓	✓	✓
Driving of HSE Reward and Recognition programme	✓	✓	✓	✓	✓	✓	✓
Standardising and circulation of safety alert and LLS	✓	✓	✓	✓	✓	✓	✓
Implementation of 10 core safety rules	✓	✓	✓	✓	✓	✓	✓

Regulatory compliance

Himadri maintains a robust culture of legal and regulatory compliance across all business functions. Through strong governance systems and proactive risk management, the Company ensures that every operation aligns with statutory, environmental, and ethical obligations.

Labour and human rights compliance

Himadri strictly adheres to all applicable labour legislations, including the Factories Act, Minimum Wages Act, and welfare provisions under various labour laws.

- No instances of child or forced labour were reported across any facility.

- The Company ensures fair wages, safe workplaces, and equitable opportunities for all employees.

- Regular training and welfare initiatives are conducted to enhance skills and uphold human rights in line with national and international standards.

Environmental, Health & Safety (EHS) compliance

Himadri's EHS framework is built on full compliance with the Environment (Protection) Act, Water and Air Acts, and related state regulations.

- The Company obtained all required consents and clearances from respective State Pollution Control Boards (as stated on Page 66 of the Sustainability Report).

- Its EHS Management Systems are certified under ISO 14001:2015 and ISO 45001:2018, ensuring systematic adherence to environmental, occupational health, and safety laws.

HSE Compliance Framework

Himadri's operations comply with a comprehensive set of laws governing occupational safety, fire prevention, hazardous material management, and worker welfare.

The Company's compliance model includes periodic licensing, equipment inspection, and certification in line with West Bengal Factories Rules, 1958 and allied safety statutes.

Applicable rules	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
The Factories Act, 1948 and relevant State factory rules	✓	✓	✓	✓	✓	✓	✓
Applicable State fire and emergency services rules and regulations	✓	✓	✓	✓	✓	✓	✓
Environment Protection Act, 1986 and Rules	✓	✓	✓	✓	✓	✓	✓
The Petroleum Act, 1934 and Rules	✓	✓	✓	✓	✓	✓	✓
The Gas Cylinder Rules, 2016	✓	✓	✓	✓	✓	✓	✓
The Static and Mobile Pressure Vessels (Unfired) Rules, 2016	✓	✓	✓	✓	✓	✓	✓
The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989	✓	✓	✓	✓	✓	✓	✓
Boilers Act, 1923 and Indian Boiler Regulations	✓	✓	✓	✓	✓	✓	✓



## Health & Safety Governance

Occupational Health and Safety (OH&S) is central to Himadri's sustainability strategy - extending beyond regulatory compliance to cultivate a culture of care, responsibility, and accountability. Through early risk identification, preventive action, and continuous improvement, Himadri safeguards its workforce while enhancing operational resilience. The Company's integrated governance model aligns with leading global standards:

**ISO 45001:2018:** Fosters leadership accountability, worker participation, and proactive hazard control.

**SA 8000:2014:** Ensures ethical labour practices, fair working conditions, and zero tolerance for child or forced labour.

**ISO 28001:2022:** Strengthens supply chain security through risk assessment, traceability, and control mechanisms.

Together, these systems promote a culture of prevention, transparency, and shared responsibility across employees, contractors, and partners.

### Sustainability governance framework

Himadri's sustainability governance operates through a structured multi-tier framework ensuring strong oversight and accountability:

**Board of Directors and ESG Committee:** The Board holds ultimate responsibility for ESG oversight. The ESG Committee, chaired by the Managing Director & CEO, defines strategy, approves policies, and integrates OH&S objectives into long-term business plans.

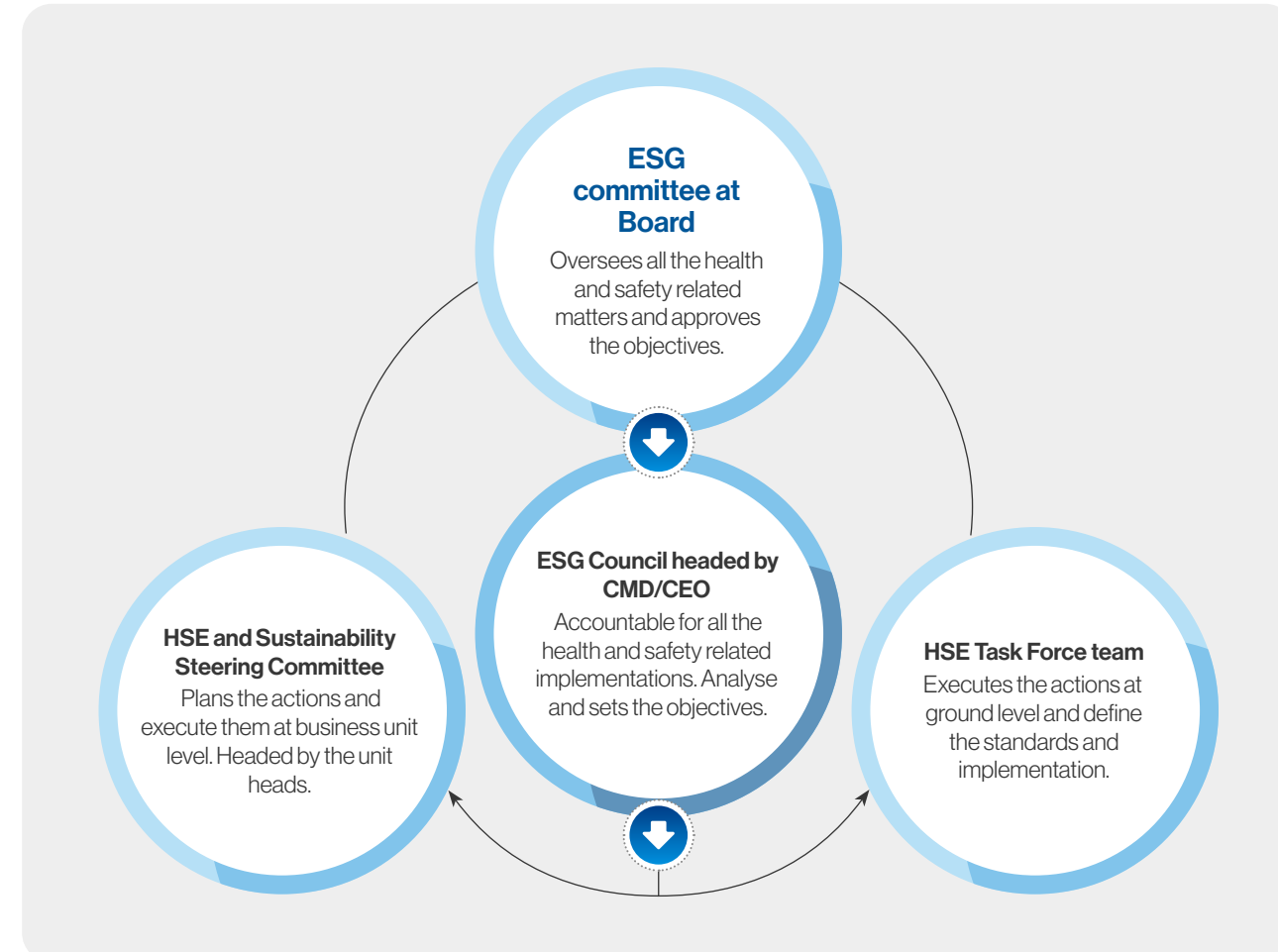
**ESG Council (CMD/CEO-led):** The Council translates Board directives into action, monitors performance, allocates

resources, and tracks ESG and safety KPIs.

**HSE and Sustainability Steering Committee:** At the business-unit level, this committee executes corporate OH&S strategies, performs risk assessments, and ensures compliance through training, monitoring, and preparedness programmes.

**HSE Task Force team:** Operating at the ground level, the Task Force implements safety protocols, conducts audits, and drives on-site compliance through hazard identification, mitigation, and behaviour-based safety practices.

This integrated model ensures a seamless flow of accountability - from the Board to the shop floor - embedding ethics, safety, and sustainability into every operational layer.



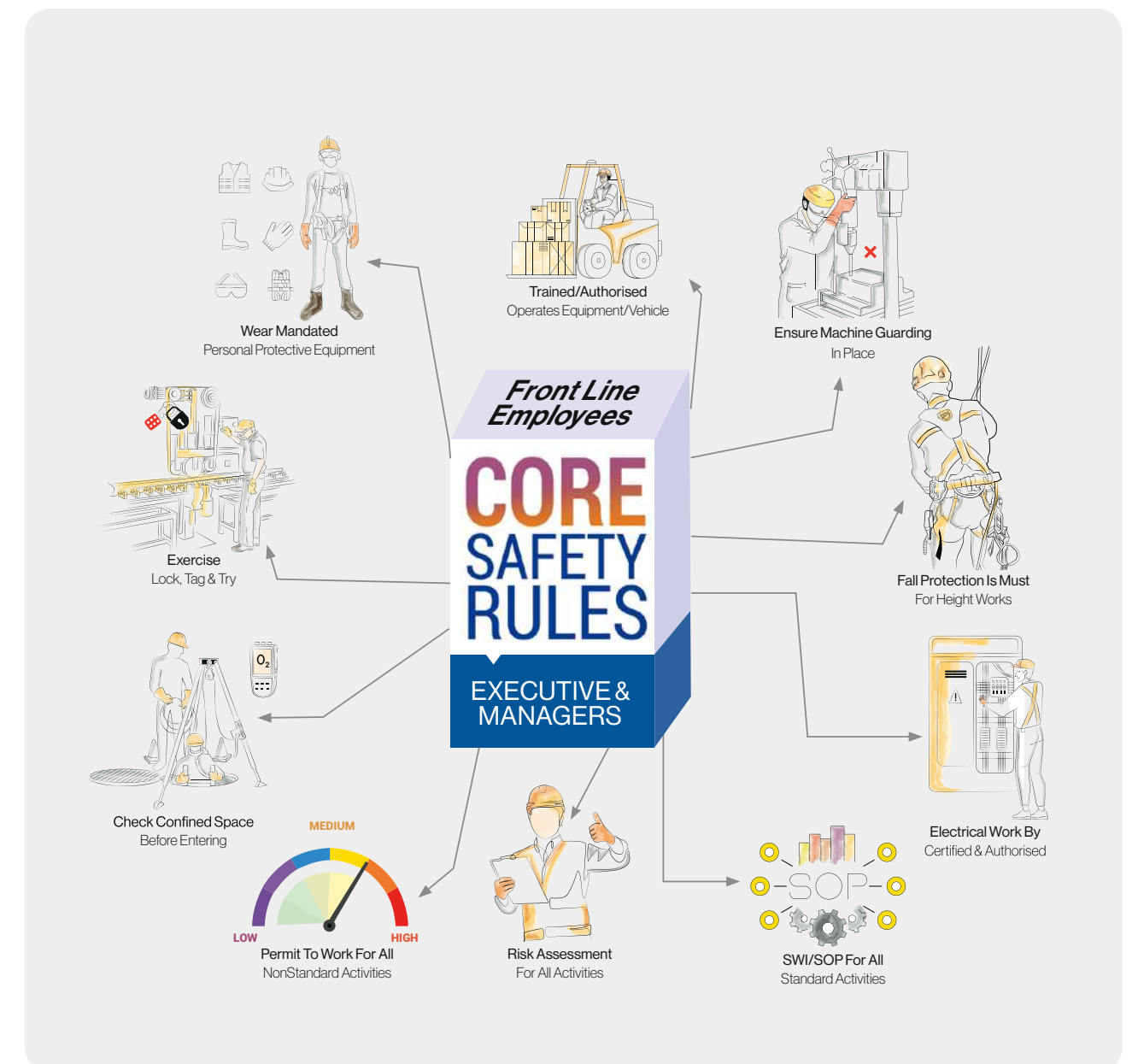
## Himadri's methodical edge in safety management

### 10 core safety rules

Himadri's 10 Core Safety Rules serve as the foundation of its safety culture. These rules address critical risk areas such as working at height, confined space entry,

and electrical maintenance - mandating PPE usage, Lock-Out Tag-Out (LOTO) procedures, machine guarding, and work permits for non-routine activities. Applicable to all employees and

contractors, these rules standardise safe practices, reinforce shared responsibility, and establish a consistent benchmark for workplace safety.



Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
10 core safety rules	✓	✓	✓	✓	✓	✓	✓



## Safety leadership philosophy

Himadri's safety leadership philosophy is built on a three-tier model, reflecting the Company's progression toward safety excellence:

### Human error (Orange tier)

Focuses on behavioural and cognitive factors contributing to unsafe acts. Training and awareness initiatives aim to address these root causes and promote proactive safety behaviour.

### Safety ladder (Green tier)

Represents continuous improvement, reinforcing the sequence **Safety → Quality → Volume → Cost → Sustainable growth**. It underlines the principle that operational success begins with safety.

### Task management - Foundation development (Blue Tier)

Emphasises structured planning, task authorisation, and risk assessment. Every

activity is executed under formal approval, ensuring that 'no work starts without authorisation.'

Together, these tiers create a unified system that transforms safety from a compliance requirement into a core organisational value.



## Human error management framework

Himadri uses a structured flowchart to classify and manage human errors:

### Unintended actions

**Slips:** Errors due to lapses in attention (e.g., pressing the wrong switch).

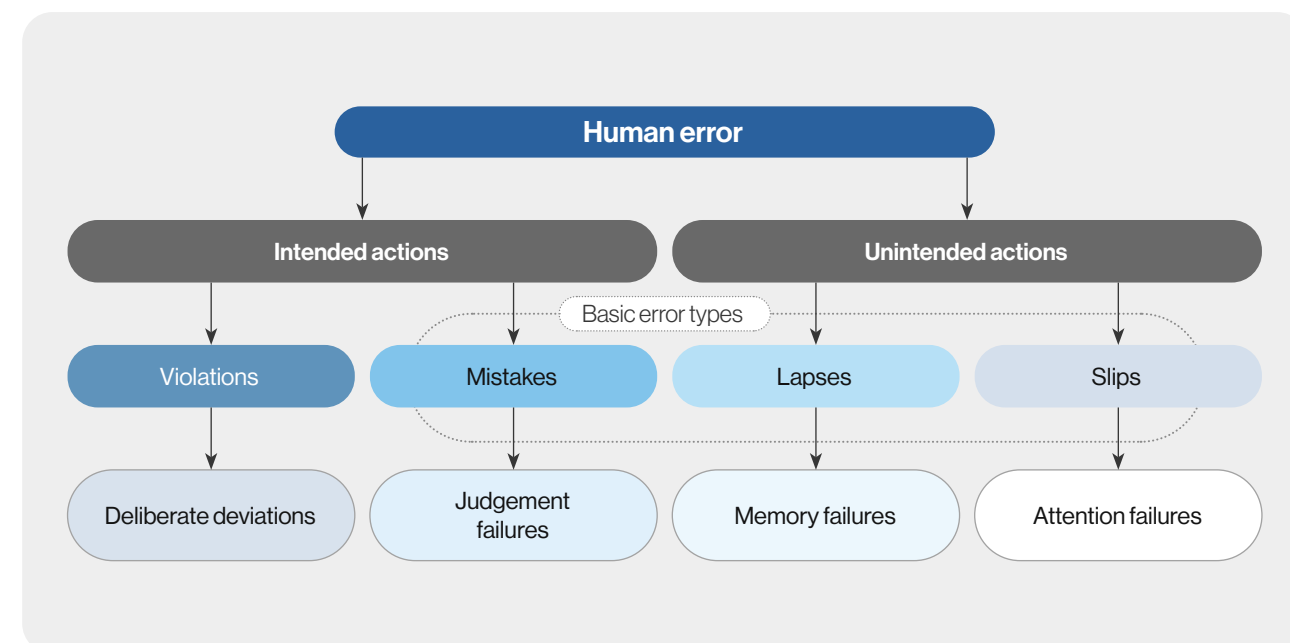
**Lapses:** Forgetting steps or sequences.

**Mistakes:** Wrong decisions based on incorrect knowledge or rules.

### Intended actions

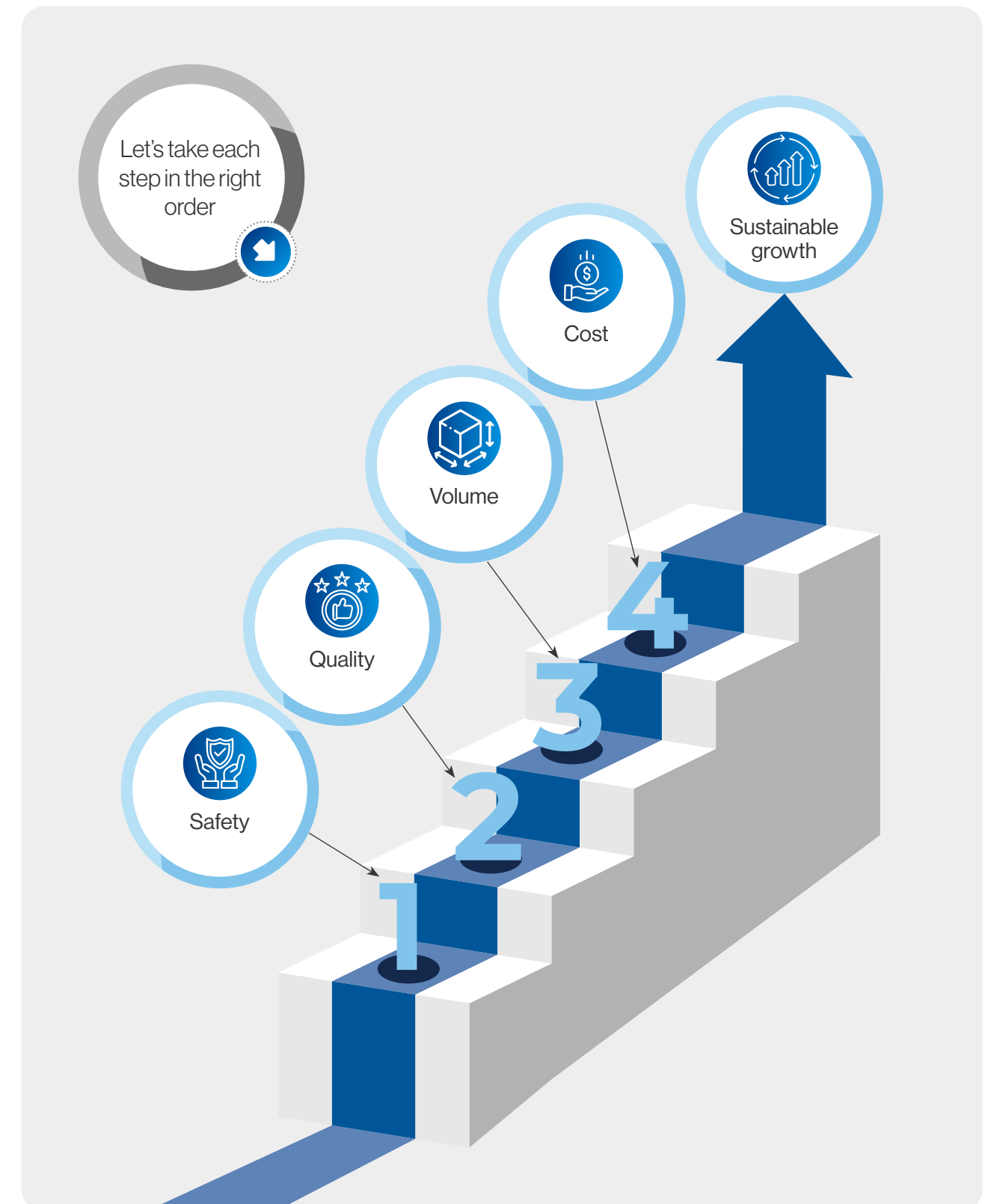
**Violations:** Deliberate deviations from established rules or procedures.

This analytical approach helps strengthen training programmes, improve system design, and foster accountability - reducing human error and enhancing overall safety performance.



## Safety Progression Framework

Safety is the starting point for everything

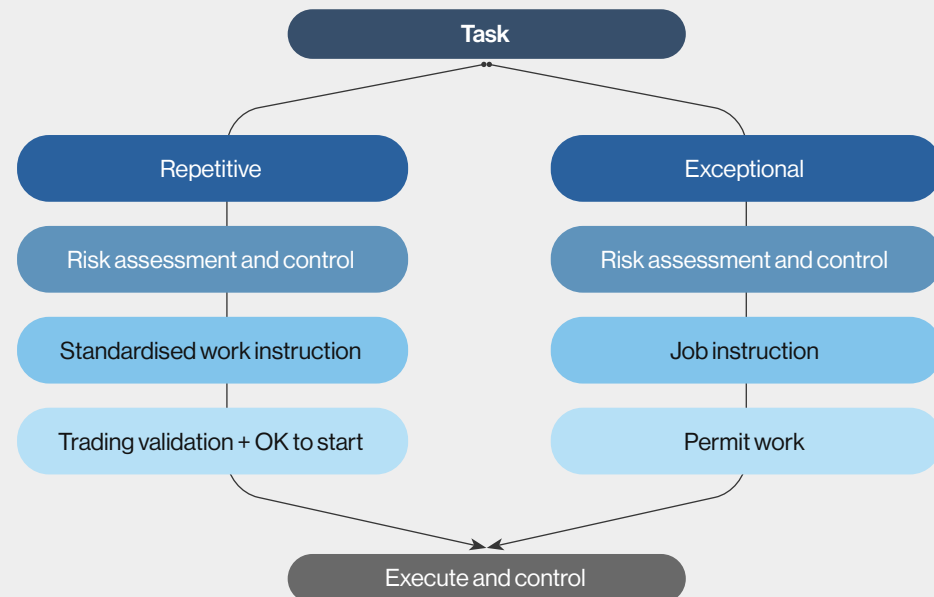


The safety ladder demonstrates Himadri's structured approach to operational excellence, emphasising the importance of sequencing progress:



This model reflects the belief that sustainable business must be built on uncompromised safety and consistent quality performance.

### Safety task management system



Himadri's task management system ensures that every job is conducted safely and with formal authorisation.

#### Standardised tasks

- Repetitive tasks follow approved Standard Operating Procedures (SOPs).
- Periodic tasks adhere to defined Job Instructions for consistency.

#### Non-standard tasks

- Frequent tasks require a routine permit to work.
- Exceptional or high-risk jobs demand a non-routine permit, following stakeholder review and formal approval.

- This framework reinforces the principle: 'No work without authorisation.'

#### Alignment with ISO 45003:2021 - Psychological health and safety

Himadri's Safety Leadership Model aligns with ISO 45003:2021, extending the focus beyond physical safety to include psychological well-being.

**Human error tier:** Promotes a just culture emphasising learning over blame while managing fatigue, stress, and unclear roles.

**Safety ladder:** Balances performance and well-being using leading and lagging indicators.

**Task management:** Incorporates checks for communication gaps, workload balance, and mental fatigue during task planning.

By integrating mental health and empowerment into its safety culture, Himadri builds a resilient, people-first organisation where safety and well-being are central to operational excellence and sustainable growth.

## Occupational safety at Himadri

### Risk management

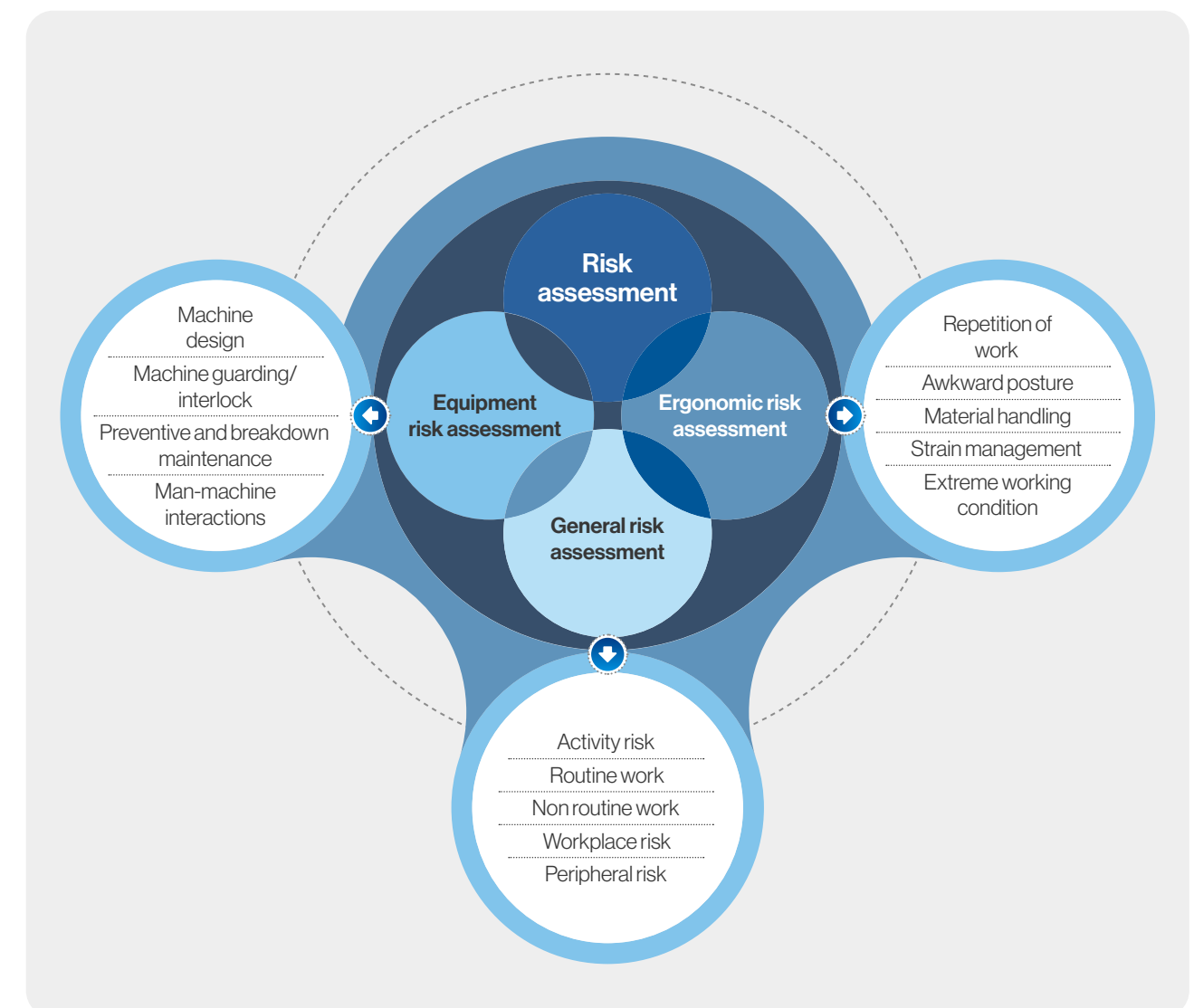
At Himadri, safety is embedded into every level of operations through an integrated approach that addresses both engineering systems and human factors. The Company's risk management framework combines process safety, job management, and continuous risk assessment to ensure proactive hazard prevention and safe execution of all activities.

#### Process (engineering) safety

Himadri's engineering safety is anchored in rigorous Process Safety Management (PSM) systems and comprehensive HAZOP (Hazard and Operability) studies—covering over 67% of operations. Conducted in collaboration with global safety expert M/s DEKRA, these reviews help identify potential process hazards,

evaluate risk severity, and implement robust engineering controls.

The insights from HAZOP are integrated into design and operation through fail-safe mechanisms, interlocks, alarms, and procedural safeguards, ensuring inherent safety in system design and protecting people, assets, and the environment.





### Job management and human oversight

Himadri's job management system complements engineering controls with real-time operational oversight. This system empowers supervisors and workers to identify and address dynamic risks through structured Permit-to-Work (PTW) procedures, toolbox talks, and on-site interventions. By combining automation with human vigilance, the Company ensures that safety is upheld by its workforce, and not left solely to automated systems.

### Risk Assessment Framework

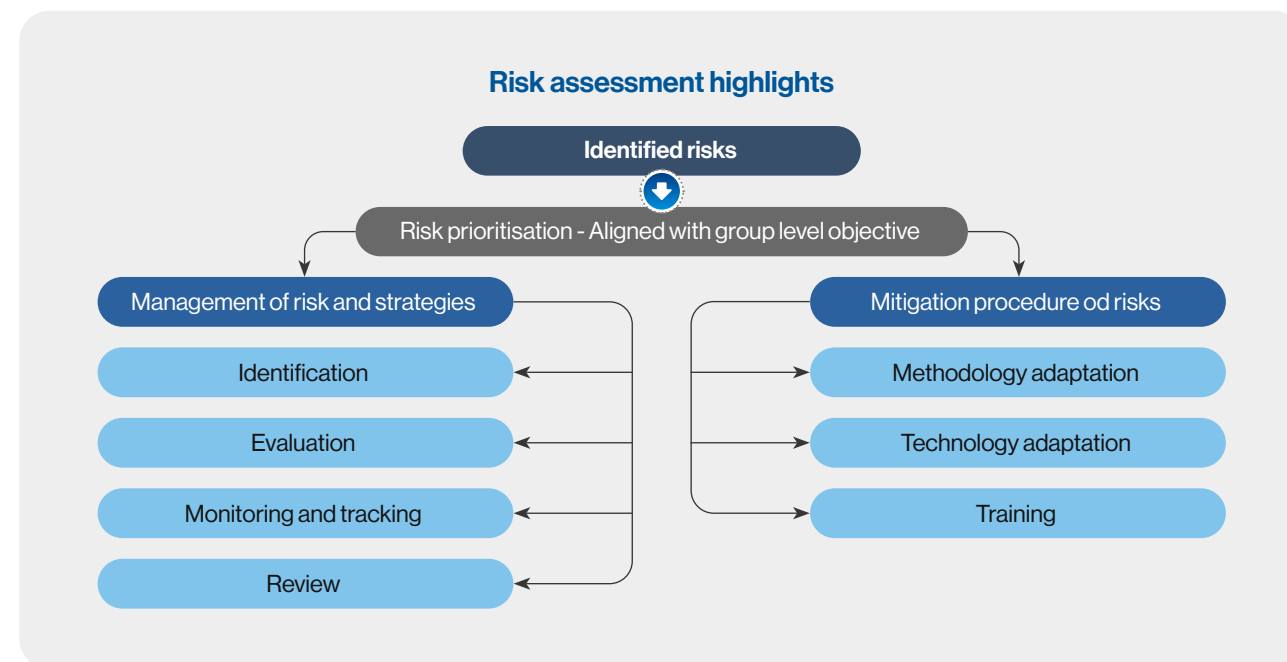
Himadri's multi-tiered risk assessment system addresses hazards across three primary dimensions:

**Equipment risk assessment:** Focuses on machinery safety through engineering controls, guarding, preventive maintenance, and operator training.

**Ergonomic risk assessment:** Identifies posture, repetition, and strain-related risks to improve workplace design and employee comfort.

**General risk assessment:** Evaluates environmental and activity-based risks to ensure safe practices across both routine and non-routine operations.

This structured framework enables digital monitoring, real-time evaluation, and proactive mitigation, reinforcing a culture of safety and operational excellence.



Himadri's Risk Management Framework follows a data-driven approach.

In FY24-25, the Company identified 841 risks, up from 471 in the previous year, with 440 high-risk cases addressed and an overall closure rate of 83.82%.

Using Risk Priority Number (RPN) analysis, key units such as CTP, CBD, SNF,

and By-Products achieved effective risk mitigation, maintaining minimal residual risks.

Under the SIOPA (Safety Improvement Opportunities and Preventive Actions) framework:

- 9,638 safety audit points were tracked (up from 4,117).

- 2,574 moderate risks achieved a 95% closure rate.

These improvements demonstrate Himadri's focus on continuous improvement, data-backed decision-making, and preventive action planning.

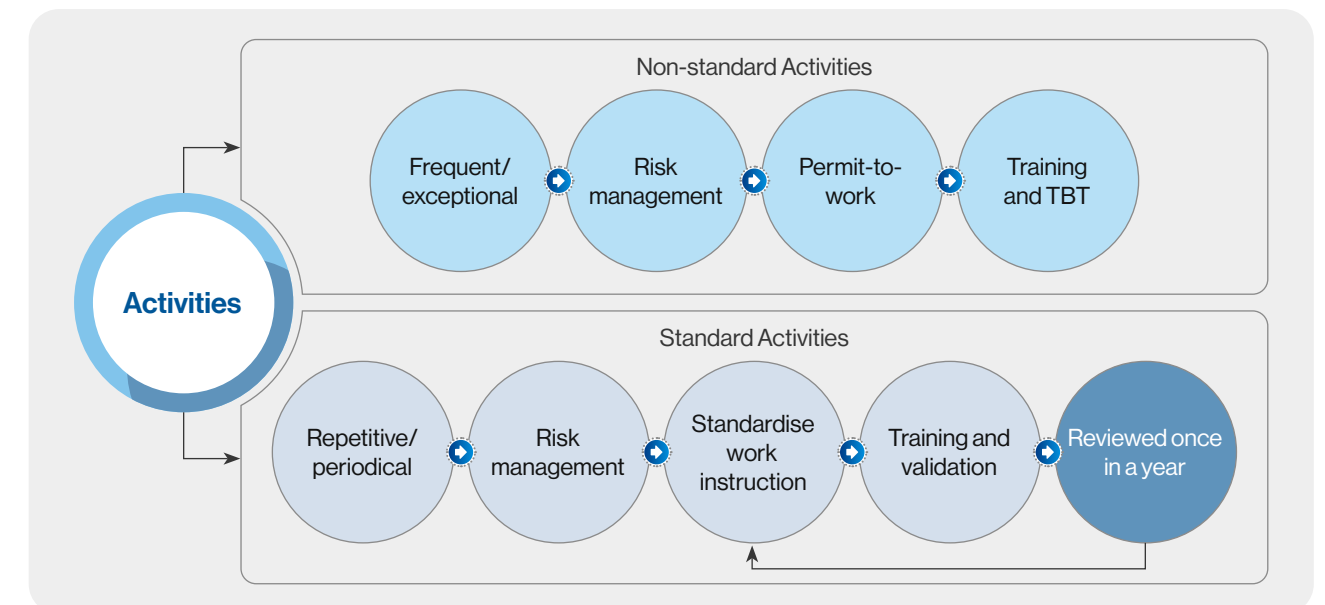
Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Risk assessment	✓	✓	✓	✓	✓	✓	✓

### Integration of risk assessment into operations

Risk assessment at Himadri is embedded into routine and non-routine activities through structured frameworks:

**Safe work instructions:** Standardised for routine jobs, documenting risks and control measures step-by-step for consistent and safe execution.

**Permit-to-work system:** Applied to non-standard or high-risk activities, involving dynamic risk assessments and formal verification before work begins.



Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Permit-to-work	✓	✓	✓	✓	✓	✓	✓

### Safety Hexagon: Managing non-routine activities

For non-routine and high-risk operations, Himadri employs its Safety Hexagon Framework, covering six critical domains: Work at Height, Hot Work, Confined Space, Electrical Safety, LTT (Lock-Tag-Try) Procedures, and Lifting/Transporting Equipment.

Each domain is governed by controls, protocols, and supervision. This framework ensures operational reliability, minimises risk exposure, and aligns with regulatory compliance standards, thereby reinforcing Himadri's proactive safety culture.



Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Safety Hexagon	✓	✓	✓	✓	✓	✓	✓



Safe methodology for handling of hazardous substances

Himadri’s Chemical Safety Framework ensures the safe handling, storage, and disposal of hazardous substances, safeguarding employees, contractors, and the surrounding community. The Company’s approach combines hazard identification, risk control, and regulatory compliance with advanced technology and workforce engagement.

**Key elements of chemical safety management**  
**Standard Operating Procedures (SOPs):** Cover chemical receipt, storage, usage, disposal, and emergency response for spills or exposure.

**Storage and labelling:** Materials stored in ventilated, segregated areas, labelled as per Globally Harmonised System (GHS) norms.

**Personal protective equipment (PPE):** Task-based PPE usage supported by training and compliance checks.

**Training and awareness:** Continuous education on hazard communication, emergency response, and safe handling.

**Job rotation/ exposure control:** Himadri incorporates job rotation as an important administrative control to reduce worker exposure to hazardous substances during handling, processing, or transfer activities. By rotating employees between shift and between tasks with differing exposure levels, the company limits the duration of direct contact with chemicals, thereby reducing cumulative health risks. This approach is supported by clear work schedules, competency-based task allocation, and supervision to ensure that only trained personnel perform high-risk activities.

Job rotation also helps manage exposure level and promote overall well-being, reinforcing Himadri’s commitment to safe work practices and ongoing protection from occupational hazards.

**Emergency preparedness:** Spill kits, eyewash stations, and firefighting systems installed with regular drills.

**Technology and monitoring:** Automated tracking of chemical inventories and real-time access to Safety Data Sheets (SDS) to reduce human error.

**Regulatory compliance:** Systems aligned with OSHA, Factories Act, and international safety standards.

**Continuous improvement:** Routine audits, near-miss reporting, and feedback loops for ongoing enhancement.

Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Personal Protective Equipment (PPEs) standard	✓	✓	✓	✓	✓	✓	✓
Chemical handling safety standard	✓	✓	✓	✓	✓	✓	✓
Safe chemical handling	✓	✓	✓	✓	✓	✓	✓
General awareness on PPEs	✓	✓	✓	✓	✓	✓	✓

Training coverage on safe chemical handling and PPEs

KPIs/Objective	Year	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Pre-employment health check-up	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							
Periodic health check-up	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							

**Impact and outcomes**  
**Reduced incidents:** Fewer chemical-related events through proactive hazard control and employee awareness.  
**Regulatory excellence:** High compliance and transparent documentation minimise legal or financial exposure.

**Employee engagement:** A strong safety culture enhances morale, trust, and productivity.  
**Environmental stewardship:** Responsible handling prevents contamination and supports community well-being.

Himadri’s chemical safety management represents a technology-driven, people-centered approach, prioritising prevention, compliance, and continuous improvement.

Creating a culture of care and protection

The culture of protection initiative embeds safety as a core organisational value, ensuring every employee contributes to a safer workplace through vigilance and accountability.

Safety audit system

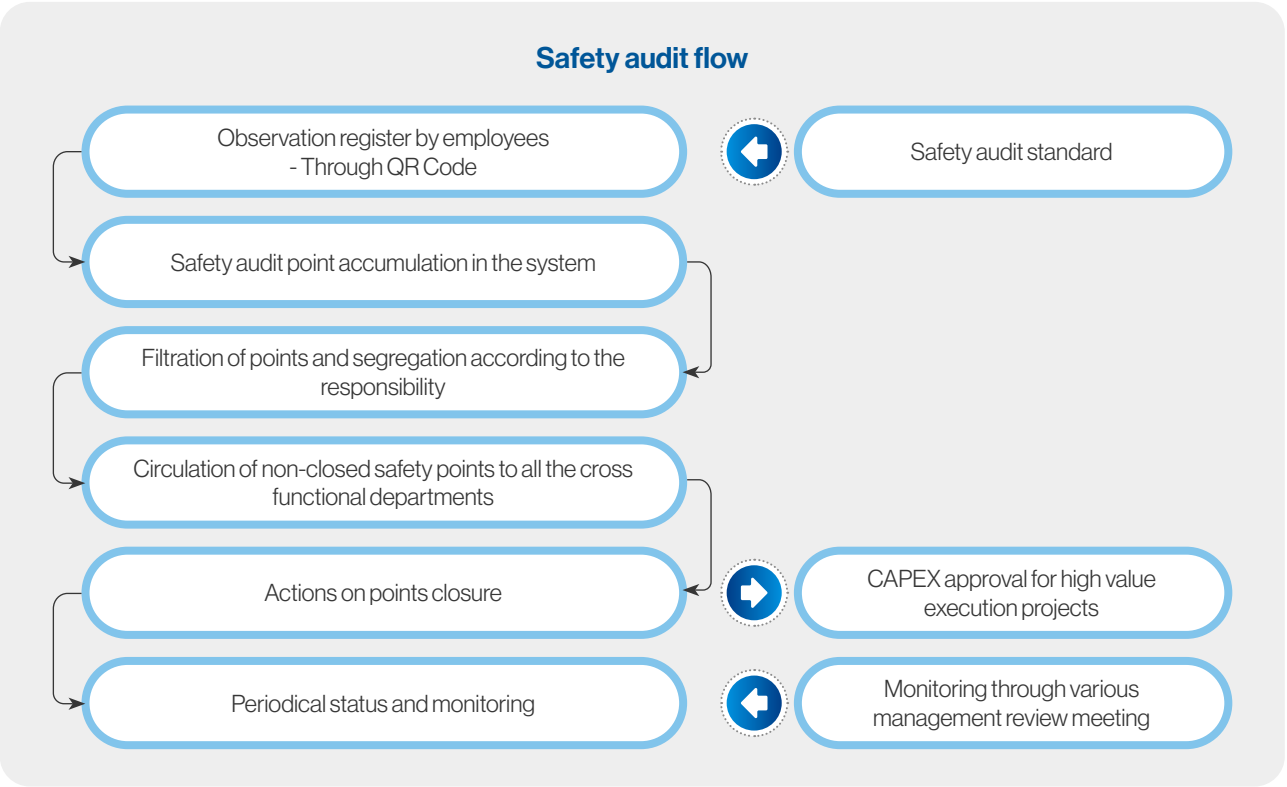
Himadri’s safety audit tool provides employees with structured platforms to identify and report potential hazards. Using a QR code-based system, employees can record risks, track progress, and ensure swift resolution.

FY24-25 highlights

- Employee participation in safety audits rose by 32% - 9,638 points recorded, which rose from 4,117 in FY23-24.

- Closure rate improved to 86.5%, reflecting effective corrective action.
- Low-risk points (CTD section) increased from 563 to 954, indicating heightened vigilance.
- Total risks recorded across all categories grew from 1,173 to 4,908, with open points rising from 107 to 318, signalling a stronger reporting culture and the need for faster closure cycles.

This initiative has deepened worker engagement and established a strong mechanism for proactive hazard identification and continuous safety enhancement.



Equipment safety inspection under safety audit

**Equipment inspection**  
Himadri has implemented a robust preventive maintenance protocol as part of its Equipment Safety Inspection and Condition Monitoring Framework. This systematic approach ensures that all critical equipment and rotating machinery

are inspected and maintained at defined intervals to prevent mechanical failures, reduce unplanned downtime, and enhance operational safety. Under this protocol, scheduled equipment safety audits are conducted by the maintenance and EHS teams following standard checklists covering essential parameters such as temperature,

vibration, noise, coupling condition, oil level, leakage, cleaning, and overall mechanical integrity. Each inspection record includes equipment ID, location, inspection date, remarks, and authorised personnel signature, ensuring traceability and accountability. The programme emphasises early detection of anomalies through condition-





based monitoring and periodic servicing. Findings from these inspections are reviewed during monthly safety and engineering meetings to determine maintenance priorities and corrective actions.

The attached sample preventive maintenance checklist and filled-in document demonstrate Himadri's structured and documented inspection regime for critical assets such as high-speed pumps, sludge pumps, recycle water pumps, and feed pumps across various operational sheds. This evidence reflects the Company's continuous commitment to ensuring safe equipment performance, process reliability, and compliance with its internal Health, Safety, and Environment (HSE) standards.

Moreover, Himadri has adopted a digital internal audit protocol to systematically assess the health and safety performance of machines and equipment across all operational units. This initiative represents a key advancement in the Company's proactive risk management approach, aligning with its commitment to continual improvement in occupational health and safety performance.

Under this protocol, all internal safety audits are conducted using digitally

enabled audit formats and mobile applications, replacing conventional paper-based systems. This ensures real-time data capture, faster analysis, and higher accuracy in identifying unsafe conditions or acts associated with machinery and equipment. Each audit covers defined checkpoints including mechanical integrity, guarding systems, electrical safety, ergonomic setup, noise, vibration, and emergency readiness.

Auditors and co-auditors, trained in EHS standards, conduct on-site verifications and record both safe and unsafe observations along with corrective and preventive actions in the digital system. The data is automatically compiled and reviewed through a centralised dashboard, allowing the EHS department to monitor trends and closure rates effectively.

**Preventive maintenance score card**

Himadri has established a structured equipment safety inspection score card system across all plants to continuously monitor preventive maintenance (PM) compliance and equipment reliability performance. The score card serves as a digital tracking tool, capturing monthly inspection results and maintenance

performance metrics for each production unit, including various divisions.

The score card measures target versus actual maintenance compliance, highlighting areas of timely inspection completion and identifying any slippage for corrective planning. Parameters typically reviewed include mechanical condition, operational safety readiness, and preventive maintenance schedule adherence.

As reflected in the sample score card, Himadri has maintained a near-perfect compliance rate of 99-100% across multiple fiscal years, demonstrating the consistency of its inspection regime. Each plant's monthly data - covering thousands of preventive maintenance activities - is compiled, verified, and reviewed by the Central Engineering and EHS teams to ensure continuous improvement in equipment safety and operational integrity.

The systematic use of this score card reinforces Himadri's focus on proactive maintenance, zero breakdown objectives, and sustained compliance with internal and regulatory safety standards, ensuring that all critical equipment remains in optimal working condition and safe for operation.

Online safety audit



- a) QR Code based safety audit protocol implemented for all the employees.
- b) Automatic data segregation for safety audit.
- c) Way forward we are on the verge of implementation of online Risk Assessment, Permit to Work and Safety Audit Protocol.

Strengthening governance and transparency

Safety audits are a core element of Himadri's governance model, driving accountability and continuous improvement.

**Tracking:** Each audit finding is logged, assigned ownership, and monitored until closure through leadership reviews.

**Criticality assessment:** Findings are categorised by risk level; high-risk issues are escalated immediately.

**Third-party validation:** Independent safety experts periodically assess compliance and benchmark Himadri's practices against ISO 45001 and global best standards.

As the next step, Himadri plans to engage third-party contract workers for independent safety audits, adding an external perspective to its safety performance. This 'third-eye approach' will enhance objectivity, identify hidden risks, and elevate safety governance to industry-leading levels.



Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Safety audit	✓	✓	✓	✓	✓	✓	✓

Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Machine safety	✓	✓	✓	✓	✓	✓	✓

## Embracing process safety management: A risk-based engineering approach

Himadri's Process Safety Management (PSM) system integrates leadership commitment, hazard identification, workforce competency, and continuous improvement to ensure safe operations across chemical processes.

**Leadership commitment:** A 'zero tolerance' mindset, policy enforcement, and open communication drive a strong safety culture.

**Hazard identification and risk assessment:** HAZOP, What-If Analysis,

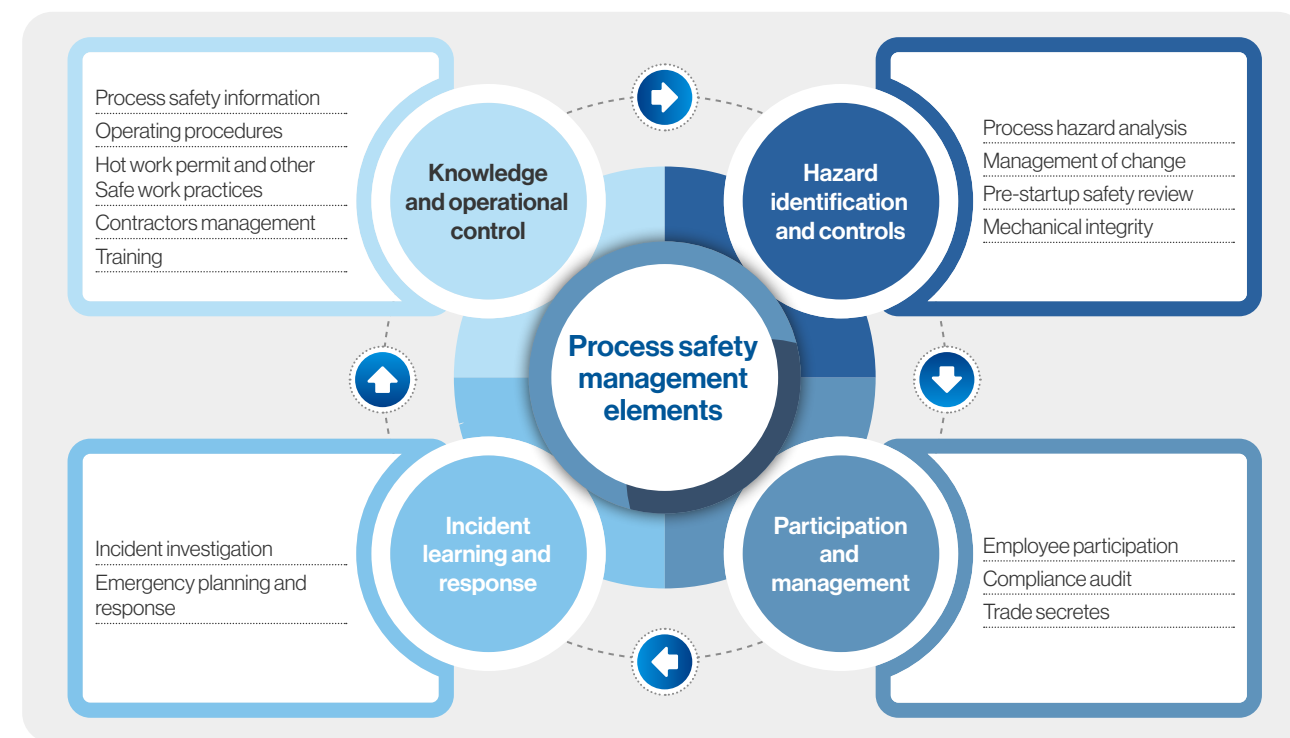
and risk matrices identify and prioritise operational hazards.

**Training and competency:** Employees receive hands-on training in hazard control, emergency response, and compliance.

**Incident investigation:** Structured RCA and FMEA methodologies ensure lessons are captured and preventive measures implemented.

**Audits and continuous improvement:** Regular internal and external audits, coupled with Management of Change reviews, sustain operational integrity.

**Management of Change protocol:** Himadri has implemented protocol on the Management of change which defines the any change in the operations shall be notified prior to all relevant teams and before stipulated time mentioned in the protocol.



### HAZOP studies: Existing plants and new projects

Himadri conducts detailed HAZOP (Hazard and Operability) studies to identify and eliminate process-level hazards during system design and operation. In partnership with DEKRA, global safety experts, Himadri ensures alignment with international standards

through fail-safe engineering and procedural safeguards.

#### Methodology

The HAZOP process involves systematic, node-by-node review of P&IDs:

1. Define nodes and design intent.

2. Identify deviations using guidewords (per BS-IEC 61882).

3. Assess causes, consequences, and significance.

4. Rank hazards by safety, environmental, and economic impact.

5. Recommend controls and assign responsibilities.

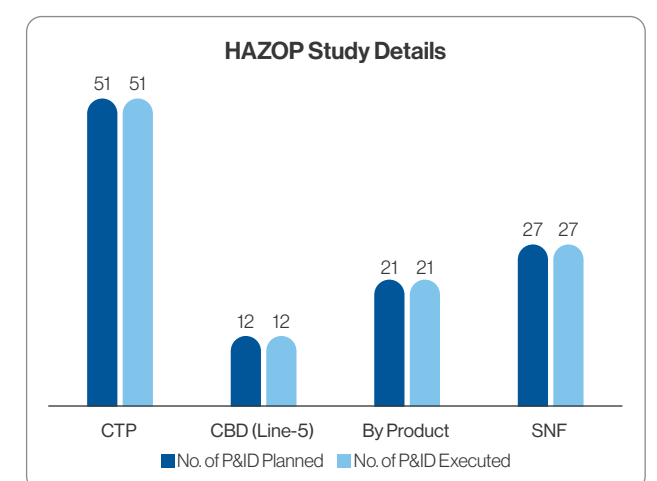
Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Process safety management	✓	✓	✓	✓	✓	✓	✓



### Implementation progress

Himadri continues to strengthen its process safety framework through a structured and comprehensive Process Hazard Analysis (PHA) programme. In line with the organisation's commitment to proactive risk management, more than 139 P&IDs have already been thoroughly analysed, covering critical process units, interlinked systems, and operational interfaces. These assessments have enabled the identification of potential hazards, evaluation of existing safeguards, and formulation of targeted risk-reduction measures to enhance overall operational safety.

Building on this momentum, the next phase of the PHA programme will cover an additional 40 P&IDs, ensuring that all remaining process areas undergo systematic hazard evaluation as per established procedures. This phased approach allows Himadri to maintain analytical depth, engage cross-functional expertise, and ensure that each P&ID is assessed with accuracy and diligence.







HSE Task Force - Steering safety, health, and environmental excellence

The Health, Safety and Environment (HSE) Taskforce at Himadri Speciality Chemical Ltd serves as a central governance and implementation body, responsible for embedding a culture of safety, compliance, and environmental stewardship across all operations. Functioning under the oversight of the ESG Council and the Sustainability Steering Committee, the Taskforce ensures that global best practices and statutory requirements are translated into operational excellence. It drives uniform deployment of ISO 45001:2018, ISO 14001:2015, and Responsible Care standards across all sites, while monitoring performance against key indicators such as Lost Time Injury Frequency Rate (LTIFR), training coverage, and process safety metrics.

The Taskforce also oversees incident investigations, ensures compliance with regulatory frameworks, and coordinates periodic internal and external audits to strengthen governance maturity. Through focused leadership engagement and robust monitoring, it ensures that safety, health, and environmental priorities remain integral to every decision and activity at Himadri.

In FY24-25, the HSE Taskforce achieved several milestones that reinforced Himadri's Vision Zero commitment and operational resilience. The Company recorded over 11 Million person-hours without a Lost Time Injury (LTI) and maintained an LTIFR below 1.0, demonstrating the effectiveness of proactive risk control and employee

engagement. Advanced HAZOP studies were completed in collaboration with M/s DEKRA, enhancing process safety at all manufacturing sites. The Taskforce led the rollout of digital safety monitoring systems, expanded occupational health surveillance, and achieved 100% safety training coverage for employees and contractors. It also drove key sustainability-linked initiatives such as energy optimisation, zero liquid discharge (ZLD) progress, and hazardous waste minimisation. By aligning operational practices with global frameworks and fostering continuous learning, the HSE Taskforce has evolved into a strategic enabler of Himadri's journey towards Zero Harm and Net Zero 2050, ensuring a safer, cleaner, and more sustainable future.

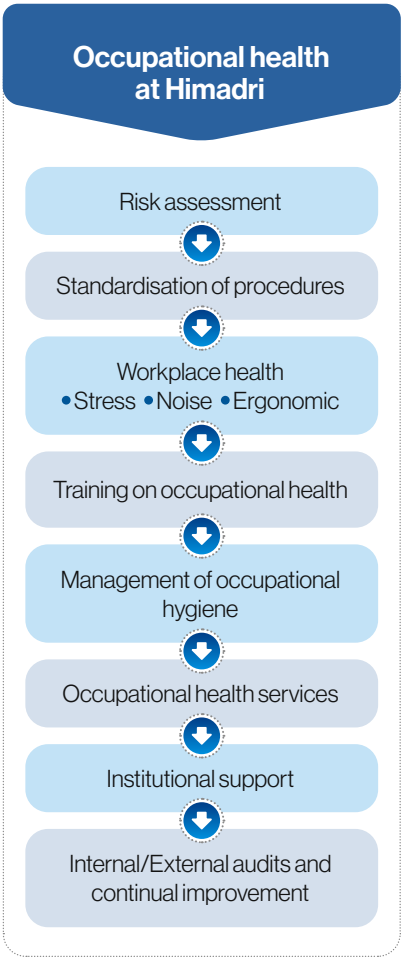


Occupational health at Himadri

Himadri's occupational health strategy promotes total employee well-being through hazard identification, risk control, training, and continuous monitoring - protecting physical and mental health.

Risk assessment

Workplace hazards are categorised as high, medium, or low, with management reviews of high and medium risks each month. Preventive controls - elimination, isolation, exposure management, and PPE - ensure proactive protection.



Standardisation of procedure through introduction and implementation of various manuals and standards related to occupational health

Himadri has established a structured and standardised approach to Occupational Health Management through the introduction and strict adherence to its comprehensive Occupational Health and Safety (OHS) Manual, Occupational Health Manual, and Standard Operating Procedures (SOPs) for the operation of its Occupational Health Centre (OHC). These documents collectively form the backbone of the Company's proactive occupational health framework, aligning with both national regulations such as the Factories Act, 1948 and associated State Factory Rules, as well as international standards including ISO 45001:2018 (Occupational Health & Safety Management System), SA 8000:2014, OSHA and ILO guidelines on workplace health protection.

The OHS Manual, Occupational Health Manual defines the overarching policy, objectives, and organisational responsibilities for maintaining a safe and healthy workplace. It emphasises risk-based management of occupational health hazards, continuous monitoring of

health performance, and preventive health initiatives to reduce occupational diseases and absenteeism.

The SOPs for the operation of the Occupational Health Centre standardise every aspect of the centre's functioning — from emergency medical response, first aid administration, and record-keeping to the maintenance of medical equipment and management of health data confidentiality. These SOPs guarantee that the OHC operates efficiently and consistently in compliance with applicable statutory requirements and best industry practices.

Through this integrated documentation framework, Himadri ensures systematic implementation, accountability, and continual improvement in occupational health performance. The Company's commitment to adhering to recognised standards demonstrates its unwavering focus on safeguarding employee wellbeing, fostering a culture of care, and maintaining sustainable operational excellence.

Coverage of standards and manuals	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Occupational health and safety manual	✓	✓	✓	✓	✓	✓	✓
Occupational health manual	✓	✓	✓	✓	✓	✓	✓
OHC operational SOP	✓	✓	✓	✓	✓	✓	✓



Health infrastructure

Himadri operates a 24/7 Occupational Health Center (OHC) staffed with a plant doctor and trained paramedics. Two ambulances with BLS equipment ensure rapid response. Ties with super-speciality hospitals support emergency care and swift evacuation.

Key activities

**Medical assessments:** Pre-employment and periodic health checks for all personnel.

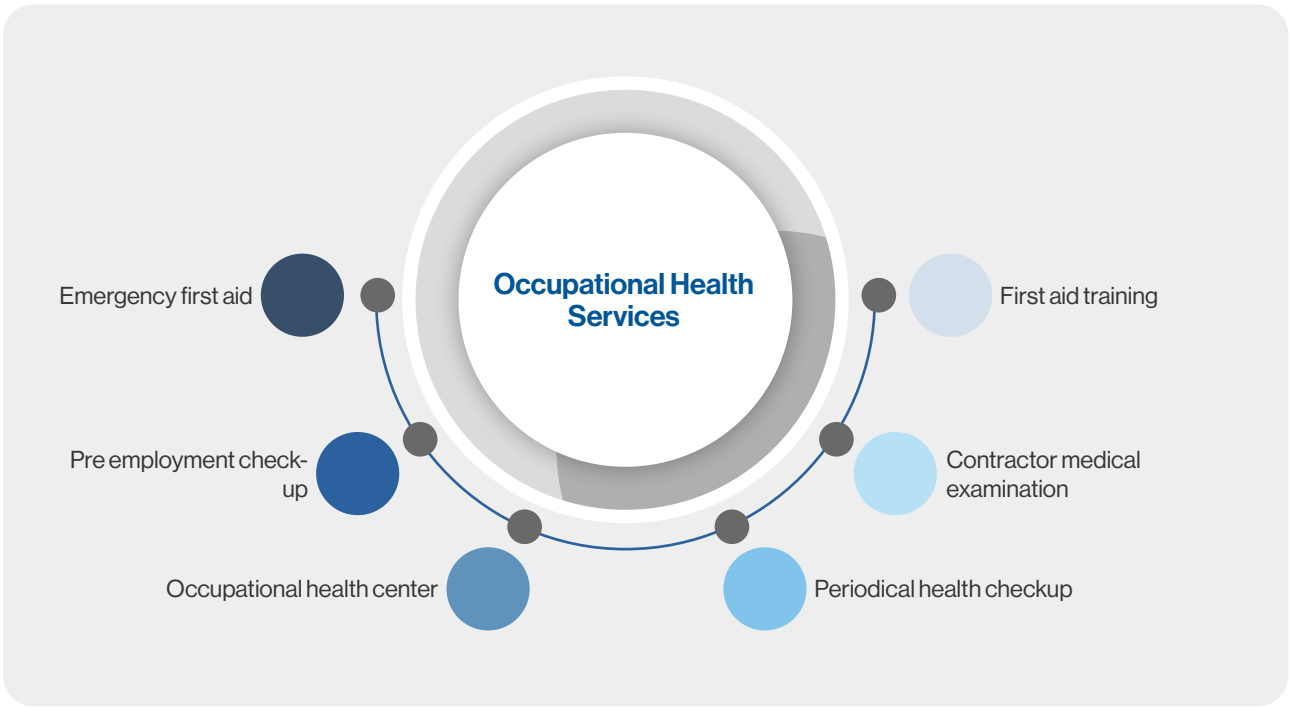
**Health surveillance:** Continuous monitoring and counseling for stress and wellness.

Physiotherapy and ergonomics:

Rehabilitation and posture correction for RSI prevention.

**Dietary and lifestyle support:** Nutritional guidance and awareness programmes.

**Holistic care:** Support for substance abuse recovery and mental health through rehabilitation and counselling.



Health Checkup Coverage

Coverage	Year	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Pre-employment health check-up	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							
Periodic health check-up	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							
Health check-up for contractual Workforce	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							

Health programmes and outcomes

In FY24-25, 100% of contractors underwent health screenings. Specialised check-ups (vision, physiotherapy) addressed occupational risks. No occupational illness was reported over the past decade - underscoring Himadri's effective health management.

Mental and emotional well-being

In partnership with the Tea Talks Foundation, sessions such as Mind Detox (Nov 15, 2024) promote emotional balance and stress management, supporting mental resilience across the workforce.

Workplace stress management

Himadri implemented standards for effective workplace stress management, comprising the following:



Introduction of Ergonomic Safety Standard to prevent and deal with Ergonomic Challenges at workplace

Himadri has introduced a comprehensive Ergonomic Safety Standard aimed at implementing effective preventive actions for Repetitive Strain Injuries (RSI)/ Cumulative Trauma Disorders (CTD) and improving overall workplace health and comfort. Recognising that employees involved in manual material handling, repetitive operations, or awkward postures are prone to musculoskeletal disorders, the Company integrated

ergonomics as a key element of its occupational health and safety strategy.

The new standard emphasises engineering redesign, administrative controls, and personal protective equipment (PPE) improvements to minimise physical strain. Workstations have been redesigned to promote neutral postures and reduce repetitive movements through mechanical aids, adjustable platforms, and optimised layouts. In parallel, administrative measures such as job rotation, scheduled rest breaks, and ergonomic awareness training have been institutionalised to reduce prolonged physical stress.

The programme also includes regular ergonomic risk assessments, employee feedback mechanisms, and cross-functional audits to ensure continuous monitoring and improvement. Since implementation, Himadri has observed a marked reduction in musculoskeletal complaints, improved posture comfort, and enhanced operational productivity.

Through this initiative, Himadri reinforces its commitment to building a safer, more sustainable, and ergonomically sound workplace, where employee well-being is protected through proactive prevention and continuous improvement.

Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Ergonomic Standard	✓	✓	✓	✓	✓	✓	✓



### Work zone monitoring

Himadri's work zone monitoring tracks noise, particulate matter, and illumination through internal and external audits. Findings drive targeted corrective actions,

ensuring a safe, compliant, and health-protective work environment.

A new initiative will introduce personal exposure sampling to monitor individual contact with dust, fumes, noise, and

chemicals - enabling data-driven controls and enhanced compliance.

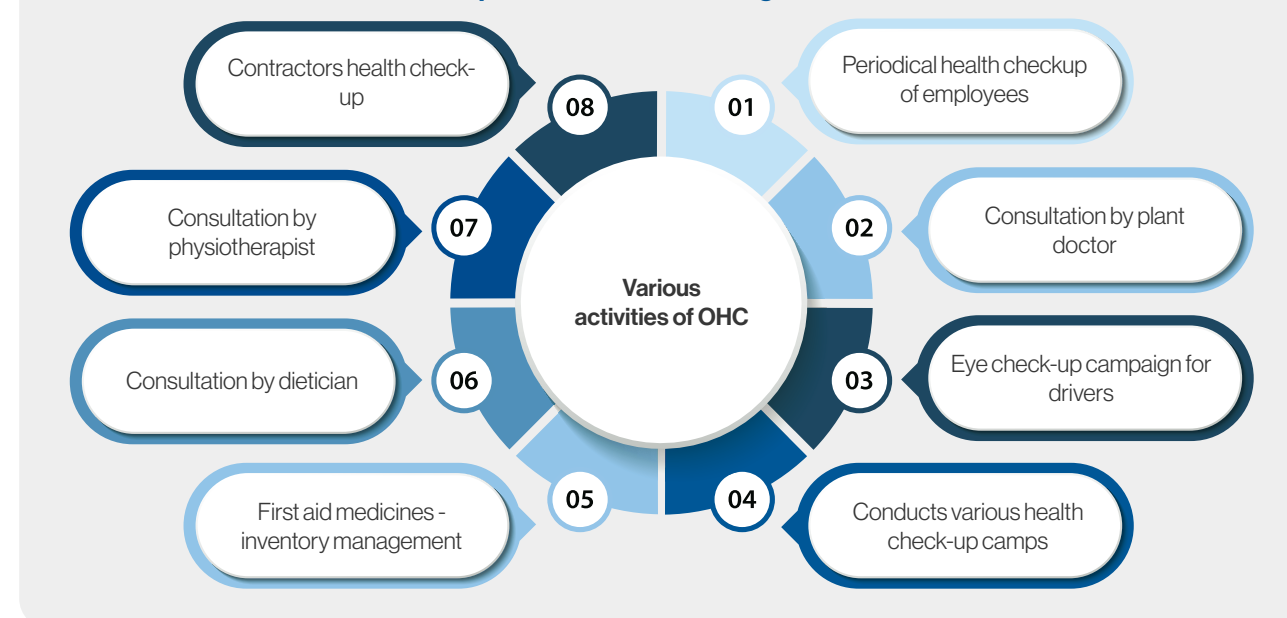
Coverage of work zone monitoring parameters	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Noise	✓	✗	✓	✓	✓	✓	✓
VOC monitoring	✓	✗	✓	✓	✓	✓	✓
Illumination	✓	✗	✓	✓	✓	✓	✓
Respirable dust/fumes	✓	✗	✓	✓	✓	✓	✓
Hazardous substance monitoring	✓	✗	✓	✓	✓	✓	✓
Humidity	✓	✗	✓	✓	✓	✓	✓

### Health and hygiene awareness

Regular training on first aid, ergonomics, noise protection, hazardous material handling, and hygiene equips employees with practical health and safety skills. Continuous refresher programmes, digital modules, and feedback ensure evolving workplace risks are addressed effectively.



### Occupational health coverage FY24-25



### Occupational hygiene

Himadri maintains workplace hygiene through structured monitoring of sanitation, safe water, waste, and housekeeping. The 5S methodology, combined with UNGC WASH principles and SA 8000:2014 standards, ensures clean and organised operations.

### WASH programme highlights

**Water:** Continuous access to safe drinking water and periodic quality testing.

**Sanitation:** Modern, well-maintained facilities and effective waste management.

**Hygiene:** Regular awareness drives promoting personal cleanliness and preventive care.

### Employee well-being

Employee engagement and wellness are integrated into Himadri's culture through annual calendars featuring health awareness, cultural events, recognition programmes, and wellness initiatives.

Highlights include Teachers' Day, International Yoga Day, Buddy Programme, Family Picnic, and Umang Awards.

The MOMAZING initiative celebrates personal milestones, while flexible work options support work-life balance.



### Community health impact (FY24-25)

The Village Medical Centre served 1,788 eye patients, 5,689 homeopathy patients, 55 endocrinology cases, distributed 906 spectacles, and conducted 206 cataract surgeries - reinforcing Himadri's outreach and social responsibility.

### The way forward: Psychological health and safety

Himadri's next phase extends its focus to psychological health, aligned with ISO 45003:2021. The framework will address workload balance, role clarity, workplace culture, and harassment prevention through:

- Awareness and training on psychosocial risks.
- Early hazard identification and intervention.
- Confidential counselling and employee support.
- Integration with ISO 45001:2018 management systems.

KPIs/Objective	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Occupational health and wellbeing service for employees and workers	✓	✓	✓	✓	✓	✓	✓



# Protecting our partners at Himadri

### Overview

Himadri’s commitment to workplace safety is visible through its Contractor Safety Standard and Contractor Safety Manual, designed to protect contract workers across all sites. These frameworks minimise health, safety, and environmental (HSE) risks while ensuring compliance with local laws, international standards, and Himadri’s internal policies. Through focused hazards identification, risk management, and continuous training, the Company fosters a safety-first culture that safeguards employees and contractors.



Contractor management database	Percent
Pre-qualification and health check	100
Execution of work performance	100
Periodical safety audit and inspection	100
Post evaluation	100

- 100% Pre-employment health check-up while gate entry for contractor workman
- 100% Job have been safety audit by senior leaders with 80%+ rectified safe work environment.
- No LTI injury recorded during the course of execution.

### Structured contractor safety management

Himadri’s contractor safety standard applies to all contractors, sub-contractors, and partners operating within its premises. The framework embeds accountability, oversight, and rigorous risk management to prevent work-related incidents and ensure consistent safety performance.

#### Key components:

**Contractor selection and pre-qualification:** Contractors are assessed by a cross-functional team on safety records, certifications, and compliance with Himadri’s guidelines before engagement.

#### Work execution and monitoring:

Mandatory induction, job-specific safety plans, PPE compliance, and on-site supervision ensure disciplined implementation. High-risk equipment and firefighting readiness are mandatory.

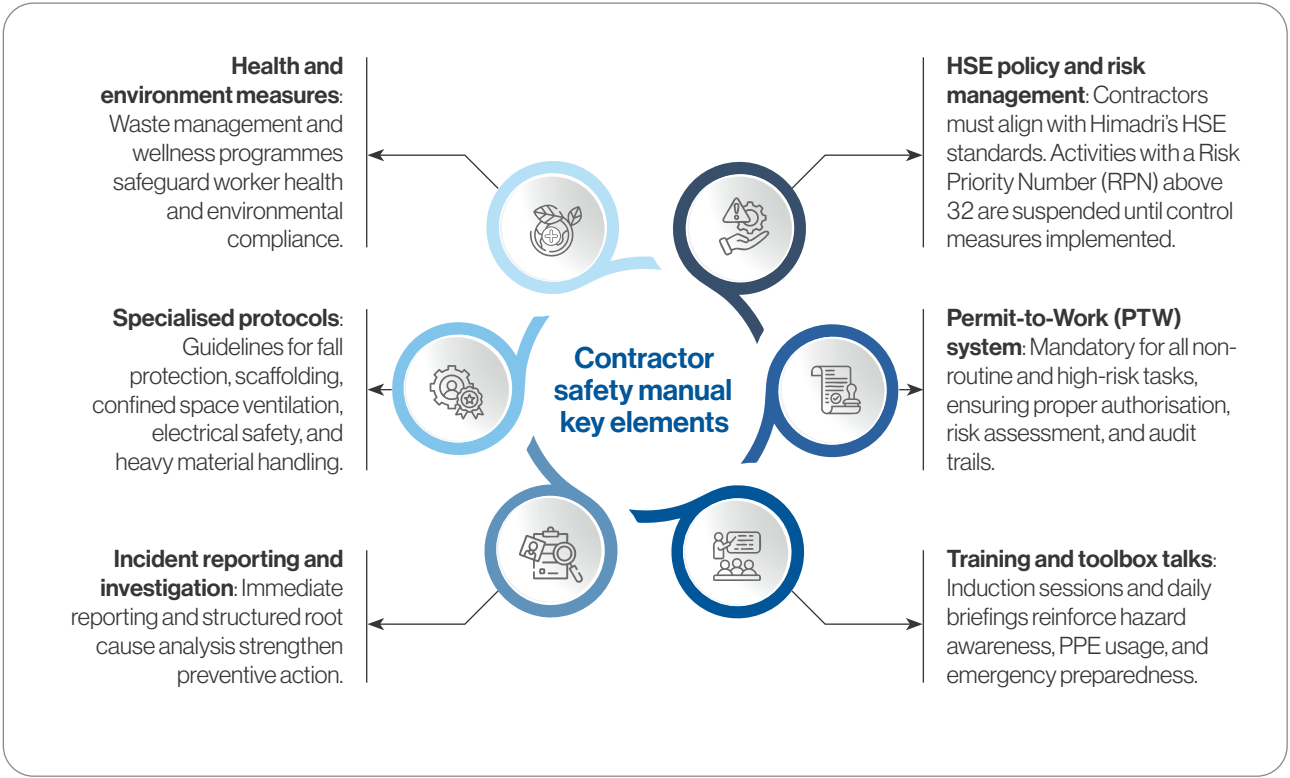
**Audits and inspections:** Periodic audits and daily site inspections for high-risk tasks verify compliance, with findings promptly addressed through corrective actions.

**Post-contract review:** Performance, incidents, and improvement areas are evaluated to enhance future collaborations.

**Consequence management:** Violations trigger immediate investigation and corrective action, including potential suspension or contract termination.

### Contractor safety manual: Comprehensive Risk Framework

Complementing the standard, the contractor safety manual details operational protocols for managing high-risk activities defined within Himadri’s safety hexagon - Work at height, hot work, confined space, electrical safety, Lockout-Tagout-Tryout (LTT), and lifting/transporting equipment.



### Implementation outcome

Through integrated risk control, training, and compliance, Himadri nurtures a proactive contractor safety culture aligned with its vision zero accident/incident mission. Focus on high-risk domains under the safety hexagon ensures safer workplaces, empowered workers, and sustainable operations.

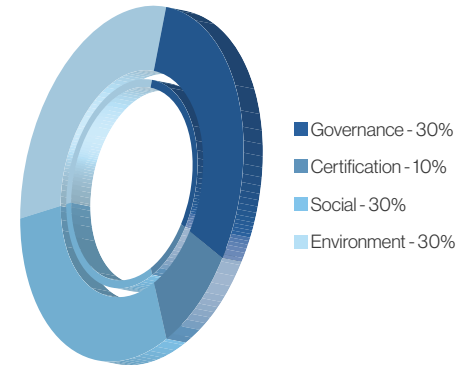
Coverage of manuals and standards	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Contractor safety management	✓	✓	✓	✓	✓	✓	✓
Contractor safety manual	✓	✓	✓	✓	✓	✓	✓
Contractor safety standard	✓	✓	✓	✓	✓	✓	✓



### Health and safety integration with value chain partners

Health and safety form an essential pillar of Himadri's sustainable value chain ecosystem. Guided by our internal framework - Governance (30%), Certification (10%), Social (30%), and Environment (30%) - the Company promotes shared responsibility, compliance, and ethical growth across its supplier network.

Topic wise weightage



### Supplier assessment framework

Himadri implements a four-step process to align its partners with its HSE and ESG commitments:

**Self-assessment:** Suppliers evaluate their HSE and ESG practices.

**Review and benchmarking:** Himadri measures supplier responses against internal standards.

**Gap assessment:** Areas needing improvement are identified and prioritised.

**Hand-holding:** Training and technical guidance help bridge gaps and enhance compliance.

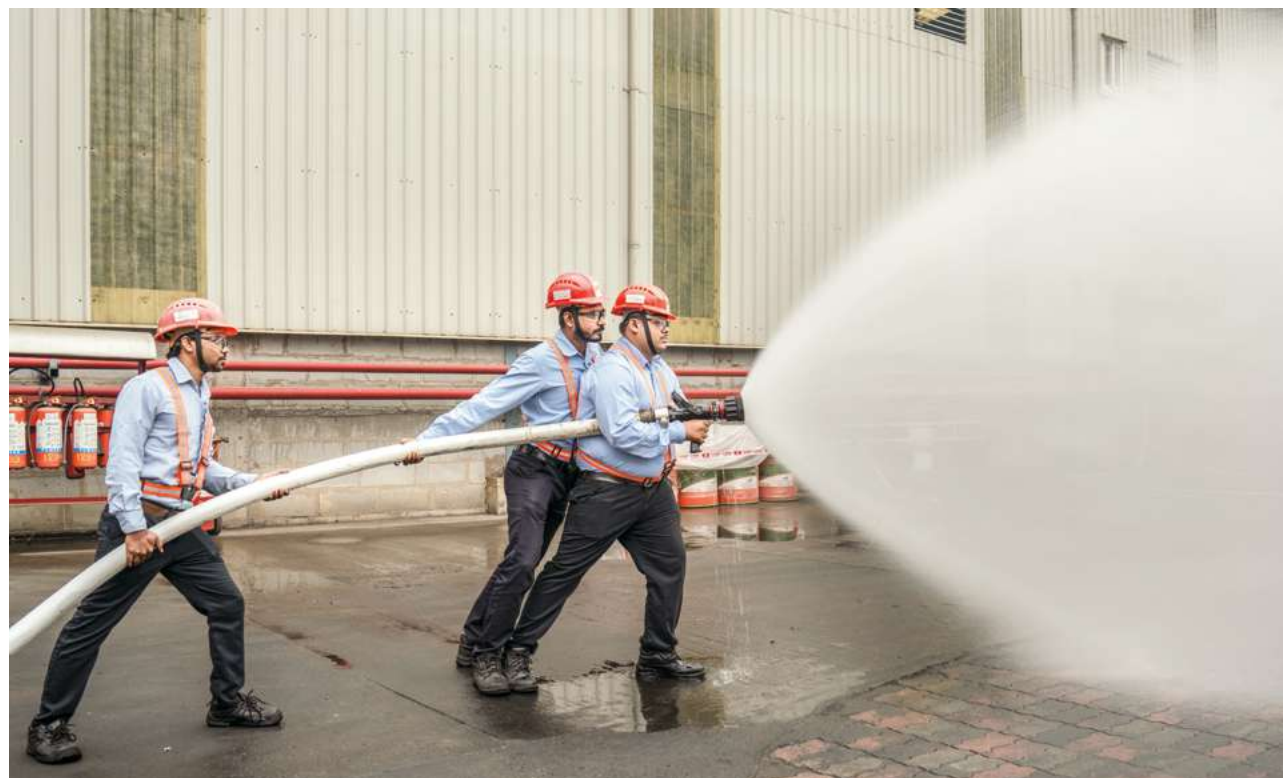
#### Assessment parameters

**Workplace health and safety:** Policies, audits, training, fire safety, PPE use, signage, emergency systems, and medical programmes.

**Social welfare:** Insurance, medical support, and welfare initiatives for workers.

**Holistic evaluation:** Combines lagging indicators (incidents) and leading indicators (training coverage, preventive measures) for a balanced safety view.

**Impact:** The programme ensures suppliers are responsible, safety-oriented, and socially conscious - building a resilient and ethical value chain aligned with Himadri's sustainability principles.



## Capacity building at Himadri

### Overview

Himadri continues to strengthen a proactive safety culture aligned with ISO 45001 and SA 8000:2014 standards, placing employee well-being at the centre of its operations. The Company follows a structured risk assessment framework to identify hazards, evaluate risks, and implement preventive controls, supported by continuous policy updates and employee training on Standard Operating Procedures (SOPs) and Standard Working Instructions (SWIs)

### Key training methodologies

**Mandatory safety training:** All employees and contract workers undergo onboarding and periodic training covering

hazard identification, risk assessment, work-specific safety, emergency response, PPE use, and fire safety.

**Contractor training:** Conducted through forums, workshops, and assessments to ensure compliance with Himadri's safety standards.

**Performance Management System (PMS):** Annual reviews identify training needs, linking development plans to individual performance.

**Ad-hoc training:** Deployed promptly to address emerging risks or incidents.

**Learning Management System (LMS):** The AI-enabled Himadri Utkarsh platform - integrated with EcoVadis and UNGC

Academy - offers accessible, trackable safety and sustainability learning modules.

### Training modes

A blended learning approach ensures maximum impact through:

- Classroom and online sessions
- Hands-on practical training
- Emergency preparedness drills
- Interactive workshops and simulation exercises
- Induction and competency-based training for new hires and contractors
- Post-incident 'lesson learning' sessions and refresher courses

### External Training Framework (Five levels)



### Himadri's approach to continuous learning

Himadri fosters continuous learning by combining technology-driven, self-paced training with global platforms like EcoVadis Academy and UNGC Academy. This blended approach builds competencies across safety, sustainability, corporate responsibility, and leadership, strengthening workforce capability and aligning with international best practices. Continuous learning remains a key driver of Himadri's strategic goals of safety, sustainability, and operational excellence.





Emergency preparedness training

Himadri ensures all employees and contractors are trained to effectively manage fire, natural disaster, and medical emergencies.

Key highlights

**Fire safety:** Modules 2 and 6 cover fire prevention, use of firefighting equipment,

and evacuation drills - achieving 100% workforce participation and over 2,000 training hours in FY24-25.

**Disaster preparedness:** Training covers evacuation, shelter-in-place, and first aid for earthquakes, floods, and storms.

**First aid:** 40 employees receive annual certification from St. John Ambulance and Red Cross in CPR, wound care, and emergency response.

**Infrastructure readiness:** Regular maintenance of alarms, emergency lighting, exit routes, and first-aid kits ensures preparedness.

These initiatives build practical readiness, regulatory compliance, and employee confidence in handling emergencies.

Various modes of training



Coverage and training performance

Himadri maintained 100% training coverage for all employees and workers across FY23-24 and FY24-25, underscoring its strong commitment to occupational health and safety.

Health and safety training coverage

Coverage	Year	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Training on health	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							
Training on safety	FY22-23							
	FY23-24	100%	100%	100%	100%	100%	100%	100%
	FY24-25							

Key insights, FY24-25

■ Maintained 100% coverage for employees and workers in consecutive years.

■ Ensured the equal participation of female employees in all safety training programmes.  
■ Reinforced its adherence to ISO 45001:2018 and SA 8000:2014

standards through structured learning and continuous evaluation.  
■ Strengthened partnerships with the British Safety Council and EcoVadis to align with international benchmarks.

Way forward

In the next phase, Himadri will integrate its Dynamic Plant Training Programme (DPTP) with evolving operational and regulatory requirements. The initiative

aims to enhance awareness among employees and contractors about safety, compliance, and performance expectations. Through modular training and practical simulations, DPTP will

further embed safe work practices, adaptability, and continuous learning - supporting its vision of a resilient, safe, and future-ready workplace.

Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Himadri's capacity building programmes	✓	✓	✓	✓	✓	✓	✓







# Emergency management at Himadri

Overview

Himadri developed a comprehensive Onsite Emergency Management Plan to handle crises like natural disasters, industrial incidents, and medical emergencies. A dedicated Emergency Response Team (ERT) - comprising nearly 15% of the workforce - operates across all facilities in three shifts, ensuring round-the-clock preparedness.

The Company's emergency framework is reinforced through partnerships with local fire departments, emergency services, and hospitals, ensuring rapid and coordinated response. Communication protocols include an updated emergency contact directory, designated response channels, and structured reporting systems.

Well-marked evacuation routes, assembly points, and signage ensure safe and efficient evacuation during emergencies. Regular drills enhance employee readiness, with over 2,000 training hours conducted in FY24-25. Himadri's independent emergency management team follows defined protocols to address occupational, health, safety, and environmental emergencies without external dependency.

Proactive risk management

Himadri follows a preventive and systematic approach to identify, evaluate, and mitigate risks related to fire, chemicals, natural calamities, equipment malfunction, and health incidents. Risk assessments are regularly updated, and control measures are integrated into operational processes to strengthen organisational resilience.

Emergency preparedness framework

**Defined roles and responsibilities:** Specific roles such as emergency controller, incident controller, floor warden, and response team member ensure accountability and structured action.

**Evacuation protocols:** Mapped routes, assembly areas, and assistance mechanisms for differently-abled individuals ensure safe evacuation.

**Incident command structure:** A tiered command system enables efficient coordination, communication, and decision-making during emergencies.

Training and awareness

- Routine fire, evacuation, and emergency response drills across all units.

- Specialised training in first aid, fire extinguisher use, and chemical spill containment.
- Ongoing awareness through safety posters, toolbox talks, and internal campaigns.

Resource readiness

- Regularly inspected first-aid kits, fire extinguishers, hydrants, and sprinkler systems.
- Reliable communication tools including alarms, PA systems, and walkie-talkies.

Continuous improvement

- Post-drill evaluations to identify improvement areas.
- Regular audits and risk reassessments to align with changing conditions.

Fire emergency response and collaboration

Himadri's fire emergency plan includes modern firefighting systems and active coordination with local authorities, police, disaster management agencies, and medical service providers for immediate

assistance. Emergency plans are also shared with nearby communities to strengthen collective safety awareness.

Incident management and reporting

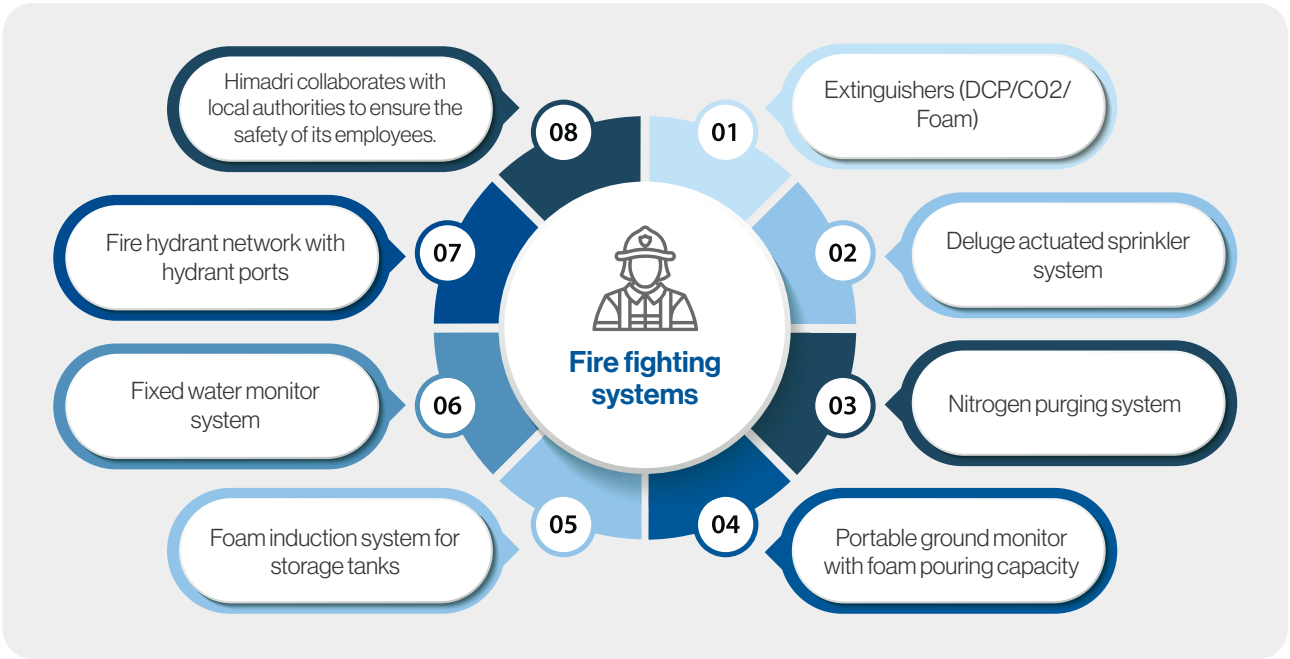
A robust incident reporting and investigation system ensures transparent documentation and timely corrective action. All units report medically treated injuries, near-misses, and hazardous occurrences. Tools such as Line Practical Problem Solving (PPS) and 8D-PPS Methodology are used for structured root-cause analysis and prevention. Himadri aims to maintain its Lost Time Injury Frequency Rate (LTIFR) below 1.0 across operations.

Business continuity and recovery

To minimise disruptions and ensure swift recovery, Himadri maintains:

- Backup systems to sustain operations during crises.
- A crisis management team responsible for restoration, stakeholder communication, and long-term resilience planning.

## Himadri's fire emergency response equipment includes



Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Implementation of emergency preparedness plan	✓	✓	✓	✓	✓	✓	✓
Regular mock drill	✓	✓	✓	✓	✓	✓	✓

## Accident/ incident investigation and reporting

Himadri Speciality Chemical Ltd established a comprehensive Accident and Incident Reporting Standard to ensure a structured, transparent, and accountable system for reporting, investigating, and preventing workplace incidents across all its units, offices, and subsidiaries.

The procedure emphasises 'Duty of Care' towards all employees, contractors, and stakeholders, ensuring immediate medical attention, psychological support, and legal compliance in every case. All incidents - ranging from fatalities, lost time injuries (LTI), medically treated injuries (MTI), dangerous occurrences, near misses, and environmental incidents - must be promptly reported through the Company's HSE database.

A 'Stop at Incident' policy mandates immediate cessation of work in the

affected area until an investigation led by the Area Manager and HSE Manager identifies root causes and corrective actions are implemented. For severe cases such as fatalities or major injuries, initial escalation to senior leadership and HSE heads must occur immediately, followed by reporting within 24 hours.

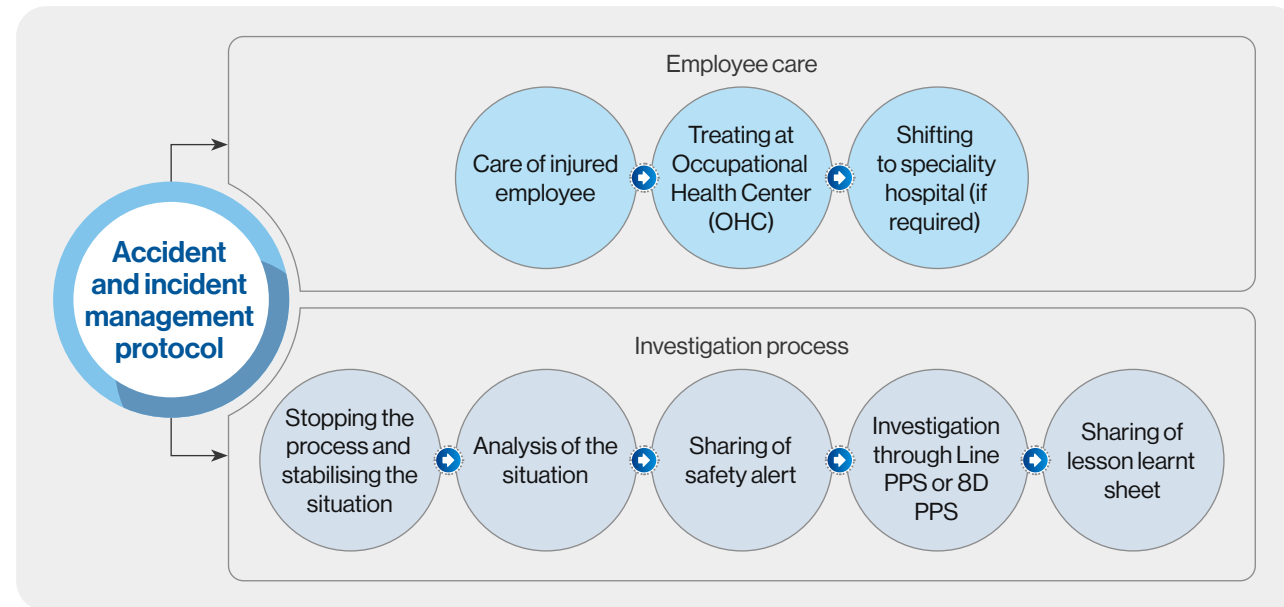
Investigations follow the 8D methodology, ensuring thorough root cause analysis, containment, and preventive measures. Within 48 hours, a safety alert is circulated, and within 60 to 90 days, a detailed Lessons Learned Sheet (LLS) is shared across departments for horizontal deployment to prevent recurrence.

The standard ensures legal compliance with statutory reporting requirements and safeguards employees through a strict non-retaliation policy for those reporting incidents. Internal and external

communications are regulated, with only the CEO authorised for public or media statements.

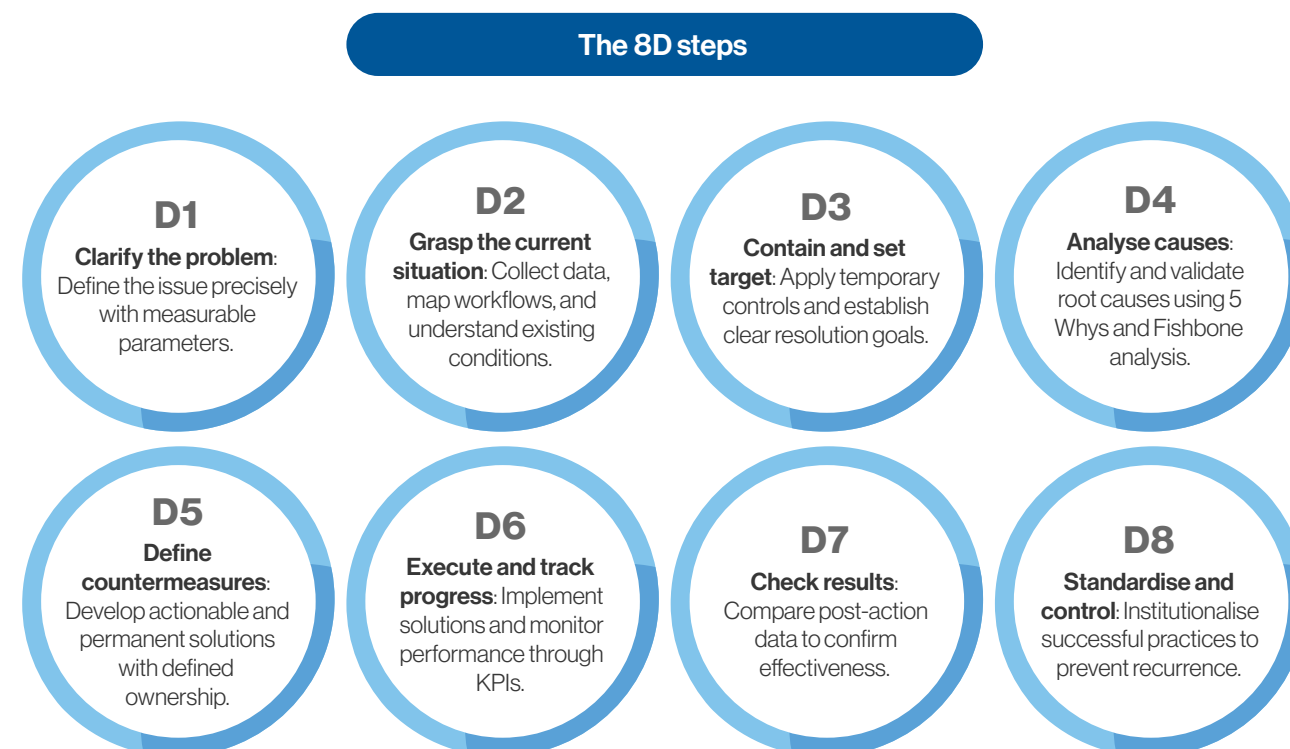
Accountability lies with the Heads of Departments (HODs) for full implementation, while HSE and HR Managers are jointly responsible for timely reporting and accurate classification of incidents. Himadri also tracks key safety performance indicators such as LTI frequency and severity rates to monitor continuous improvement in occupational health and safety performance.

Through this standardised approach, Himadri reinforces its commitment to transparency, employee welfare, and a proactive safety culture, ensuring every incident becomes a learning opportunity for future prevention.



### 8D practical problem-solving and quality improvement framework

Himadri applies the 8 Disciplines (8D) methodology, originally developed by Ford Motor Company, to investigate operational abnormalities, prevent recurrence, and strengthen workplace safety.



The 8 Disciplines (8D) problem-solving methodology is a structured approach developed by Ford Motor Company to identify, correct, and eliminate recurring problems, focusing on root cause analysis and permanent solutions. At Himadri, we are investigating every abnormality of the operation which sometimes resulted at accidents and Incident. The main objective is to prevent the reoccurrences and safe life and to provide safety at workplace. We have launched 8 Dimension (8D) analysis tools at our organisation where the steps are as follows -

#### The 8 Disciplines within practical problem solving

**D1 - Clarify the problem:** The first step is to clearly define the problem in specific and measurable terms. This involves identifying what went wrong, when it occurred, and how significant the impact is. A well-written problem statement sets the foundation for effective resolution.

#### D2 - Grasp the current situation:

Understand the existing condition before jumping to solutions. This includes data collection, process observation, and mapping the workflow to reveal deviations. The goal is to establish a factual baseline of the issue.

**D3 - Contain and set target:** Implement temporary measures to stop the problem from spreading or affecting customers. Simultaneously, define clear targets for what success looks like. This step stabilises the situation and sets a direction for resolution.

**D4 - Analyse causes:** Investigate the root causes that led to the problem, not just symptoms. Use structured tools like 5 Whys or Fishbone diagrams to identify underlying issues. Validating these causes is critical before moving to solutions.

**D5 - Define countermeasures:** Design specific, actionable solutions to eliminate the root causes permanently. Each countermeasure should be feasible, effective, and prioritised based on impact

and ease of implementation. A plan with responsible owners and timelines is established.

#### D6 - Execute and track progress:

Roll out the defined countermeasures according to the implementation plan. Monitor progress closely through defined KPIs and adjust if deviations are found. Communication and accountability are key in this execution phase.

**D7 - Check results:** Assess whether the implemented actions have achieved the intended outcomes. Compare post-implementation data with pre-problem performance to confirm resolution. This validates the effectiveness and sustainability of the countermeasures.

#### D8 - Standardise and establish control:

Embed the successful changes into organisational standards and procedures. Train all relevant personnel and update documentation to reflect new practices. This ensures the problem does not recur and spreads the learning.

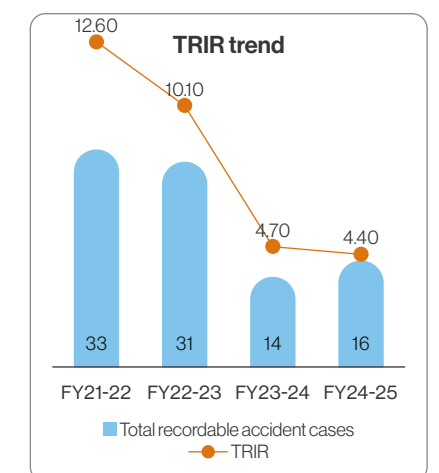
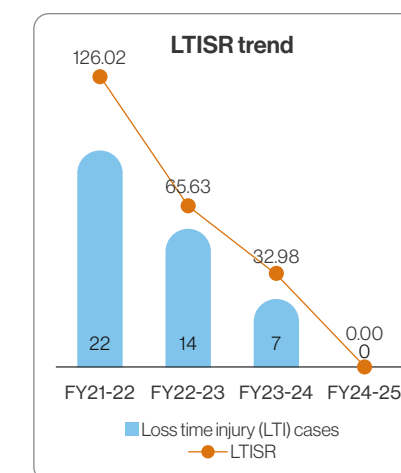
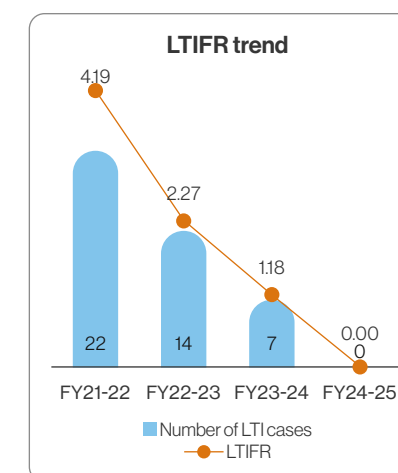
### Benefits

Structured and data-driven problem-solving

Root cause elimination and permanent corrective actions

Encouragement of teamwork and shared learning

Promotion of continuous process improvement







# Workforce voice and engagement at Himadri

Overview

Himadri's safety engagement framework empowers employees and contractors to actively identify, report, and resolve safety issues through open communication and collaboration.

This approach strengthens trust, accountability, and inclusion across all levels of the organisation.

The Company's engagement mechanisms are aligned with ISO 45001 and SA 8000:2014 (Social Accountability) standards, emphasising equal representation and two-way communication between management and workers.



Key Engagement Platforms for Feedback, Reporting and Complaint

- Safety committee meetings:** Conducted quarterly with equal participation from management and worker representatives. Issues discussed are documented, actioned, and tracked until closure.
  - Hazard Identification and Risk Assessment (HIRA):** Workers contribute to identifying hazards and evaluating risks for all activities, ensuring practical insights into risk mitigation.
  - Canteen committee:** Ensures hygiene and food quality with equal representation from workers and management.
  - Speak-up and grievance committee:** Provides a confidential channel for employees to raise workplace or safety concerns.
  - Toolbox talks:** Conducts across all shifts for discussing daily safety issues and reinforcing awareness.
  - Town hall sessions:** Organises quarterly open forums with senior management to address worker issues and agree on corrective actions.
  - Workers' committee meetings:** Promotes active worker participation in safety decision-making.
  - Safety audits and inspections:** Conducted twice a month with active worker involvement to identify and resolve on-ground hazards.
  - Accident and incident reporting:** Implements a safety alert system where incidents are reported within 24 hours and analysed using the 8D-PPS Framework.
  - Health and safety training:** Conducts annual training calendars covering classroom and on-site learning, integrating feedback from workers into action plans.
  - Steering committee and Task Forces:** Oversees specific HSE initiatives for rapid issue resolution.
  - Suggestion box:** Enables anonymous submissions of safety ideas or concerns.
  - Promotional events:** Awareness campaigns and competitions encourage proactive engagement.
  - Aap ki awaaz protocol:** A structured internal communication channel for sharing innovative safety ideas.
- This multi-channel system ensures comprehensive participation, transparent communication, and a culture of continuous safety improvement, reinforcing Himadri's commitment to a safe, inclusive, and resilient workplace.

Engagement program	Frequency
Reward and recognition	Monthly
Town hall	Quarterly
Safety committee meeting (Aligned with Factory Act)	Quarterly



Engagement platform	Participating group	Mahistikry	Liluah (I & II)	Falta	Sambalpr	Vizag	Korba	Corporate Office
Safety committee meeting	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Hazard identification and risk assessment	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Canteen committee	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Speak up and grievance committee	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Tool box talk session	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Town hall session	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Workers committee meeting	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Participation in line PPS & 8D PPS	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Health and safety training	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Steering committee and Task Force	Employees	✓	✓	✓	✓	✓	✓	✓
Suggestion box	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Promotional events	Employees and workers	✓	✓	✓	✓	✓	✓	✓
Aapka awaaz protocol	Employees and workers	✓	✓	✓	✓	✓	✓	✓



Safety promotional events, rewards and recognition

At Himadri, safety is a shared value integrated into daily operations. To embed this culture, the Company organises a series of promotional events and recognition programmes that celebrate employee contributions and inspire collective responsibility.

**IGNITE - Monthly safety ambassador:** Each month, one employee is recognised as the Safety Ambassador for demonstrating exceptional safety leadership, proactive risk identification, and peer motivation. Certificates, symbolic awards, and internal appreciation

reinforce commitment and create role models for safe workplace behaviour.

**National safety day and fire safety week:** Celebrated annually, these events include safety pledges, awareness sessions, and fire drills. Outstanding performers in emergency preparedness and safe work practices are felicitated, reinforcing safety as a collective responsibility.

**Umang - Annual achievers award:** This annual platform honours individuals and teams achieving zero-accident milestones, innovative safety initiatives, and exceptional contributions to workplace wellbeing. By celebrating

safety achievements alongside business success, Himadri underscores the equal importance of health, safety, and performance.

**Partner recognition:** The Umang platform is being extended to suppliers and value chain partners who demonstrate excellence in safety, quality, and sustainability. This initiative promotes collaboration, shared accountability, and continuous improvement across the ecosystem.

Together, these initiatives foster a culture of motivation, inclusivity, and long-term commitment to a safer, healthier, and more sustainable workplace.



Health and safety promotional events, reward and recognition	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Monthly reward mechanism - Ignite safety ambassador	✓	✓	✓	✓	✓	✓	✓
Annual programmes (National safety week, national fire week, etc)	✓	✓	✓	✓	✓	✓	✓
Annual achievers event - Umang	✓	✓	✓	✓	✓	✓	✓





Internal and external audits and verifications

Himadri ensures that its sustainability and safety practices remain aligned with internal policies, regulatory requirements, and global standards through a structured audit and verification system.

The Company conducts quarterly internal audits, annual external audits, and third-party assessments - including compliance with standards like IS 14489 for fire and electrical safety. Results are reviewed by the ESG Council, senior management, and the Board-level ESG Committee, ensuring the integration of audit insights into strategic decisions.

Independent verifications by TÜV-SÜD and other accredited agencies confirm alignment with international benchmarks. In FY24-25, over 9,600 safety audit points were raised (up from 4,117 in the previous year), achieving a closure rate of 86.5%, supported by tools such as the safety audit tool and QR code-based hazard reporting.

External monitoring mechanism

Himadri's multi-layered external monitoring system ensures transparency, compliance, and continuous improvement:

- A. Certification body audits**

  - Covers 100% of operations under ISO 14001: 2015, ISO 45001:2018, and SA 8000:2014 standards.
  - Regular third-party audits verify effectiveness; non-conformities are addressed through CAPA.
  - Recertification is pursued at defined intervals to maintain compliance.
- B. Customer audits**

  - Key domestic and global clients conduct periodic safety audits focusing on compliance with client-specific safety norms, contractor safety and training records and hazardous material handling and emergency preparedness
- C. Due diligence audits**

  - Evaluate Himadri's adherence to best safety practices and regulatory standards.
  - Review system effectiveness and identify potential improvement areas.
- D. Assurance audits**

  - Conducted by independent third parties to validate implementation of safety policies across all premises.
  - Confirm sustained compliance and timely corrective actions for identified gaps.
- Successful outcomes reinforce trust and business continuity.

Audit coverage

Material topics	Internal audit	External	
		Audit	Assurance/verification
ISO 45001:2018 compliance	✓	✓	✓
SA 8000:2014 compliance	✓	✓	✓
Statutory audit as per IS 14489	✓	✓	✓
Fire safety audit	✓	✓	✓
Electrical safety audit	✓	✓	✓



Himadri's excellence in occupational health and safety recognised with the Golden Peacock Award

Himadri was honoured with the prestigious Golden Peacock Award for occupational health and safety for FY 2024-25, conferred by the Institute of Directors (IOD). This recognition reflects Himadri's unwavering commitment to building a safe, resilient, and compliant workplace across all its manufacturing locations. The award acknowledges the organisation's structured approach to risk mitigation, continuous improvement in safety performance, adoption of global best practices, and strong leadership focus on employee well-being. Himadri's robust governance framework, behaviour-based safety culture, advanced training systems, and proactive hazard-control measures were key contributors to this achievement. This milestone reinforces the company's resolve to uphold the highest standards of occupational health and safety while empowering its workforce to operate in a secure and sustainable environment.





# Himadri's safety initiatives

## Fall protection arrangement

### Challenge

Loading and unloading operations at elevated positions for tankers, trucks, and by-products posed a high fall risk for employees and contract workers. The absence of engineered fall protection systems increased the possibility of serious injuries.

### Solution

Himadri launched a comprehensive Fall Protection Programme, installing Fall Arrestor Systems across all critical loading and unloading points. The system provides secure anchorage for workers, complemented by AI-based PPE monitoring to ensure compliance and enhance on-ground safety.

### Solution steps

**Planning and coordination:** A cross-departmental rollout covering SNF, CBD, by-product, and CTP units.

**Site survey and risk assessment:** Each zone (Pitch loading, by-product loading, 32 MT tanker bay, CBD warehouses) surveyed to record baseline safety conditions.

**System installation:** 30 fall arrestors installed across key areas in Phase 1.

**AI monitoring integration:** Smart monitoring introduced to detect PPE violations during elevated work.

**Future expansion:** 10 additional loading points planned across Mahistikry, Liluah, Sambalpur, Korba, and Vizag units.

### Solution reporting

- 30 installations completed across all planned departments.
- CTP department achieved maximum coverage due to higher activity levels.
- 100% completion of Phase 1, meeting all safety implementation targets.

### Benefits

**Improved worker safety:** Significant reduction in fall-related risks.

**AI-based compliance:** Real-time monitoring ensures proactive hazard control.

**Safety culture reinforcement:** Embeds Himadri's 'zero harm' philosophy.

**Scalable system:** Enables seamless future expansion.

**Sustainable operations:** Strengthens long-term industrial safety standards.



## Digital tanker safety checklist (MS Power app)

### Challenge

Tanker operations involve substantial safety risks due to manual inspection processes lacking real-time traceability and consistency, leading to potential compliance gaps.

### Solution

Himadri developed an in-house MS Power app-based tanker safety checklist system to digitise and standardise inspections. The platform ensures every tanker is inspected, verified, and traceable before clearance, enabling accountability and data-driven monitoring.

### Solution steps

**Platform development:** A custom power app created to automate inspection workflows.

### Safety checklist implementation:

Mandatory pre-clearance inspections for drivers and inspectors.

**Smart features:** Automated alerts, non-conformance reporting, photo/video documentation, and shared responsibility between driver and inspector.

**Inspection frequency:** Standardised to every two months for consistent monitoring.

### Solution reporting

- 196 tankers covered; 510 cumulative checks completed.
- 10,229 inspection points recorded; 502 open points under follow-up.
- Real-time analytics enabled continuous visibility and performance tracking.

### Benefits

**Safety compliance:** Ensures every tanker meets clearance criteria.

**Real-time oversight:** Automated alerts enable instant corrective actions.

**Transparency and accountability:** Shared responsibility reduces human error.

**Efficiency:** Streamlined, paperless inspections save time.

**Data-driven decisions:** Enables continuous improvement in fleet safety.

**Sustainability:** Embeds a zero-harm culture through technology integration.

## Tanker safety

<b>Comprehensive safety checklist</b>	<b>Automated alerts:</b> The app sent automatic notifications to drivers and auditor when a checklist was due	<b>Photo and video documentation:</b> Auditor could take photos and videos of key inspection points	<b>Instant reporting:</b> Any identified issues or failures were instantly reported through the app	<b>Accountability:</b> To finalise the checklist, both the driver and the inspector
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## Audit coverage

Points	Metrics
Number of identical tankers checked in FY24-25	196
Cumulative number of tankers checked in FY24-25	510
Frequency of checking in FY24-25	2 months
Points captured FY24-25	10,629
Open points FY24-25	502

Coverage	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Tanker safety checklist	✓	✓	✓	✓	✓	✗	✗





Virtual and augmented reality-based vertigo testing

**Challenge**  
Traditional medical tests often fail to detect vertigo risks in employees working at height, creating potential hazards for tasks involving scaffolding, elevated platforms, and loading bays.

**Solution**  
Himadri piloted a VR/AR-based Vertigo Testing Programme, using immersive simulations to assess workers' balance and vertigo sensitivity in realistic height conditions - ensuring accurate fitness evaluations before deployment.

**Solution steps**  
**Concept design:** Introduced a technology-driven screening approach addressing limitations of traditional assessments.

**VR/AR deployment:** Implemented virtual environments simulating height exposure during health evaluations.

**Pilot execution:** Conducted pilot testing to evaluate system feasibility and user response.

**Review and integration:** Medical and HSE teams validated the accuracy and potential for integration into standard fit-for-work protocols.

**Solution reporting**

- Pilot phase successfully completed with high accuracy and user engagement.
- Provided actionable data for pre-placement and periodic medical assessments.

**Benefits**  
**Preventive screening:** Early detection of vertigo-prone individuals.  
**Higher accuracy:** Simulated real conditions for reliable results.  
**Innovation leadership:** Pioneering use of VR/AR in safety assessments.  
**Employee well-being:** Ensures fitness alignment with job requirements.  
**Safety culture advancement:** Reinforces innovation-driven zero-harm philosophy.

AI-Powered Forklift (FLT) safety device

**Challenge**  
Forklift operations on busy shop floors pose collision risks due to limited visibility and human error. Traditional safety measures were insufficient for proactive prevention.

**Solution**  
Himadri implemented an AI-powered forklift safety device integrating smart cameras and object-detection systems. The technology enhances driver awareness, detects obstacles and human movement in real time, and issues preventive alerts.

**Solution steps**  
**Risk mapping:** Identified high-risk zones and visibility challenges.  
**Technology integration:** Deployed AI-enabled cameras for real-time hazard detection.  
**Pilot phase (Phase 1):** Tested system accuracy in live operational conditions.  
**Operator training:** Educated drivers on interpreting AI alerts effectively.  
**Scale-up plan (Phase 2):** Full rollout across all 14 forklifts planned post-pilot success.

**Solution reporting**

- Phase 1 completed successfully with improved safety and reduced near misses.
- Drivers reported enhanced situational awareness and operational confidence.

**Benefits**  
**Accident prevention:** Real-time alerts reduce collision risks.  
**Human safety:** Protects operators and ground staff alike.  
**Operational continuity:** Minimises downtime due to incidents.  
**Technology adoption:** Integrates AI into core safety operations.  
**Future-ready culture:** Advances technology-led safety under Himadri's zero-harm mission.

AI-powered violation detection mechanism

**Challenge**  
Manual supervision alone could not ensure consistent compliance across large operational areas, resulting in delayed detection and lack of accountability for repeated safety violations.

**Solution**  
Himadri implemented an AI-powered Violation Detection System using advanced computer vision technology for real-time monitoring. The system automatically identifies PPE non-compliance, unsafe behaviors, and recurring violations, providing instant alerts and data-driven insights.

**Solution steps**  
**Pilot implementation:** Deployed across SNF and project zones to test performance.  
**AI configuration:** Cameras trained to detect missing PPE and unsafe acts.  
**Behavioural tracking:** System linked repeated violations to specific individuals.  
**Biometric integration:** Connected violations directly to employee records for accountability.  
**Expansion roadmap:** Integration planned across 200+ cameras for full-site coverage.

**Solution reporting**

- Phase 1 completed, confirming system reliability.

- Real-time detection enabled immediate corrective actions.
- Expansion roadmap finalised for company-wide implementation.

**Benefits**  
**Proactive risk management:** Instant detection prevents potential incidents.  
**24/7 monitoring:** Continuous, unbiased surveillance beyond human limitations.  
**Accountability:** Individual tracking drives behavioral improvement.  
**Operational efficiency:** Automated enforcement reduces manual supervision needs.  
**Smart safety culture:** Strengthens AI-led, zero-incident workplace goals.

Heat stress management

**Challenge**  
Workers in chemical process industries are routinely exposed to high temperatures from boilers, furnaces, and steam lines, along with environmental factors such as humidity and radiant heat. Without proper controls, prolonged exposure can lead to fatigue, dehydration, and heat-related illnesses, affecting both health and productivity.

**Solution**  
Himadri implemented a comprehensive Heat Stress Management Programme across all operational areas. The initiative combines engineering controls, administrative measures, hydration and PPE protocols, and continuous awareness programmes to minimise heat exposure and safeguard worker health.

**Solution steps**  
**Risk assessment and monitoring:** Identified heat sources, tracked exposure through task analysis, and deployed WBGT sensors and wearable devices to monitor environmental and physiological data.

**Engineering controls:** Insulated hot surfaces, repaired steam leaks, and installed ventilation systems, exhausts, and cooling stations. Created shaded rest areas and air-conditioned recovery zones.  
**Administrative controls:** Implemented acclimatisation plans, job rotation, and scheduling of heavy work during cooler hours. Enforced work-rest cycles and use of mechanical aids.  
**Hydration and nutrition:** Provided accessible cool water and electrolyte drinks; educated workers on early heat stress signs.  
**PPE management:** Supplied reflective and cooling PPE; trained workers on proper usage to avoid heat entrapment.  
**Training & emergency preparedness:** Conducted regular awareness sessions, established response protocols, and ensured first-aid readiness for heat-related emergencies.

**Solution reporting**

- Periodic audits of insulation and ventilation systems to assess control effectiveness.
- WBGT and worker health data reviewed regularly.
- Compliance tracked through training participation, hydration records, and emergency response drills.

**Benefits**  
**Reduced heat-related illnesses:** Lower incidence of fatigue and heat exhaustion.  
**Improved productivity:** Enhanced comfort and working conditions.  
**Real-time risk control:** Continuous monitoring enables early intervention.  
**Regulatory alignment:** Meets occupational health and safety standards.  
**Sustainable culture:** Reinforces a proactive, worker-centric safety environment.

## Human body Electrostatic Discharge (ESD) in hazardous atmospheres

### Problem statement

In the propane storage area (Zone 0), where flammable gases are present, Electrostatic Discharge (ESD) from the human body poses a severe ignition risk. Static buildup during movement can cause sparks near grounded equipment, leading to fires or explosions. Additional safety control focused on personnel static discharge was necessary.

### Solution

Himadri introduced a Human Body Electrostatic Discharge System ensuring all personnel entering the propane storage zone are discharged of residual static charge. The system measures body resistance and provides a controlled grounding path, keeping resistance below 1 Mega Ohm - the safety limit for hazardous zones.

### Solution steps

**Hazard identification:** Identified human static discharge as a potential ignition source.

**Technology selection:** Adopted stainless steel plate-based ESD devices with grounding cords, LED indicators (Pass/Open), and access interlocks.

**System installation:** Deployed units at all propane area entry points with integrated access control.

**Operational integration:** Linked system alarms with control panels and trained personnel on static discharge procedures.

**Periodic testing:** Scheduled regular verification of device performance and grounding continuity.

### Solution reporting

- Systems commissioned and validated for accuracy and functionality.

- Access interlocks tested and operational.
- Routine monitoring and audits integrated into the site's safety compliance schedule.

### Benefits

**Explosion prevention:** Eliminates static spark risks in flammable zones.

**Personnel safety:** Prevents ESD-related injuries and fires.

**Operational reliability:** Provides measurable verification of personnel readiness.

**Regulatory compliance:** Conforms with explosive safety standards for Zone 0 areas.

**Safety culture:** Demonstrates Himadri's commitment to engineering-led zero-incident operations.



## Ergonomic stress management

### Problem statement

Employees engaged in manual material handling, repetitive tasks, and awkward postures face high ergonomic risks. At the DM plant, workers lifted 25-50 Kg salt bags during softener regeneration, causing musculoskeletal disorders and physical strain.

### Solution

Himadri launched an Ergonomic Hazard Control Programme applying engineering redesign, administrative practices, and PPE enhancements. The DM Plant underwent a focused workstation improvement to reduce physical exertion through mechanical aids, layout optimisation, and process reengineering.

### Solutions

#### Engineering controls

- Introduced waist-level loading platforms to avoid bending.
- Repositioned agitator inlets for easier salt pouring.

- Deployed tilting trolleys, sloped chutes, and mechanical lifters.
- Enhanced workspace layout, lighting, and anti-slip flooring.

#### Administrative controls

- Implemented job rotation and scheduled rest breaks.
- Conducted ergonomic training and displayed posture safety visuals.

#### PPE measures

- Provided gloves and padded gear for joint and hand protection.
- Ensured PPE supported grip and reduced contact stress.

#### Programme integration

- Conducted ergonomic assessments, worker feedback, and cross-functional safety audits.
- Established ongoing monitoring for ergonomic performance.

### Solution reporting

- Risks documented through movement mapping and ergonomic observations.
- Recommendations implemented jointly by operations and safety teams.
- Post-implementation monitoring confirmed reduced strain and MSD complaints.
- Results shared across departments during health and safety reviews.

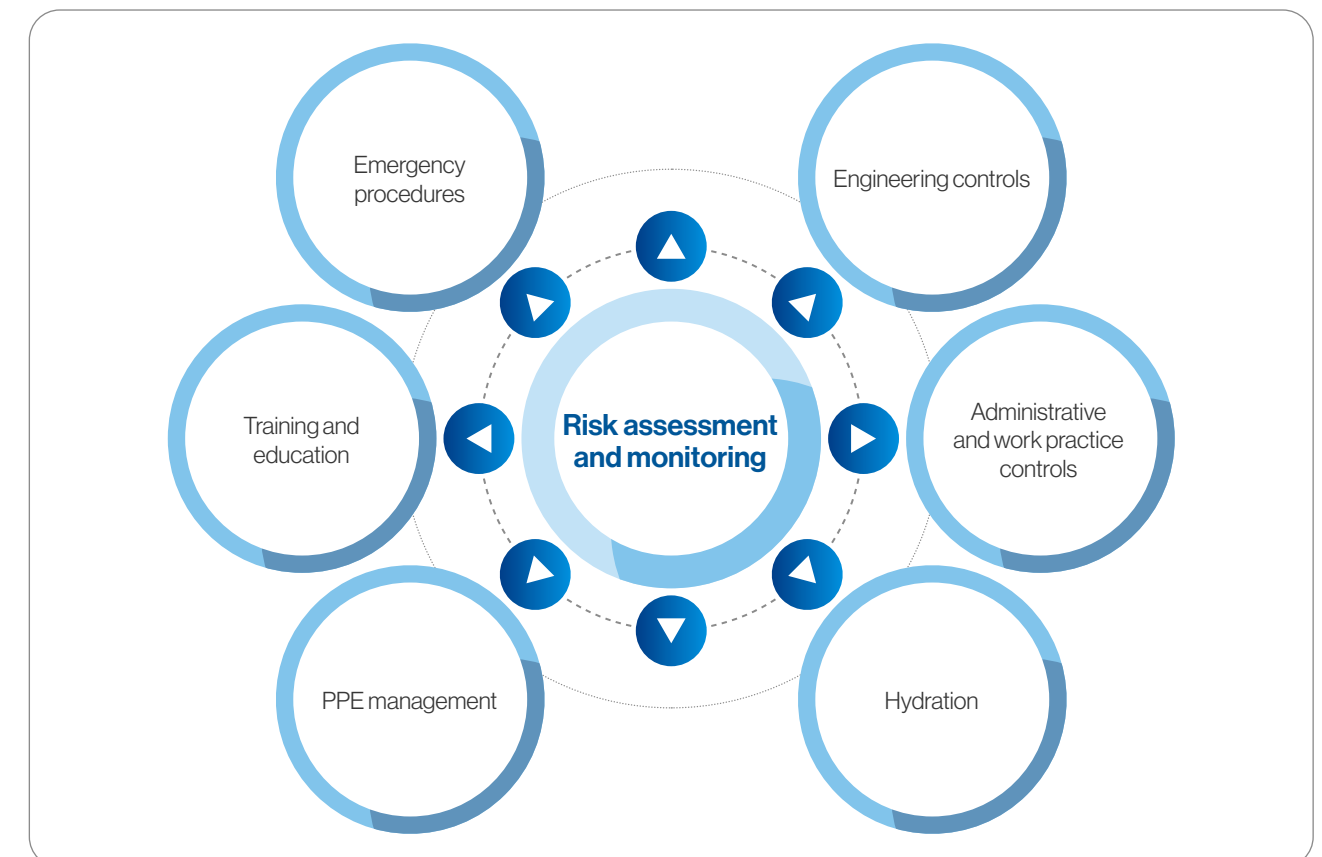
### Benefits

**Lower MSD cases:** Significant drop in back, neck, and shoulder injuries.

**Worker comfort:** Enhanced posture and reduced physical fatigue.

**Higher productivity:** Streamlined, safer salt-handling process.

**Reinforced safety culture:** Embeds ergonomics as part of proactive occupational health management.





# Himadri's health and safety statistics

## Injury performance and occupational illness

### Overview

As of 21<sup>st</sup> April, 2025, Himadri achieved 540 days (18 months) of operation without a single Lost Time Injury (LTI) - a milestone reflecting the Company's unwavering commitment to safety excellence. Since 1<sup>st</sup> September, 2023, Himadri has recorded an exceptional 11.22 Million man-hours (11,217,072 hours) without any work-related incident causing lost time, covering permanent employees,

contract workers, and third-party personnel.

The Company reported a Zero Lost Time Injury Frequency Rate (LTIFR) across all manufacturing units in FY24-25, underscoring its steadfast adherence to the vision zero accident/incident philosophy. This success is attributed to a robust risk-based EHS management system, 18 non-negotiable Safety Standards, mandatory PPE protocols,

real-time safety monitoring, and well-defined permit-to-work systems.

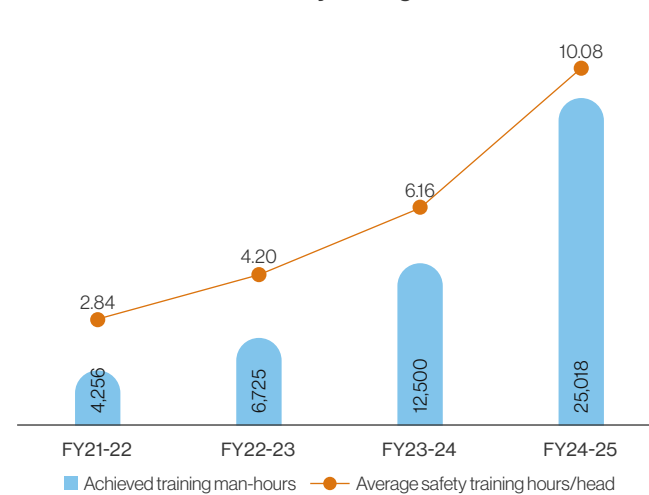
Safety leadership is reinforced through continuous training, management walkthroughs, and a Behaviour-Based Safety (BBS) framework anchored in Himadri's 10 Core Safety Rules. Digital safety dashboards and predictive analytics enable early detection of risks, while rigorous audits and swift corrective actions ensure continuous improvement.

## Safety training and awareness

Himadri fosters a safety-first culture through continuous capacity building and awareness initiatives. During FY24-25, the Company conducted 1,624 training sessions on critical EHS topics - including fire safety, chemical handling, emergency preparedness, and first aid - covering over 2,400 employees and contract workers.

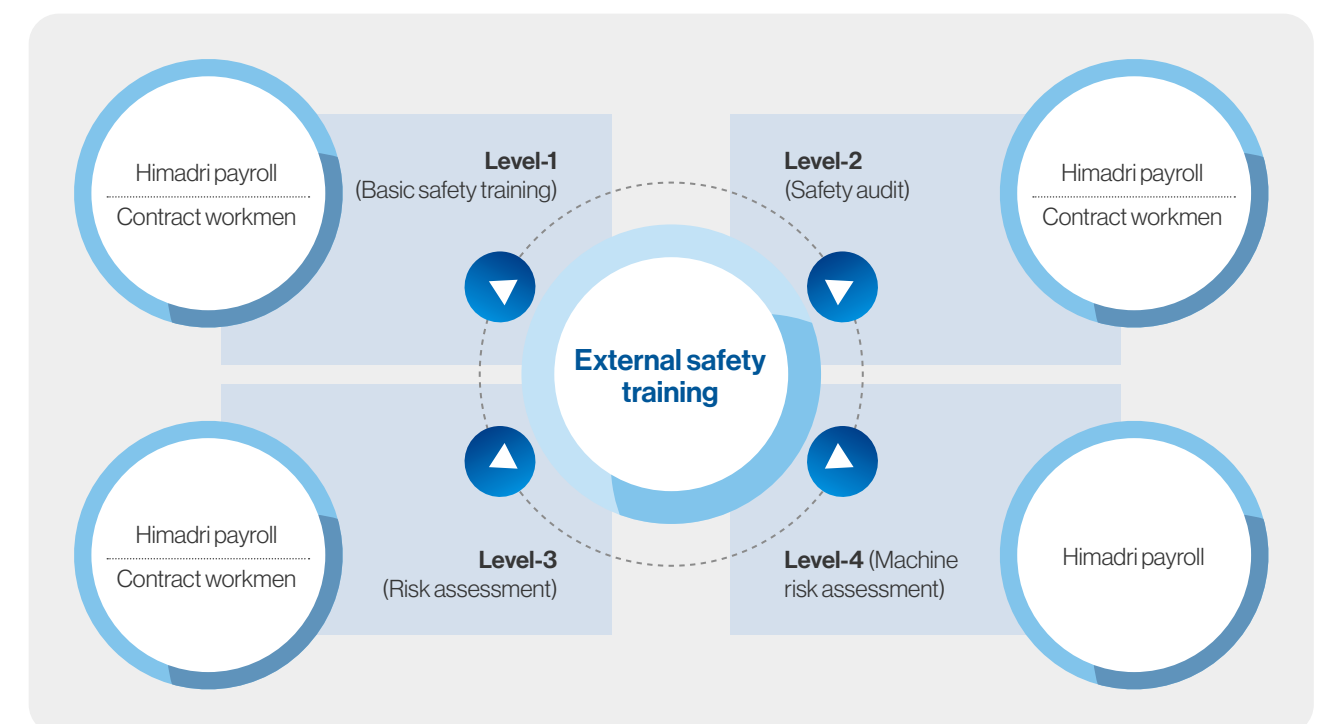
A total of 25,018 person-hours of safety training were delivered, integrating toolbox talks, mock drills, and visual communication to reinforce daily vigilance. Role- and risk-based training modules ensured relevance and retention, while behaviour-based safety sessions deepened workforce engagement and proactive risk reporting. These collective efforts continue to advance Himadri's Zero Accident Vision, embedding safety consciousness into everyday operations.

Health and safety training man-hours



## Array of classroom trainings

Training topics		
Training of Health and Safety Policy	Defensive car and bus driving	Machine safety
Training on Drug and Alcohol Policy	Electrical safety	Management of change
New joiner induction training	Safety chemical handling procedure	Vehicle management standard
HSE awareness training (Level-1)	SCBA set use training	Accident and incident reporting
Safety audit with practical (Level-2)	Basics of fire and its prevention/protection	On PPE standard
Risk assessment (Level-3)	Fire fighting practical drill training	BRSR Principle-3: Businesses should respect and promote the well-being of all employees, including those in their value chains
Machine risk assessment (Level-4)	Emergency preparedness	Working at height
Lock-tag system	Hot work safety	Refresher training on ISO 45001:2018 management system
Confined space safety	Manual material lifting safety	
Permit-to-Work (PTW)	Hazardous chemical handling	



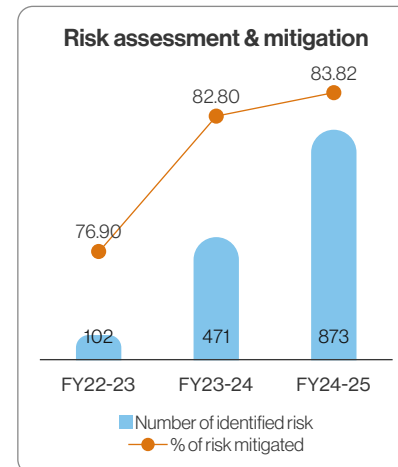
## Integrated risk assessment mechanisms

Himadri's integrated risk assessment framework ensures that every operational and strategic decision is risk-informed. The Company adopts a multi-layered, proactive approach to identifying, evaluating, and mitigating risks across financial, environmental, operational, and safety domains.

Tools such as Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and Environmental Aspect and Impact Assessment (EAIA) are routinely applied at all manufacturing locations. Oversight is provided by the Risk Management Committee, which reviews both internal and external risks

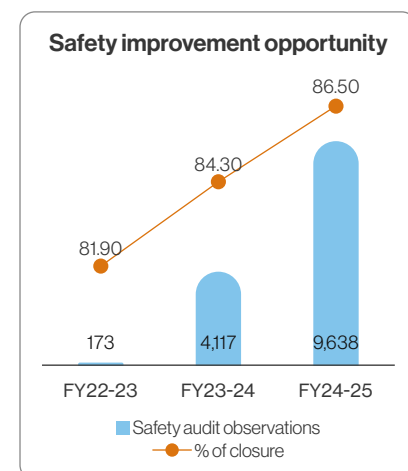
- including ESG, climate-related, and geopolitical factors.

During FY24-25, 841 new risks were identified compared to 471 in the previous year, including 440 high-risk observations. The overall risk closure rate stood at 83.82%, reflecting the Company's disciplined follow-up. Regularly updated risk registers, mitigation tracking, and scenario planning ensure complete integration of EHS risk controls into operational strategy.



## Safety audits and observations

A key component of Himadri's participatory safety culture is the Digital Safety Observation System, which empowers employees at all levels to identify and report unsafe acts or conditions. In FY24-25, over 9,600 safety observations were logged, analysed, and addressed through structured corrective actions. This digitalised system has strengthened transparency, accountability, and speed of response, fostering shared ownership of safety outcomes.



## Way forward at Himadri

### Automation in fire-fighting systems

Himadri's next phase of safety advancement centers on automation and intelligent control of fire-fighting systems. Traditional manual systems, though effective, can delay emergency response and expose personnel to risk. The Company is now implementing IoT-enabled, remotely controlled fire safety systems that integrate real-time monitoring, automatic detection, and predictive maintenance.

### Key focus areas

- Remote monitoring and operation of fire-fighting systems via centralised control rooms.
- Automated activation of sprinklers, hydrants, foam, and gas-based suppression systems.
- Real-time diagnostics and system health checks to ensure readiness.
- Integration with emergency protocols for faster response.

- Predictive analytics to detect faults or pressure drops before failure.

This transition will significantly reduce response times, enhance asset protection, and strengthen safety resilience across large and complex facilities.

### Responsible care implementation

Himadri is advancing towards Responsible Care Certification, a globally recognised chemical industry initiative promoting health, safety, environmental stewardship, and sustainability. The certification will formalise Himadri's long-standing philosophy that business success and social responsibility are inseparable.

### Key focus areas

- Employee and worker engagement:** Fostering ownership through awareness campaigns and workshops.
- Occupational health and safety enhancement:** Aligning practices with global benchmarks in emergency preparedness and hazard communication.

**Environmental stewardship:** Strengthening resource efficiency, emission reduction, and circular economy initiatives.

**Community well-being:** Encouraging employees to extend safety and sustainability awareness beyond the workplace.

**Transparency and accountability:** Establishing measurable goals and public reporting mechanisms.

### Psychological health and safety

Himadri's next phase extends its focus to psychological health, aligned with ISO 45003:2021. The framework will address workload balance, role clarity, workplace culture, and harassment prevention through:

- Awareness and training on psychosocial risks.
- Early hazard identification and intervention.
- Confidential counselling and employee support.
- Integration with ISO 45001 management systems.

### Rewards and Recognition for excellence in Health & Safety

Himadri is preparing to elevate its culture of safety excellence through a dedicated Reward and Recognition Scheme that will be showcased at UMANG - the Annual Achievers Platform. This initiative is designed to celebrate individuals and teams who demonstrate exceptional commitment to health and safety, going beyond compliance to champion proactive safety behaviours and innovative risk-reduction practices.

The scheme will acknowledge outstanding contributions such as exemplary safety leadership, innovative ideas that enhance workplace safety, consistent adherence to safe work

practices, and active participation in hazard reporting and incident prevention. By honouring these achievements on a prestigious corporate stage, Himadri aims to inspire a sense of pride, motivate continuous improvement, and foster healthy competition among employees of various departments.

Through this forward-looking recognition framework, Himadri reinforces its belief that a strong safety culture is built on shared responsibility, visible appreciation, and sustained employee engagement - setting new benchmarks for excellence in occupational health and safety across the organisation.





Key performance indicators

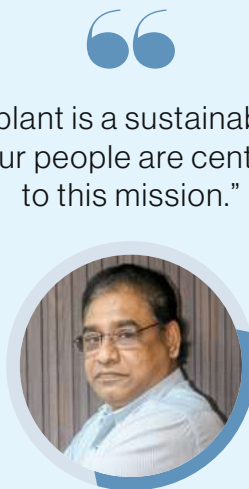
KPI's	Units	FY21-22	FY22-23	FY23-24	FY24-25
Audit participation					
Safety audit participation	%	-	9	19	51
Safety audit closure	%	-	81.90	84.30	86.50
Competency building					
Training manhours achieved	Nos.	4,256	6,725	12,500	25,018
Average safety training hours/head	Nos.	2.37	3.19	6.16	10.08
Manpower details					
Manpower	Nos.	1,799	2,108	2,030	2,482
Manhours worked	Nos.	52,53,080	61,55,360	59,27,600	72,47,440
Assesment and audits					
Assessment of the health and safety impacts of product and service categories	%	100	100	100	100
Sites assessed for health & safety measures and working conditions	%	100	100	100	100
Statutory compliance					
Employees represented in formal joint management-worker health and safety committees	%	100	100	100	100
Employees covered for periodical health checkup	%	100	100	100	100
Regulatory compliance					
Incidents of non-compliance concerning the health and safety impacts of products and services	No.s	Nil	Nil	Nil	Nil
Injury and illness details					
Loss Time Injury (LTI) cases	Nos.	22	14	7	0
Man days lost	Nos.	665	401	277	0
Loss Time Injury Frequency Rate (LTIFR)		4.19	2.27	1.20	0.00
Loss Time Injury Severity Rate (LTISR)		126.02	65.63	32.98	0.00
Recordable accident cases	Nos.	33	31	14	16
Total Recordable Injury Rate (TRIR)		12.6	10.1	4.7	4.4
Occupational illness rate		0	0	0	0
Customer health and safety					
Number of customer health & safety incidents linked to product use	Nos.	0	0	0	0
Products supplied with Safety Data Sheets (SDS) and safe-handling guidance	%	100	100	100	100



“Operational discipline is the foundation of sustainable manufacturing.”

Kingshuk Bose  
Plant Head, Carbon Black Division

**Strengthening performance through safety and sustainability**  
At the Carbon Black plant, we have implemented advanced heat-recovery systems, automated process monitoring, improved filtration and responsible waste-handling practices to reduce environmental impacts. Safety remains a core value reinforced through continuous training, behaviour-based interventions and leadership walkthroughs.  
Our focus is on building a plant culture where sustainability, compliance and operational excellence are deeply embedded into everyday decisions, ensuring consistent performance and minimal environmental footprint.



“A safe plant is a sustainable plant. Our people are central to this mission.”

Azizul Haque  
Plant Head, Coal Tar Division

**Building a resilient and environmentally responsible operations**  
The Coal Tar plant is strengthening environmental performance through upgraded scrubber systems, improved distillation controls, cleaner combustion and structured effluent management. Workforce engagement remains critical, supported by daily communication platforms, capability-building programmes and proactive safety systems.  
Our goal is to maintain a reliable plant ecosystem that meets stringent environmental standards while promoting a culture of shared responsibility and continuous improvement.



Part 4

# Human Resource at Himadri



# Human capital as a **strategic differentiator** at Himadri

## Overview

In the speciality chemicals sector, knowledge, expertise, and human capital operate as strategic differentiators that shape long-term competitiveness. Unlike commodity chemical businesses where scale drives value, speciality chemicals derive their advantage from scientific precision, process innovation, and tailor-made formulations that address highly specific customer needs. Every product is the outcome of accumulated intellectual capital that integrates chemistry, materials science, chemical engineering, application know-how, and stringent regulatory understanding.

Skilled chemists, process engineers, research scientists, and application technologists form the backbone of this innovation ecosystem. Their ability to convert molecular insights into market-ready solutions enables breakthrough advancements in performance, quality, and sustainability. As industries worldwide transition towards greener, safer, and more efficient materials, the sector increasingly depends on professionals who combine scientific depth with commercial perspective, customer insight, and responsible innovation.

Human capital therefore becomes a renewable, compounding asset—strengthened through ongoing learning, collaboration, experimentation, and cross-disciplinary fluency. Knowledge enhances productivity, ensures compliance with complex regulatory frameworks, enables waste minimisation, and accelerates development cycles. In an environment shaped by rapid technological change, organisations that nurture curiosity, technical excellence, and adaptability build resilience and future-readiness.

At Himadri, employees are recognised as the central driving force behind the Company's transformation and growth. They serve as custodians of the organisation's values, culture, and commitment to sustainability. Guided by the philosophy 'Together, towards tomorrow,' Himadri firmly believes that its strength lies in the passion, innovation, and dedication of its people.

The Company's HR strategy is anchored in dignity, respect, fairness, equity, and opportunity - principles that define a safe, supportive, and thriving workplace. Himadri is deeply committed

to inclusivity, continuous skill enhancement, leadership development, digital transformation, and the protection of human rights across its value chain. Through structured learning opportunities, talent development programmes, transparent communication, and employee-engagement initiatives, the organisation strives to create an environment where every individual feels valued and empowered to realise their full potential.

Sustainable growth at Himadri is fuelled by human potential. The collective creativity, agility, and commitment of its workforce drive operational excellence, responsible innovation, and long-term sustainability. As the organisation expands its capabilities and global footprint, its people remain at the heart of building a safer, greener, and more competitive future.

# Our people: **The foundation of sustainable growth**

## Overview

At Himadri, sustainable value creation and long-term progress begins with our people.

Guided by our corporate philosophy, 'Together, towards tomorrow,' we recognise that our people are the driving force behind every achievement from advancing climate action to fostering social well-being.

We treat every individual with dignity and respect. Engaged, empowered employees are key to realising our vision, and we actively nurture connections across our business, industry, and communities. Through collaborations with partners and stakeholders, we facilitate collective progress and enhance life quality for all.



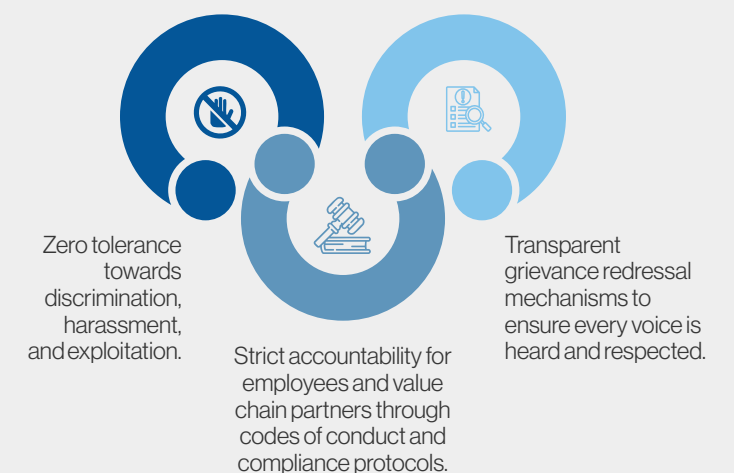
**Process 01**  
Upholding fairness, integrity, and transparency in all interactions

**Process 02**  
Ensuring diversity, equal opportunities, and a workplace free from discrimination

**Process 03**  
Embedding long-term environmental and social considerations into people practices

Himadri's human resource function serves as a cornerstone of the sustainability journey. The Company's HR development initiatives are designed to create a workplace that is respectful, diverse, and safe - that empowers employees to excel.

At the core of our people practices lies Himadri's Ethical Business Conduct Framework. This is founded on the principles of human rights, dignity, and integrity. Our zero-tolerance policy prioritises initiatives against discrimination, harassment, and exploitation within and across our value chain. Through strict accountability measures, partner compliance systems, and transparent governance, we foster ethics and responsibility.





At Himadri, our human resource function is committed to build a sustainable, ethical, and inclusive workplace. We believe that nurturing a respectful, diverse, and safe environment is essential to empowering our people and driving long-term value for our organisation and the communities we serve.

Our HR approach is guided by the concept of double materiality, which recognises two dimensions of people-related impact:

**Outside-in:** How talent retention, employee engagement, health, safety and diversity influence financial performance, productivity, and long-term business resilience.

**Inside-out:** How our HR practices, including fair wages, inclusive workplaces, equitable opportunities, and respect for human rights, shape employee well-being and social outcomes.

Through double materiality, Himadri ensures that human resource management not only drives business value but also upholds social responsibility across the organisation.

To strengthen our people practices, we conduct comprehensive risk assessments that proactively identify, evaluate, and mitigate potential threats to our workforce policies and standards. These assessments are complemented

by a risk-opportunity analysis aligned with our material sustainability priorities, ensuring that our actions reflect fairness, transparency, and respect at every level.

Our goal: to create an inclusive environment where everyone, regardless of role or background, feels valued, supported, and empowered to grow. By investing in our people, we unlock individual potential, drive collective success, and reinforce our belief that

sustainable progress is powered by human potential.

Himadri places labour and human rights at the core of its values. Supported by robust policies aligned with national and global standards for responsible business, we ensure that every operation reflects integrity, fairness, and social accountability. Through this commitment, Himadri continues to build an ethical, equitable, and progressive workplace.



Our policy		
Human Rights Policy	Code of Conduct (CoBC)	Prevention of Sexual Harassment Policy
Referral Policy	Anti Discrimination & Harassment Policy	Diversity, Equity and Inclusion (DE&I) Policy
Prevention of Child and Forced Labor Policy	Corporate Social Responsibility (CSR) Policy	Leave Policy
Recruitment Policy	Career Progression Policy	Performanace Linked Incentive (PLI) Policy and Compensastion Policy
Long Service Award Policy	Referral Policy	Reward & Recognition Policy
Each One Reach One	Overtime Policy	Exit Policy

Key Policies Implementation	Mahistikry	Liluah (I & II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Human Rights Policy	✓	✓	✓	✓	✓	✓	✓
Diversity, Equity and Inclusiveness Policy	✓	✓	✓	✓	✓	✓	✓
Child & Forced Labour Policy	✓	✓	✓	✓	✓	✓	✓
Anti discrimination and Harassment Policy	✓	✓	✓	✓	✓	✓	✓



Comprehensive human resource and ethical business policies

Himadri upholds strong ethical and responsible business standards through a robust framework of human resource policies that safeguard human rights, promote diversity and inclusion, and ensure workplace fairness and transparency. These policies are aligned with globally recognised standards such as the United Nations Global Compact (UNGC), International Labour Organisation (ILO) conventions, and SA 8000:2014 guidelines. Collectively, they reinforce Himadri's commitment to fair labour practices, employee well-being, and sustainable growth.

**Human Rights Policy:** Aligned with UNGC and ILO principles, this policy reaffirms Himadri's dedication to uphold human rights like dignity, equality, fair treatment, and the well-being.

**Prevention of Sexual Harassment (PoSH) Policy:** This policy ensures a safe and respectful workplace by preventing and addressing any harassment. In line with national legislation, it promotes gender equality and promotes respect and inclusivity.

**Code of Business Conduct (CoBC):** The CoBC ensures that all business activities align with Himadri's values and sustainability. It promotes transparency, accountability, and responsible decision-making across all levels.

**Anti-Discrimination and Harassment Policy:** Guided by ILO and DE&I principles, this policy ensures a fair, equitable, and discrimination-free work environment. It reinforces equal opportunities for all and nurtures a culture of mutual respect and trust.

**Diversity, Equity, and Inclusion (DE&I) Policy:** Himadri's DE&I framework champions workplace diversity, ensuring fairness in hiring, career progression, and opportunity creation. It aligns with UNGC and ILO standards to strengthen inclusivity and employee engagement.

**Prevention of Child and Forced Labour Policy:** In line with ILO conventions and national labour laws, this policy prohibits child and forced labour. It ensures ethical employment practices and adherence to international human rights standards.

**Corporate Social Responsibility (CSR) Policy:** Himadri's CSR policy reflects an alignment with UNGC principles, focusing on initiatives that drive social and environmental impact. It supports sustainable development, STEM education, and community engagement for inclusive growth.

**Leave Policy:** Consistent with SA 8000:2014 fair labour standards, this policy guarantees access to essential leave benefits, fostering a healthy work-life balance and enhancing employee well-being.

**Recruitment Policy:** This policy upholds fairness and diversity in hiring practices, ensuring equal opportunities for all candidates. It aligns with the Global Diversity, Equity, and Inclusion Alliance principles, promoting a transparent and unbiased recruitment process.

**Career Progression Policy:** Himadri encourages professional growth through structured career development frameworks. This policy ensures equitable access to advancement opportunities, supporting long-term talent retention and satisfaction.

**Compensation Policy:** This Policy defines a compliant, structured process for monthly compensation preparation and disbursement. It assigns clear roles to HR, Compensation, and Finance teams, enforces strict timelines, and prohibits backdated changes after cut-off. Exit and full-and-final settlements are processed within 30 days. Mandatory checks include manpower reconciliation, attendance, leave, and statutory deductions. It also specifies protocols for absconding cases, PF/ESIC updates, and off-roll hiring. Salary details are shared through the HORIZON portal, exceptions require written approval, records are retained for 10 years, and the Policy is reviewed annually.

**Performance Linked Incentive (PLI) Policy:** Reflecting DE&I commitments, this policy ensures performance rewards are fair, transparent, and merit-based. It motivates employees and aligns individual achievements with organisational objectives.

**Long Service Award Policy:** This policy recognises and celebrates employee loyalty and long-term contribution, fostering a culture of appreciation and belonging.

**Referral Policy:** Himadri's referral programme empowers employees to recommend diverse and qualified candidates, strengthening talent pipelines while reinforcing an inclusive workplace culture.

**Reward and Recognition Policy:** Designed to promote appreciation, this policy celebrates individual and team contributions that reflect Himadri's values, enhancing motivation and engagement across the workforce.

**Each one reach one initiative:** Himadri believes that empathy and care transcend hierarchies. Through this initiative, the Company nurtures a family-like culture built on mutual respect and emotional connection between employees and the organisation.

**Overtime Policy:** Himadri maintains a structured work schedule to promote work-life balance. Overtime is discouraged except in exceptional circumstances, with compensatory time-off or benefits provided where necessary to prevent burnout and support well-being.

**Exit Policy:** This policy ensures a smooth, respectful, and transparent exit process. It includes proper notice periods, handovers, settlement of dues, and exit interviews. Confidentiality and data protection obligations continue post-employment in compliance with legal requirements.

To reinforce these policies, Himadri adheres to globally recognised ISO management systems that ensure consistent implementation, compliance, and continuous improvement across all operations. The Company adopted the SA 8000:2014 standard and undergoes regular third-party sustainability audits, reaffirming its commitment to ethical practices, workplace safety, and respect for human rights.

Management systems	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
SA 8000:2014	✓	✓	✓	✓	✓	✓	✓
ISO 45001:2018	✓	✓	✓	✓	✓	✓	✓
ISO 28000:2022	✓	✓	✓	✓	✓	✓	✓

This holistic approach empowers Himadri to extend beyond simply meeting objectives, but to exceed them. By embedding sustainability, ethical governance, and stakeholder engagement into operations, we lay the foundation for long-term, resilient growth. More importantly, this approach helps us create a measurable and meaningful positive impact on the environment, our stakeholders, and the communities we serve. In doing so, we transcend compliance, positioning our initiatives as proactive contributions to societal progress and environmental responsibility.

Employee Provident Fund	Employee State Insurance	Gratuity	Professional Tax	Contract Labour Regulation Act	Labour Welfare Fund
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Human rights: Non-negotiable standards

'Together Towards Tomorrow,' Himadri's guiding corporate philosophy, encapsulates our mission to 'create a sustainable planet for all, providing care and enrichment for the life of all people and the planet.' This philosophy is not merely aspirational it serves as a strategic compass, shaping our actions and

decisions across the organisation. We are diligently translating this mission into reality by implementing well-structured initiatives that actively promote diversity, equity, and inclusion in the workplace. These initiatives are integrated into every dimension of business strategy, ensuring that our approach to growth

and innovation is intrinsically linked with fairness, equal opportunity, and respect for individual differences. In doing so, we foster a culture where all employees can thrive, contribute meaningfully, and feel valued, while advancing our overarching goal of building a sustainable and inclusive future.





Himadri is committed to uphold and advance human rights as a cornerstone of its social responsibility. Guided by our Human Rights Policy, Code of Business Conduct (CoBC), and our membership in the United Nations Global Compact (UNGC), we integrate human rights considerations into every aspect of our operations, decision-making, and value chain relationships.

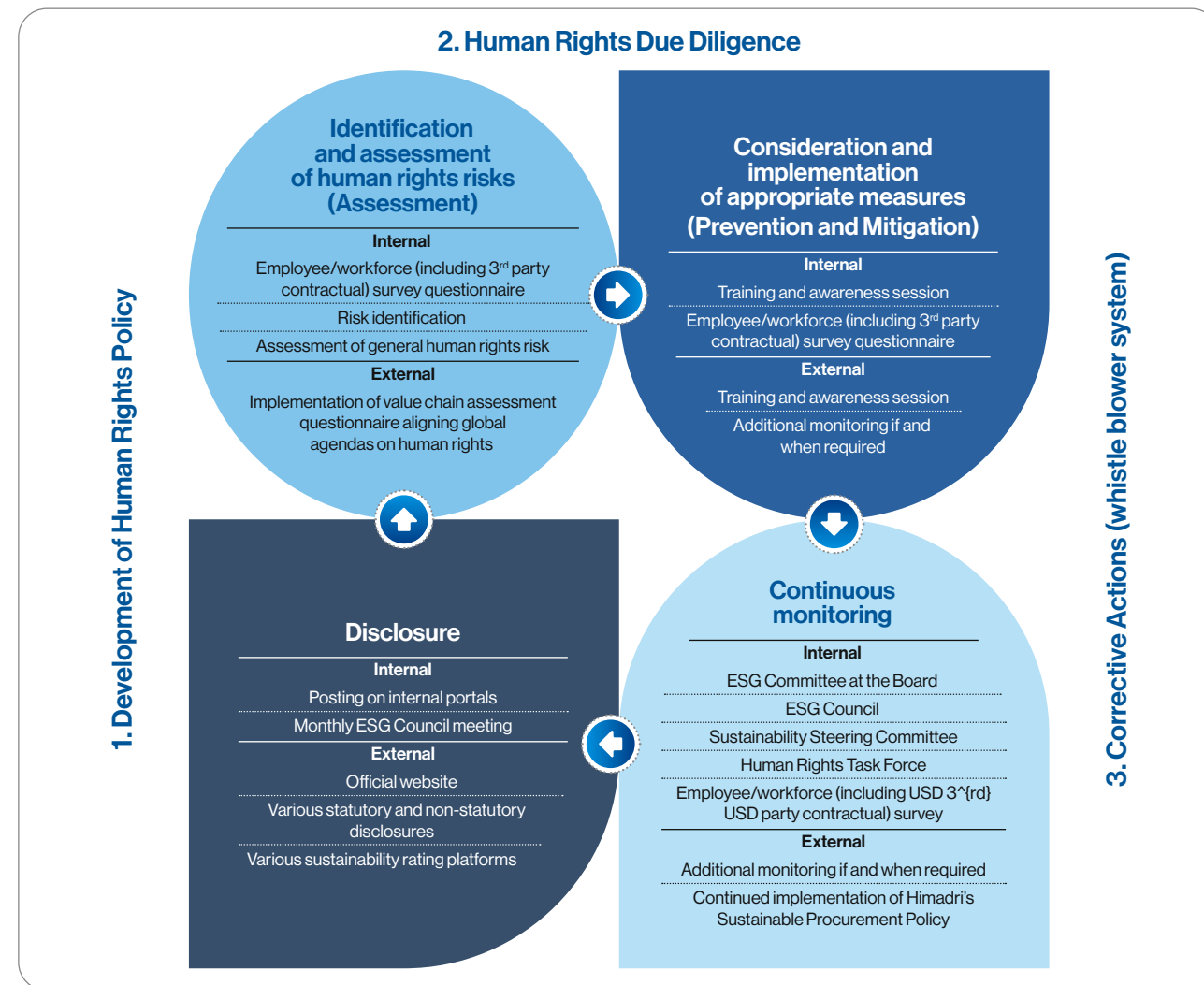
We adopt a risk-based due diligence approach, continuously assessing and addressing potential impacts across areas such as labour rights, health and safety, environmental protection, and ethical business conduct. Oversight is provided by our Sustainability Committee and ESG Council, which manage risk identification, capacity building, and third-party audits to ensure transparency and accountability.

We expect employees, suppliers, and business partners to uphold internationally recognised human rights standards and to comply with Himadri's Sustainable Procurement Policy and Supplier Code of Conduct. In instances where gaps or non-compliance are identified, we actively collaborate with partners to implement corrective measures and strengthen compliance frameworks.

Human rights KPI and coverage	Mahistikry	Liluah I&II	Korba	Sambalpur	Vizag	Falta	Corporate Office
Human rights due diligence	✓	✓	✓	✓	✓	✓	✓
Equal opportunity	✓	✓	✓	✓	✓	✓	✓
Freedom of association	✓	✓	✓	✓	✓	✓	✓
Inclusive workplace	✓	✓	✓	✓	✓	✓	✓

Through these concerted efforts, Himadri ensures that respect for human rights remains integral to our culture, operations, and broader commitment to responsible and sustainable business practices.

**Human Rights Due Diligence (HRDD)** is a continuous process that helps organisations identify, prevent, and address human rights risks across their operations and supply chain, in line with global standards such as the UNGPs. It assesses issues like discrimination, unsafe conditions, and child or forced labour, and uses the findings to implement corrective actions and strengthen monitoring. By engaging stakeholders and ensuring transparency, HRDD reduces risks, promotes ethical conduct, and supports responsible and sustainable business practices.



Mandatory training programmes, awareness initiatives, and accessible grievance mechanisms including dedicated hotlines and reporting channels reinforce Himadri's culture of integrity, transparency, and accountability. All security personnel operate under strict human rights standards, with an explicit prohibition on carrying any weapon.

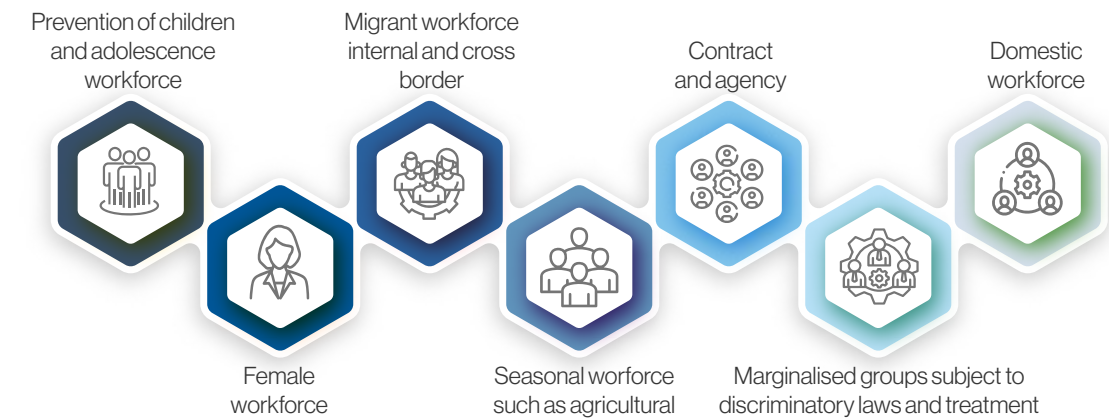
Human rights considerations form a key part of the qualification criteria for all security personnel and are embedded within contracts and agreements with contractors. Security staff are instructed not to carry weapons of any kind, including non-lethal ones. Their role is limited to managing internal traffic movement and

assisting in external conflict resolution only when necessary.

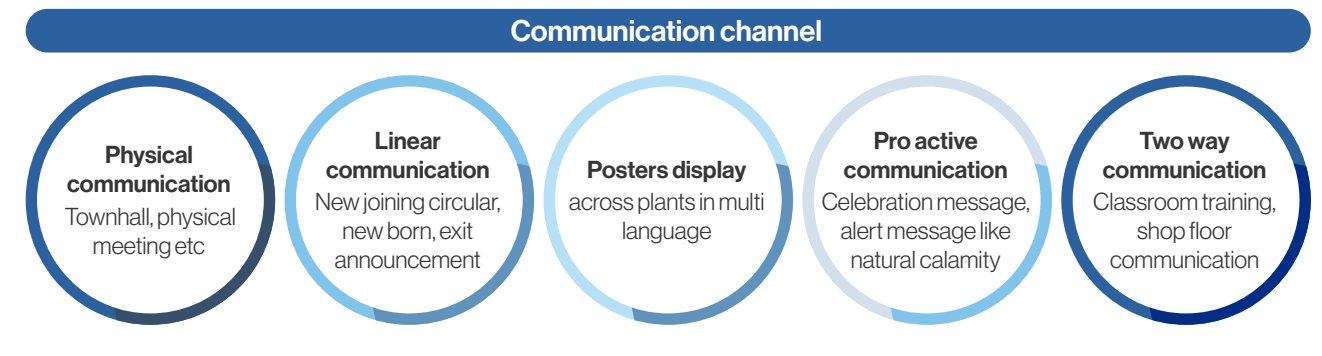
During the current reporting year, no human rights violations were reported, reaffirming Himadri's commitment to ethical conduct, continuous improvement, and creating a sustainable, positive impact on people and communities.

Human rights KPIs	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Freedom of association	✓	✓	✓	✓	✓	✓	✓
Inclusive workplace	✓	✓	✓	✓	✓	✓	✓

### Himadri's HR Due Diligence programmes include spectrum of vulnerable workforce



Training coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Training on BRSR Principle 5	100%	100%	100%	100%	100%	100%	100%



### Workplace without barriers

At Himadri, we are committed to foster a workplace where every individual is treated with dignity, fairness, and respect - free from discrimination, harassment, or bias. We prioritise the physical, psychological, and emotional well-being of people, embedding these values into policies, training, and day-to-day practices. By nurturing inclusivity and ensuring equal opportunities for all, we not only protect the rights of our employees but also strengthen the trust,

collaboration, and innovation that power our collective success.

### Safety in every step, inclusion in every voice

We are unwavering in our commitment to build a workplace culture where every individual feels respected, valued, and empowered. This commitment extends across all forms of diversity (race, gender, age, religion, ethnicity, disability, sexual orientation, and any other personal identity or characteristic).

At Himadri, our strength lies in embracing differences and creating equitable opportunities for all. Any harassment, discrimination, or prejudicial behaviour is considered inconsistent with our values and rejected.

Through policies, training, and accountability, we seek to prevent such behaviour; we promptly address concerns, and uphold an environment rooted in dignity, fairness, and mutual respect.

Collective bargaining KPIs & coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Zero tolerance to sexual haarsment	✓	✓	✓	✓	✓	✓	✓
Inclusive workplace	✓	✓	✓	✓	✓	✓	✓
Internal complaint committee	✓	✓	✓	✓	✓	✓	✓
Dispute resolution	✓	✓	✓	✓	✓	✓	✓



Collective bargaining coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Mandatory training	100%	100%	100%	100%	100%	100%	100%
Internal complaint committee	100%	100%	100%	100%	100%	100%	100%

Equal opportunity recruitment

At Himadri, recruitment, promotions, compensation, and employment-related decisions are made on the basis of qualifications, merit, and performance. We discourage any bias that could influence hiring or career advancement. Our approach ensures that every individual has an equal chance to grow within.

Recruitment KPIs and coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Quality hire	✓	✓	✓	✓	✓	✓	✓
Diversified recruitment	✓	✓	✓	✓	✓	✓	✓

Comprehensive anti-discrimination and anti-harassment Policy

Himadri’s policy prohibited behaviours, including verbal abuse, inappropriate remarks or jokes, unwelcome advances, and actions that could create an intimidating workplace. This policy is communicated to every employee during onboarding and reinforced through regular awareness cum training programmes.

Anti harassment KPI's and coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Gender equality	✓	✓	✓	✓	✓	✓	✓
Decent work and economic growth	✓	✓	✓	✓	✓	✓	✓
Reduce inequalities	✓	✓	✓	✓	✓	✓	✓
Equal opportunity hiring	✓	✓	✓	✓	✓	✓	✓



“Our people are the catalysts of sustainable transformation.”



Mr. Kunal Mukherjee  
Vice President, Human Resources

Embedding sustainability into Himadri’s people strategy

We are integrating sustainability into leadership development, employee engagement and organisational culture. This includes structured training on ESG, ethics, human rights, DE&I and workplace safety. Our initiatives focus on well-being, inclusivity and capability building to ensure that employees thrive in a future-oriented environment.

By aligning our people processes with Himadri’s sustainability commitments, we are building a workforce that is innovative, resilient and purpose driven.

Implementation of Diversity, Equity, and Inclusion (DE&I) Policy

Himadri implemented a comprehensive DE&I Policy to promote diversity, equity, and inclusion. Employees are encouraged to participate in cultural exchange initiatives that celebrate different perspectives. The policy also comprises training that addresses conscious and unconscious biases, the basis of our ‘Together, towards tomorrow’ policy.

DE&I KPI's and coverage	Mahistikry	Liluah I&II	Korba	Sambalpur	Vizag	Falta	Corporate Office
Board diversity	NA	NA	NA	NA	NA	NA	✓
Management diversity	✓	✓	✓	✓	✓	✓	✓
Inclusive workplace diversity	✓	✓	✓	✓	✓	✓	✓
Workforce diversity	✓	✓	✓	✓	✓	✓	✓
Equitable pay	✓	✓	✓	✓	✓	✓	✓
Career development	✓	✓	✓	✓	✓	✓	✓
Fair performance evaluation	✓	✓	✓	✓	✓	✓	✓

Employees covered in human right training (%)

Category	FY21-22	FY22-23	FY23-24	FY24-25
Permanent	70.84	96.86	100	100
Other than permanent	34.29	38.46	100	100
Total employees	67.72	92.82	100	100
Permanent	85.35	99.49	100	100
Other than permanent	66.99	69.94	100	100
Total workers	69.94	74.19	100	100

Training and awareness programmes

**Mandatory training:** All Himadri employees undergo regular periodic training to recognise (and prevent) discrimination or harassment.

**Leadership education:** Managers and supervisors undergo specialised training to address complaints that foster inclusive, respectful, and high-performing teams.

**Awareness campaigns:** Workshops, interactive discussions, and awareness posters ensure that every employee understands the importance of maintaining a respectful and inclusive workplace.

Reporting mechanisms

**Whistle-blower and grievance channels:** Employees can confidentially report incidents through multiple channels (toll-free number, email and an internal reporting portal). External stakeholders (contractors, suppliers, and business

partners) are encouraged to report non-compliance or unethical conduct.

**Dedicated response team:** Complaints are addressed sensitively and impartially by a dedicated team (Chief Human Resources Officer, Chief Sustainability Officer, and Company Secretary).

**Zero retaliation policy:** Employees who report policy deviations and incidents are protected from retaliation, enhancing confidence in the reporting process.

Action and accountability

**Prompt response:** Every complaint is promptly and thoroughly investigated to determine appropriate corrective and preventive actions.

Consequences for violations:

Disciplinary measures ranging from warnings to termination are applied based on the severity and nature of the violation.


Monitoring and continuous

**improvement:** Regular audits, feedback loops, and periodic reviews help identify areas for improvement, reinforcing Himadri’s commitment to maintaining a safe and harassment-free workplace.


## Cultivating a culture of dignity

Himadri fosters an organisational culture where diversity and inclusivity are embedded in operations. Employees are encouraged to engage in dialogues that promote empathy, understanding, and mutual respect.

The Company ensures a safe, respectful, and inclusive workplace, focusing on the Prevention of Sexual Harassment (PoSH) Policy. This policy prohibits harassment; a robust framework addresses and prevents such behaviour. Awareness programmes, training sessions, and a zero-tolerance approach ensure that every employee feels respected, valued, and protected.



# Prevention & Redressal Sexual Harassment



Himadri

Himadri Speciality Chemical Ltd. (HSCL) is committed to a workplace free from discrimination, sexual harassment, and retaliation, promoting dignity, respect, and equal opportunities for all. The policy, aligned with the Sexual Harassment of Women at Workplace Act, 2013, applies to all employees and extends to interactions with vendors, customers, visitors, and board members during business. All proceedings and records are to be kept strictly confidential.


- We believe that any person could be a target of such sexual harassment, including members of the same gender as well.
- Express zero tolerance toward sexual harassment.
- Provide safe complaint mechanisms without retaliation.
- Complainants and witnesses will be safeguarded from victimization or discrimination.
- Aggrieved persons may appeal ICC recommendations within 90 days to the court/tribunal.

## Key Definitions

- **Aggrieved Person:** Any individual alleging sexual harassment.
- **Sexual Harassment:** Includes unwelcome acts such as physical contact, sexual advances, remarks, showing pornography, stalking, threats, and quid pro quo situations.
- **Workplace:** Includes official premises, offsite work locations, and work-related travel.

## Roles & Responsibilities

- All individuals: Avoid, discourage, and report harassment.
- Employer: Ensure sensitive, prompt handling of complaints and a safe workplace.
- Complainants, Respondents, Witnesses: Cooperate with investigations and maintain confidentiality.



Say  
**NO**  
to  
Harassment

## Internal Complaints Committee (ICC)

- **Composition:** Presiding Officer (senior woman employee), two employee members, one external member from an NGO/ legal/social background.
- **Duties:** Receive complaints, conduct inquiries, recommend action, ensure confidentiality, and submit annual reports.

**Informal Step:** Aggrieved person may first directly ask the offender to stop.

**Formal Complaint:** Written submission to ICC immediately of incident "icc@himadri.com"

**Special Filing Cases:** Representatives may file on behalf of aggrieved persons who are incapacitated or deceased.

## Grievance Redressal Procedure

- Conciliation (optional, without monetary settlement)
- Formal Inquiry: ICC hears both sides, examines evidence/witnesses, and submits findings.
- False Complaints: If proven malicious, subject to disciplinary action.

## Orders & Disciplinary Action

ICC may dismiss non-qualifying complaints or recommend actions such as reprimand, transfer, withholding promotion, suspension, or termination, depending on severity.

## Penalty

Verbal/written reprimand; or	Transfer to a different position or department; or
Suspension of the Respondent; or	Withholding increment and/or promotion
Take steps to comply with any specific domestic laws relating to this issue	Summary dismissal / Termination; or / and

Such other action(s) as may be deemed appropriate by the Employer depending on the gravity of offence even if no complaint has been made by the victim.

Concern can be reported to at [icc@himadri.com](mailto:icc@himadri.com)

Himadi's Internal Complaints Committee addresses misconduct with confidentiality and impartiality. This Committee educates employees on identifying and addressing harassment.

POSH KPI'S and coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Zero tolerance to sexual harassment	✓	✓	✓	✓	✓	✓	✓
Inclusive workplace	✓	✓	✓	✓	✓	✓	✓
Internal complaint committee	✓	✓	✓	✓	✓	✓	✓
Dispute resolution	✓	✓	✓	✓	✓	✓	✓

## Empowering futures

Himadri fosters a work environment that upholds safety, equity, and respect for ethics, fairness, and human dignity. As a responsible corporate citizen, the Company recognises its moral and legal obligation to protect and promote fundamental human rights and labour standards.

This commitment encompasses business partners, suppliers, and stakeholders. The Company established a comprehensive framework of policies, protocols, and preventive measures that prohibit child and forced labour. The safeguard is reinforced through due diligence, supplier assessments, and robust monitoring.

**Himadri**

*Let Us*  
**Not Deprive A Child Of His/Her  
 Right To Childhood**

**CHILD**  
 COUNCIL

In an ideal world, children should be given the opportunity to have a childhood & develop their abilities in a positive environment

## Beyond compliance

Himadri's approach to human rights and labour practices extends beyond a mere compliance with national and international regulations. It reflects the Company's unwavering commitment to ethical sourcing, responsible production, and social accountability. The practices are aligned with globally recognised frameworks, including the United Nations Global Compact (UNGC) principles, the

International Labour Organisation (ILO) conventions, and the relevant Sustainable Development Goals (SDGs). In doing so, Himadri is a workplace where every individual is valued, respected, and empowered; seeking to emerge as a sectorial benchmark.

Himadri is committed to eliminate all forms of child and forced labour, in strict alignment with Indian labour laws, UNGC principles, and ILO conventions.

Recognising that potential risks may arise not only within direct operations but also across the value chain, the Company adopts a vigilant approach to safeguard human rights at every stage. Measures include rigorous supplier due diligence, contractual prohibitions, periodic audits, awareness cum capacity-building programmes, and prompt corrective action in the event of non-compliance.



Child and forced labor KPI's and coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
ZERO incident of child and forced labour	✓	✓	✓	✓	✓	✓	✓
Representation in labour and human rights Task Force	✓	✓	✓	✓	✓	✓	✓
Mandatory training on eradication of child and forced labour	✓	✓	✓	✓	✓	✓	✓
Direct/ anonymous reporting channels	✓	✓	✓	✓	✓	✓	✓
Educational/economic supports	✓	✓	✓	✓	✓	✓	✓

Zero tolerance

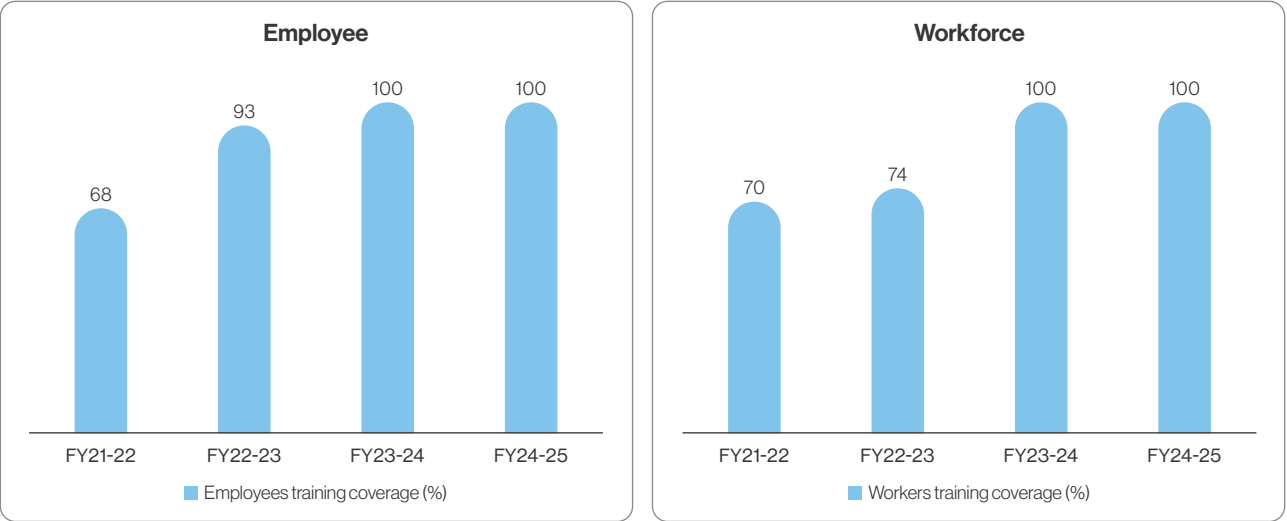
Himadri's zero-tolerance policy towards child and forced labour extends across operations and suppliers, contractors, and vendors. The Company's Code of Conduct prohibits the employment of

individuals below the legal working age or engagement in any form of coerced or involuntary labour.

Recruitment practices remain compliant with applicable laws, including mandatory verification of government-issued photo

identification and validation through local authorities to prevent underage employment. Regular training reinforces these standards, ensuring that employees, partners, and stakeholders consistently uphold Himadri's principles.

Training on human rights topics and policies



Supplier and vendor compliance

Himadri's responsible sourcing framework mandates that all suppliers and vendors adhere to labour and ethical standards, including the complete prohibition of child and forced labour. Every supplier is required to sign the Supplier Code of Conduct, aligned with international labour conventions and Indian labour laws. This Code forms a binding commitment to uphold human rights, workplace fairness, and ethical integrity. To ensure compliance, suppliers undergo pre-qualification screening, due diligence checks, and periodic third-party audits.

Day-to-day operational protocol

Himadri's structured framework for responsible workforce management encompasses permanent and contractual workforce. Every payroll employee receives a company-issued ID following a comprehensive background verification and document validation. Contractual workforce are granted time-bound work permits that allow controlled, multiple-entry site access, ensuring full traceability and accountability. In compliance with the Child Labour (prohibition and regulation) Act, 1986, no individual under the age of 18 is permitted entry into any operational unit,

except when accompanied by a parent during company-organised events.

Regular audits and inspections

Himadri's compliance team safeguards labour integrity and enforced adherence to ethical standards. Regular systemic audits and on-site inspections are conducted at Himadri's facilities and those of its suppliers, contractors, and value chain partners.

Each audit follows a structured process involving document verification, employee interviews, and validation of employment records against legal and internal requirements.

In supplier assessments, due diligence extends to subcontractors to ensure that ethical standards are upheld across every supply chain layer.

In the event of non-compliance, corrective plans with timelines are implemented, complemented by retraining. When a partner fails to match remediation expectations, Himadri terminates the business relationship.

Training and awareness programmes

Himadri's training and awareness workshops for employees, suppliers, and other supply chain partners deepen an understanding of the legal and ethical implications of child and forced labour. These programmes identify indicators of exploitative practices, understanding

reporting mechanisms, and reinforcing personal accountability.

Transparent grievance mechanism

Himadri's transparent grievance redressal mechanism enables employees, contractors, and suppliers to confidentially report unethical behaviour. Multiple reporting channels (email, helplines, and dedicated portals) ensure accessibility and confidentiality. Each reported case is reviewed impartially by an ethics committee, strengthening employee confidence, transparency, and integrity.

Global standards and benchmarks

As a signatory to the United Nations Global Compact, Himadri is committed

to advancing its ten principles (encompassing human rights protection, fair labour practices, environmental responsibility, and anti-corruption). The Company's anti-child labour and anti-forced labour frameworks are directly aligned with the UNGC's labour-related principles and the International Labour Organisation conventions advocating for the elimination of forced and compulsory labour and abolition of child labour. By integrating these global standards, Himadri reinforces its commitment to a fair, ethical, and inclusive global economy. This ensures that the Company's growth remains anchored around social accountability, transparency, and respect for fundamental human values.

Non Governmental Organisation(NGO) collaboration

Himadri is committed to advance its anti-child and forced labour initiatives, disable people, minority and

vulnerable groups through continuous improvement. The Company integrates advanced technologies for supply chain transparency, leveraging data-driven insights for compliance, and strengthening community engagement to raise awareness in local regions. The Company

supports government strategies and regulatory measures to eradicate child labour across the industry. Himadri seeks the assistance of non-government organisations to monitor upstream value chain partners; they are also engaged to strengthen remedial procedures.



KPIs	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Promoting health care	✓	✓	✓	✓	✓	✓	✓
Promoting education and sports	✓	✓	✓	✓	✓	✓	✓
Empowering women	✓	✓	✓	✓	✓	✓	✓
Contribution to research and development projects	✓	✓	✓	✓	✓	✓	✓
Development of rural area	✓	✓	✓	✓	✓	✓	✓

Coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Non-Governmental Organisation (NGO) tie up	✓	✓	✓	✓	✓	✓	✓

Grievance mechanism: Upholding the ‘Right to raise’ concerns

Himadri instituted a transparent whistle-blower Mechanism titled ‘Right to raise’. This mechanism provides a confidential platform for employees, suppliers, business partners, and other stakeholders

to report human rights violations, labour practices, corruption, or any form of non-compliance - without any fear of retaliation or discrimination. Multiple reporting channels, including a toll-free helpline and a dedicated email address, ensure that individuals can safely raise concerns.

Every complaint received is handled with confidentiality and impartiality by a designated oversight panel comprising the Chief Sustainability Officer, Company Secretary, and Chief Human Resource Officer.

Coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Training on whistle blower mechanism	100%	100%	100%	100%	100%	100%	100%

External stakeholders, such as vendors and contractors, are encouraged to report any unethical or non-compliant behaviour associated with Himadri’s operations. To maintain the system’s credibility and responsiveness, members of the internal response team undergo regular training on case handling, investigation procedures, and grievance resolution protocols.



Whistleblowing can be used when individuals, such as directors, employees, or any other stakeholders, have genuine concerns or grievances related to the following issues:

**Unethical behaviour:**  
Reporting any action that goes against ethical standards or the code of conduct of the company.

**Fraud:**  
Reporting actual or suspected fraudulent activities within the organization.

**Violation of the Code of Conduct or Policy:**  
Reporting any breaches of the company's code of conduct or policy.

**Breach of business integrity and ethics :**  
Reporting actions that compromise business integrity or ethical practices.

**Intentional financial irregularities :**  
Reporting instances of intentional financial mismanagement, including fraud.

**Deliberate violation of laws/regulations :**  
Reporting actions that violate laws or regulations.

**Gross or willful negligence causing danger :**  
Reporting actions that pose substantial and specific danger to health, safety, and the environment.

**Manipulation of company data/records :**  
Reporting any attempts to manipulate or falsify company data or records.

**Pilferage of confidential/proprietary information :**  
Reporting unauthorized access or use of confidential company information.

**Gross wastage/misappropriation of company funds/assets :**  
Reporting instances of significant misuse or misappropriation of company funds or assets.

Whistleblowing concerns can be reported to [hcilvigilance@gmail.com](mailto:hcilvigilance@gmail.com)  
The Name of the Complainee will be kept confidential, during and post procedures. There will be no reciprocal impact on the Complainee.



Employee and worker representation

Himadri believes that open dialogue, mutual respect, and inclusivity represent the foundation of a high-performing workplace. While the Company does not operate under the structure of political labour unions, it upholds the principle of

collective bargaining; it ensures that every individual (permanent or contractual workforce) has a voice in matters that influence their work environment and overall well-being. Himadri implemented a structured, transparent, and participative system that encourages representation. Dedicated

employee and worker committees comprise forums for dialogue, constructive feedback, and joint problem-solving. These committees address health and safety, working conditions, access to resources, and professional development, ensuring that employee perspectives are integrated into management decisions and planning.


Collective bargaining KPIs and coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Workforce representation	✓	✓	✓	✓	✓	✓	✓
Workplace health and safety	✓	✓	✓	✓	✓	✓	✓
Living wages, leaves and working hours	✓	✓	✓	✓	✓	✓	✓
Personal development & career progression	✓	✓	✓	✓	✓	✓	✓
Discrimination and harassment	✓	✓	✓	✓	✓	✓	✓

**Health and Safety Committee:** Focused on working environment safety; ensures that the voices of employees and workforce's representatives are integrated into safety policy updates and implementation.

**Workplace Improvement Committee:** Dedicated to enhancing working conditions; collaborates with employee and workforce' representatives to identify and implement measures for improved comfort, ergonomics, and work-life balance.

**Training and Development Committee:** This committee identifies skill gaps, training needs, and career advancement opportunities, catalysing professional growth.

**Canteen Committee:** Female-run committee empowers women employees along with workforce's representatives through an active role in managing and operating workplace dining. This initiative promotes women's leadership and healthy food choices.



**Anti-discrimination and Anti-harassment Committee:** This committee (employees and workforce including 3<sup>rd</sup> party contractual labourers) promotes anti-discrimination and anti-harassment practices.

Listening and acting responsively

Himadri engages with employee representatives across committees, ensuring representation. Each concern is evaluated with sensitivity and without the fear of retaliation. Regular feedback sessions are conducted to review actions taken on committee recommendations, reinforcing shared responsibility and trust. The Company prohibits retaliation against employees who raise concerns or participate in committee discussions. The HR department monitors compliance to uphold fairness, inclusivity, and respect for all workforce and their representatives. This participative approach contributes to SDG 8 (Decent Work and Economic

Growth) and SDG 16 (Peace, Justice, and Strong Institutions), promoting engagement, representation, and continuous workplace improvement. **Liberty of link** Himadri values constructive dialogue and fair workplace representation. In the absence of formal labour unions, the Company's Employee Core Committee provides a collective platform for discussions on employment terms, workplace conditions, and grievance resolution. The committee consists of voluntarily nominated employee representatives, along with contractual workforce ensuring equal participation across departments and hierarchical levels. Meetings are regular; decisions are made through consensus or equal voting

rights. Himadri guarantees transparency, protection from retaliation, and oversight from the Board and internal compliance bodies to maintain fairness and trust. **‘Himadri Champions’** Himadri's principal asset comprise 'Himadri Champions', drawn from the solidarity, cooperation, and collective spirit of its teams - the power of connected minds. Himadri empowers employees to outperform, translating into economic success, social responsibility, and environmental stewardship. Himadri promotes work-life harmony by offering flexibility, modern infrastructure, advanced communication systems, and employee support programmes.



## Strategic HR

### HR strategy focuses on 3 core pillars



Attracting top talent and qualified professionals from the market.



Developing their skills, capabilities, and potential.



Retaining them for the long term through engagement and career growth opportunities.

Himadri's integrated workforce development is grounded in strategic planning, focused recruitment, and capability building. The Company's hiring practices are designed to attract exceptional talent while promoting diversity, cultural alignment, and leadership potential. Employees are empowered to shape career journeys, supported by competitive rewards, comprehensive benefits, and robust learning.

Himadri prioritises the development of leaders who combine business acumen with economic, environmental, and social responsibility, reinforcing sustainability. Himadri's Centre of Excellence (CoE) provides direction across talent management, learning and development, employee relations, and compensation. The CoE converts global best practices into actionable policies and frameworks that enhance employee efficiency, consistency, and experience.

While collaborating with HR Business Partners (HRBPs), the model ensures a seamless alignment between people strategy and business performance. Through this framework, Himadri nurtures an environment where employees can thrive, leaders can inspire, and the organisation can grow responsibly, inclusively, and sustainably.

### HRBP's contribution

#### Organisational performance

Enhancing organisational performance.

#### Relationships

Fostering positive employee relations.

#### Compliance

Maintaining labor law compliance.



## Strategic HR partnership and workforce enablement

Himadri's HR business partners function as enablers, extending beyond traditional administrative roles. They drive organisational transformation, foster workforce resilience, and maximise employee engagement. Leveraging data, HRBPs guide decision-making to enhance satisfaction, optimise performance, and manage HR costs. Their understanding of people and business ensures a motivated, skilled, and aligned workforce.

Human Resource Shared Services (HRSS) drive Himadri's HR efficiency. By centralising processes (data management, Compensation, benefits administration, and onboarding), HRSS enhances accuracy, compliance, and cost-effectiveness. This enables the Company's HR teams to focus on strategic priorities that enhance organisational agility and effectiveness.

Himadri's 'Together, towards tomorrow' philosophy rests on three key pillars:

- The importance of our products and solutions in driving a sustainable future.
- The potential for individual growth and career development.
- The strong team spirit that unites our workforce.

## The Company offers an appreciative, motivating, and inclusive work environment supported by:

01

Performance-related remuneration and additional benefits.

02

Flexible work arrangements.

03

A strong emphasis on occupational health and safety.

04

Transparency, career opportunities to build digital competencies, promote diversity, and support work-life balance.

## Himadri's attractiveness and talent strategy

Himadri measures its employer appeal through external rankings and internal surveys, ensuring responsiveness to employee feedback and market expectations. Attracting and retaining talent remains central to long-term success in a competitive global landscape.

To strengthen talent attraction, Himadri employs country-specific career websites, global and regional social media platforms, and innovative outreach strategies. Critical knowledge retention is supported through structured succession planning, knowledge-sharing initiatives, and transfer programmes.

By combining operational excellence in HRSS with a people-first philosophy, Himadri has cultivated a workplace where employees feel valued, empowered, and inspired to contribute to business sustainability.

## Induction and onboarding

Himadri has implemented a comprehensive onboarding programme to provide incoming employees with a holistic understanding of the organisation and their role in outperformance. This cross-functional approach ensures that incoming employees develop a unified vision and commitment to excellence.

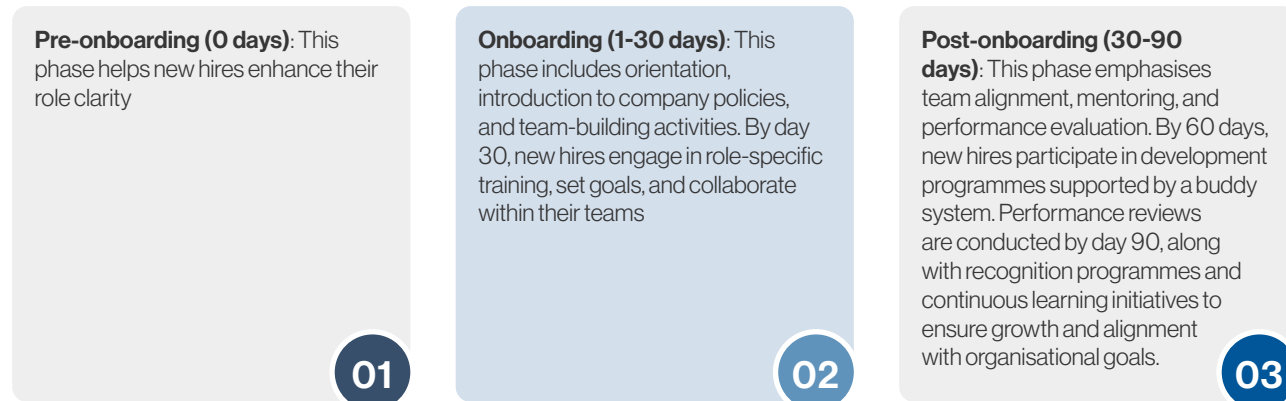
The induction process begins with documentation, safety training, and HR orientation, introducing new hires to workplace policies, benefits, and company values. From Day 2 onwards, functional departments conduct targeted orientation sessions covering the following:

- Departmental process flows
- Specific departmental contributions to business objectives
- The impact of individual roles on overall customer satisfaction

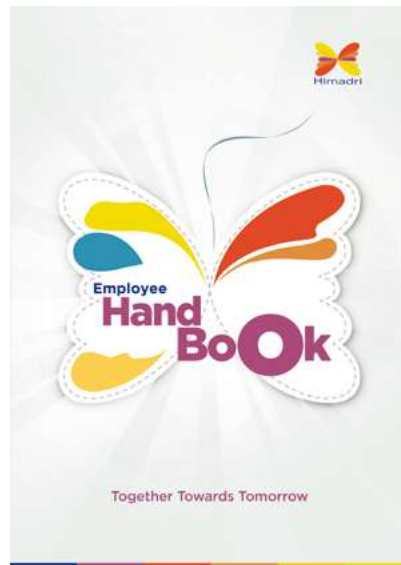
This structured, multi-departmental induction accelerates employee integration and service excellence.

Pre-onboarding, onboarding, and post-onboarding cycle (30-60-90).

The onboarding process at Himadri is structured into three phases: pre-onboarding, onboarding, and post-onboarding, each spanning specific timeframes to ensure a smooth transition for new hires.



As a part of the onboarding, each new employee receives an Employee Handbook, a comprehensive guide that outlines policies, procedures, and resources as well as rights, responsibilities, and expectations.



### Learning and development

At Himadri, continuous learning represents the foundation of a future-ready organisation. The knowledge, skills, and competencies catalyse profitable growth and long-term success. Himadri is promoting continuous, self-directed learning and fostering knowledge exchange across teams. This approach empowers employees to enhance their capabilities, innovate, adapt and remain competitive.

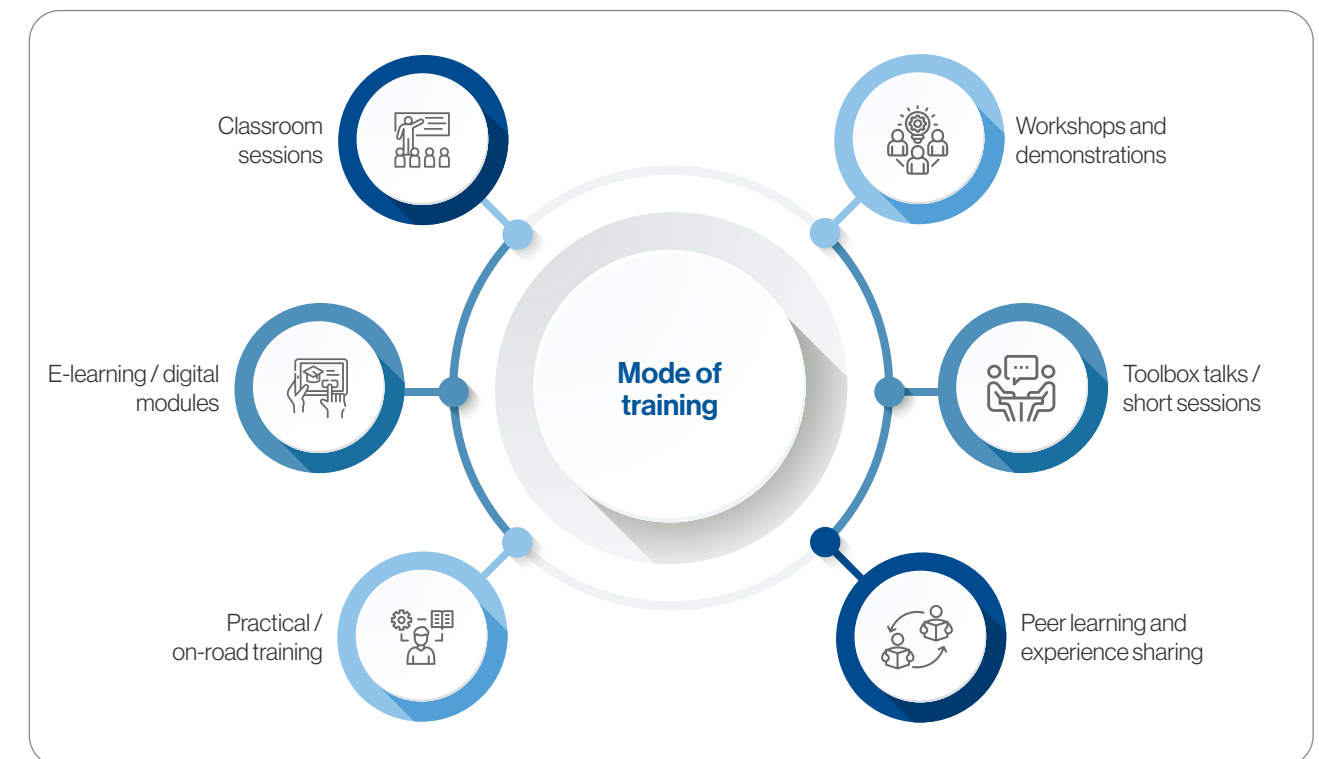
Available in Employee Self Service Portal: <https://genpayhr.geniusconsultant.com/Himadri/ESS/>

Our approach is guided by the belief that every employee, regardless of role, level, or tenure, should enjoy an equal access to development opportunities. Our learning is a continuous process that integrates:

- On-the-job experience to build practical exposure.
- Structured training programmes to strengthen skills and competencies.
- Role mobility and cross-functional assignments to foster career progression and versatility.

At the heart of this process lies a trust-based relationship between employees and leaders. Regular, open, and meaningful conversations, initiated by either party, help set clear expectations, provide constructive feedback, and align personal aspirations with organisational goals.

Through employee dialogues and discussions, individuals define their learning and development objectives. These objectives are tailored to the specific requirements of their current roles while also preparing them for responsibilities and leadership opportunities.



### Growth and skill enhancement roadmap

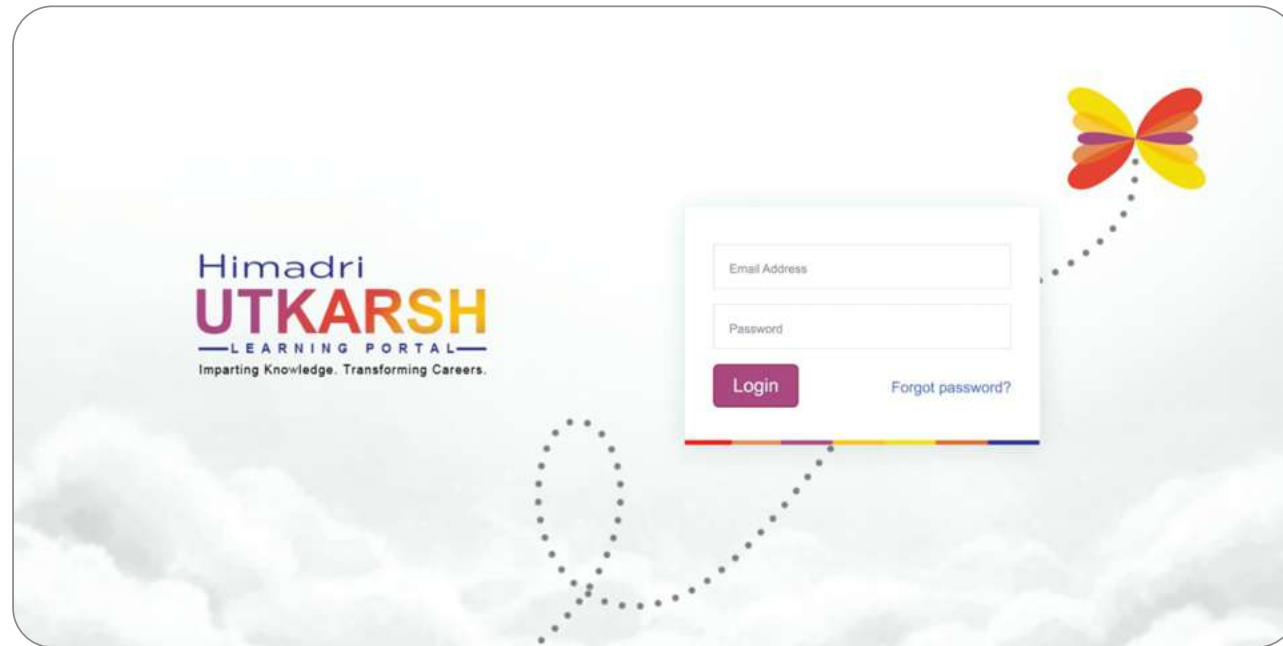


### % of employees and workers covered on health and safety and on skill upgradation training

Category	FY21-22		FY22-23		FY23-24		FY24-25	
	On health and safety measures	On skill upgradation	On health and safety measures	On skill upgradation	On health and safety measures	On skill upgradation	On health and safety measures	On skill upgradation
Employees	51	42	73	91	100	96	100	100
Workers	78	13	100	16	100	58	100	58



Our online portal Utkarsh offers a flexible learning experience through various modules, each followed by an assessment. Employees access these video-based learning resources at their convenience, gaining knowledge at a pace that suits their schedules.



#### Classroom and practical training:

Himadri's classroom-based and hands-on training is facilitated by subject matter experts and external industry professionals. These programmes provide employees with in-depth knowledge and real-world application, ensuring a well-rounded and impactful learning experience.

#### Outbound training programmes:

Himadri organises outbound training sessions led by external trainers on team building and leadership. Conducted in interactive, offsite settings, these programmes help employees strengthen their interpersonal and problem-solving skills beyond the conventional workplace.

#### Measuring training effectiveness:

The impact of each training initiative is assessed using an effectiveness score, derived from pre- and post-assessment tests. The difference between these scores indicates improvement and training effectiveness.

**EcoVadis Learning Academy:** The EcoVadis Learning Academy platform enhances sustainability knowledge. It offers interactive courses, toolkits, and resources on responsible sourcing, climate action, labour and human rights, ethics, and sustainable procurement. The platform empowers employees to integrate sustainability principles into daily operations, supporting Himadri's alignment with global ESG standards and continuous improvement goals.

**UNGC Academy:** The UNGC Academy provides digital learning resources that equip business leaders with practical tools to address sustainability challenges and advance initiatives aligned with the UN Sustainable Development Goals (SDGs) and the Ten Principles of the UN Global Compact. Through this platform, Himadri continues to strengthen leadership awareness and drive meaningful impact in its sustainability journey.

the ecovadis  
**Academy**



**Academy**

## The 7 habits of highly effective people

Himadri partnered with Franklin Covey Academy, a globally renowned leadership and personal effectiveness body, to train on 'The 7 habits of highly effective people.' The programme focuses on timeless principles that foster character development - proactive behaviour, goal setting, prioritisation, mutual benefit, effective communication, teamwork, and continuous self-improvement.

### PRAGATI

Himadri is committed to nurture talent through the development of new capabilities, broadening perspectives, and preparing for leadership roles. Himadri introduced Pragati, its flagship development programme designed for high performers and high potential

employees. The programme equips participants with tools, knowledge, and experiences for future roles.

#### PRAGATI objectives

- Provide a fast-track learning experience to accelerate professional growth.
- Equip selected employees with the skills and competencies required to take on

higher responsibilities in line with the organisation's growth strategy.

- Deliver structured learning interventions that blend academic learning, industry insights, and real-world applications to prepare employees for the next stage of their careers.

### Key initiatives of PRAGATI



#### Executive Certification in operations management

In collaboration with IIM Visakhapatnam, selected participants successfully completed this programme to strengthen operational excellence.



#### Executive Programme in Business and Corporate Law

Designed to enhance legal and compliance acumen among future leaders.



Conducted monthly by industry experts, this programme provides participants with exposure to best practices in leadership, strategy, and operational efficiency.

### PRAGATI: Building future-ready leaders

PRAGATI at Himadri not only enhances employee morale but also builds a strong leadership pipeline aligned with the Company's long-term vision. By investing in our people, we invest in our sustainable success.

#### Individual career development

At Himadri, career advancement is integral to our people strategy. The Individual Career Development Plan (ICDP) enables employees to identify and pursue professional goals, supported

by structured learning, feedback, and leadership guidance. This approach ensures that each team member grows and contributes to organisational success.

### Empowering women and promoting diversity

Our gender diversity strategy supports women's professional growth through leadership development initiatives, mentorship programmes, sponsorship opportunities, and skill-building courses. Employee Resource Groups for women foster networking, collaboration, and gender equality initiatives across the organisation.

Training and awareness sessions address gender bias, harassment, and discrimination, reinforcing a workplace culture rooted in respect and inclusion. Himadri sponsors higher education for female employees at leading institutions, reflecting its belief that empowering women drives innovation, organisational success, and long-term sustainability.





Leadership Development Programme

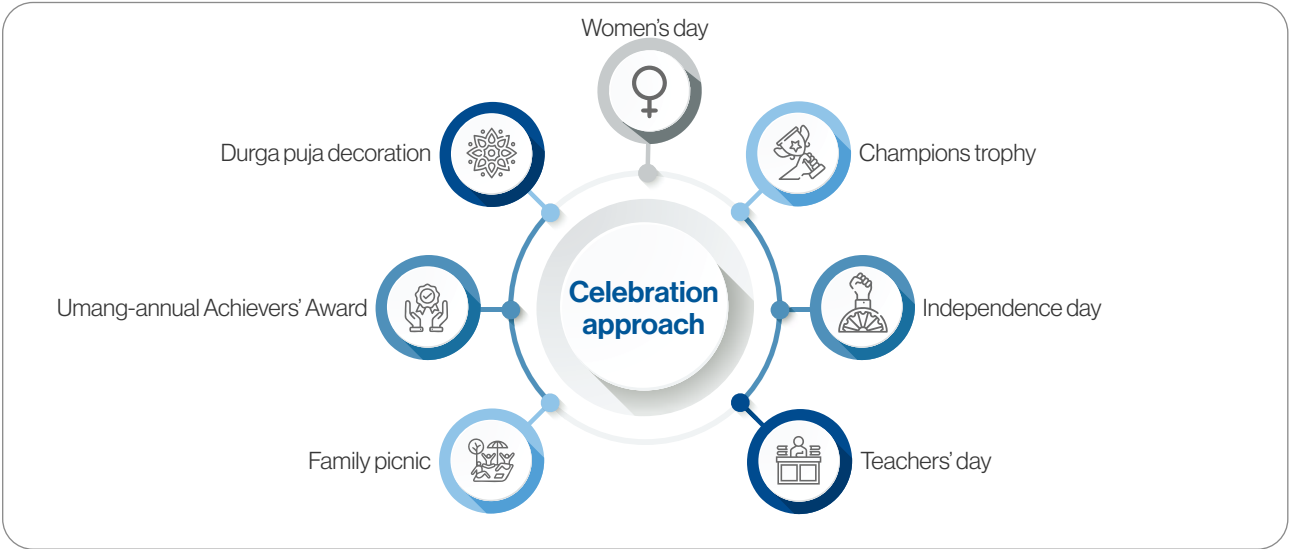


Team building programme

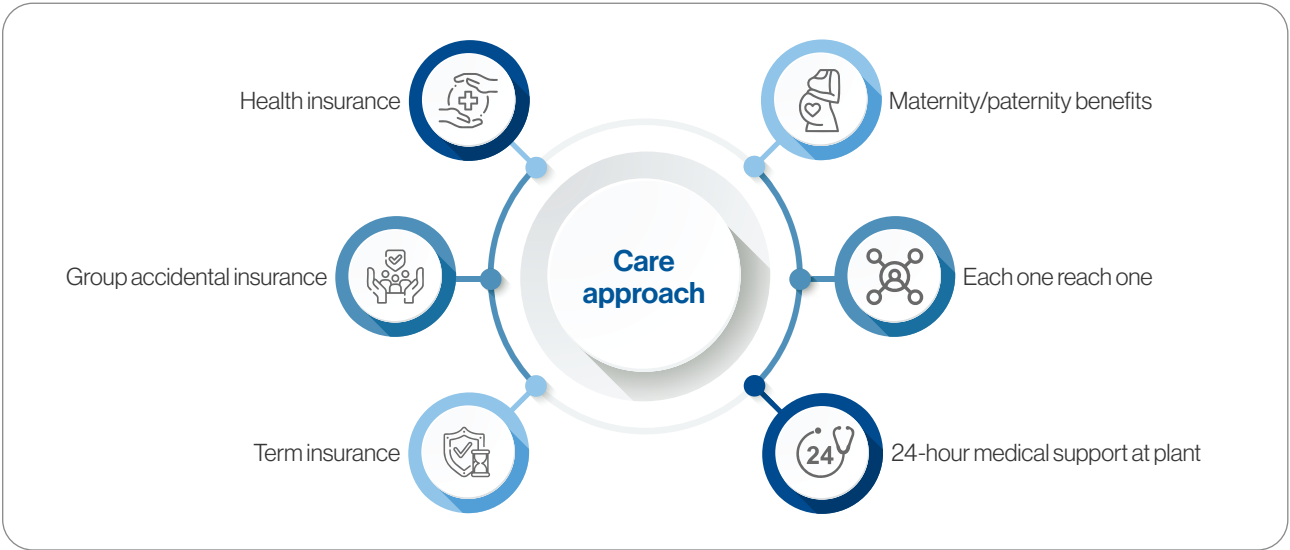
Connection with Himadrians

Himadri's family-friendly HR policies support employees across all life stages. Flexible work arrangements, childcare assistance, and employee support reflect a people-first approach. Employee engagement promotes learning, well-being, and a sense of community. Himadri strives to uphold trust, pride, and collaboration across roles and locations.

Employee engagement activities



Himadri care approach



Employees	FY22-23	FY23-24	FY24-25
Health insurance	100%	100%	100%
Accident insurance	100%	100%	100%
Maternity benefits	4.13%	4.02%	5.25%
Paternity benefits	95.86%	95.97%	94.74%
Day care facilities	100%	100%	100%
Other OHS benefits	100%	100%	100%

Workers	FY22-23	FY23-24	FY24-25
Health insurance	100%	100%	100%
Accident insurance	100%	100%	100%
Maternity benefits	0.49%	0.90%	0.60%
Paternity benefits	98.92%	99.09%	99.47%
Day care facilities	100%	100%	100%
Other OHS benefits	100%	100%	100%





Employees at Himadri's cultural event



Annual family picnic



Employees dance performance at Himadri's cultural event



Himadri's Annual Award Ceremony event



Annual Award Ceremony event



Leadership team performance at Himadri's cultural event



Sports day event



Durga Puja celebration at Himadri



Dance performance by Family members at Himadri's cultural event.





Agile and inclusive work culture

Himadri's agile work culture balances operational efficiency with employee well-being. Flexible shift planning accommodates individual preferences while maintaining production continuity. Women employees are assigned to general shifts to ensure safety and promote gender-sensitive practices.

Our hybrid work model combines on-site and remote work, encouraging a better work-life integration. The Sandwich Leave Policy supports fairness by excluding weekends and holidays between leave days, helping employees plan responsibly.

An employee feedback survey, conducted through a global certification platform, gathers insights to refine engagement and well-being initiatives. The model supports

sustainability goals by reducing commute-related emissions, strengthening our commitment to the people and planet.

Voice of workforce

Himadri has recently registered with the renowned Great Place to Work (GPTW) platform as part of its commitment to building a transparent, engaging, and employee-centric workplace. The official survey will be conducted in the next financial year, providing employees with an opportunity to share open and honest feedback that will guide continuous improvement.

GPTW evaluates organisations across five key dimensions:

**Fairness:** Ensuring equitable treatment, opportunities, and policies

**Pride:** Fostering a sense of belonging and achievement

**Respect:** Valuing employees' contributions and well-being

**Credibility:** Building trust through communication and integrity

**Camaraderie:** Strengthening teamwork, collaboration, and workplace relationships

By participating in this globally trusted certification process, Himadri reinforces its dedication to nurturing a culture where employees feel respected, supported, and proud to be part of the organisation.

Initially Manan was launched for employee and workers. Post GPTW Manan was used for the 3<sup>rd</sup> party managed by Himadri.

Life Moments Leave Hub

Maternity leave	<ul style="list-style-type: none"><li>26 weeks</li><li>12 weeks (In case of adaptation / commissioning mother)</li></ul>
Paternity leave	<ul style="list-style-type: none"><li>Up to 03 days after child birth</li></ul>
Special leave	<ul style="list-style-type: none"><li>15 calendar days (from the death of close family member)</li></ul>
Work injury	<ul style="list-style-type: none"><li>Doctor's certificate should be submitted to HR dept</li></ul>
Quarantine leave	<ul style="list-style-type: none"><li>Minimum 07 days (applicable for contagious disease)</li></ul>
C-off	<ul style="list-style-type: none"><li>C-off shall be availed within 60 days.</li></ul>
Work from home	<ul style="list-style-type: none"><li>Maximum 07 days in a financial year</li></ul>

Compensatory day off

Himadri's Compensatory Day Off Framework is key to its employee welfare, designed to ensure fairness, balance, and respect for individual well-being. Under this framework, employees who work on a scheduled weekly off or a declared holiday are granted an alternate rest day. This practice extends beyond compliance; it reflects Himadri's commitment to a healthy work-life balance, recognising the importance

of rest and recovery in productivity and well-being.

The policy assures employees that their personal time is valued and protected, even when business requirements demand flexibility. By providing compensatory time off, Himadri ensures that professional commitments do not come at the cost of personal rejuvenation or family time, fostering a workplace culture built on care, fairness, and balance.

Together with other employee-centric initiatives, this framework reinforces Himadri's holistic approach to workforce welfare, balancing organisational priorities with the diverse needs of its people. It embodies the Company's core values of respect, inclusivity, and equity, ensuring every contribution is acknowledged and rewarded while nurturing a motivated and engaged workforce.

Diversity, Equity, and Inclusion (DE&I) vision, policy and roadmap

Overview

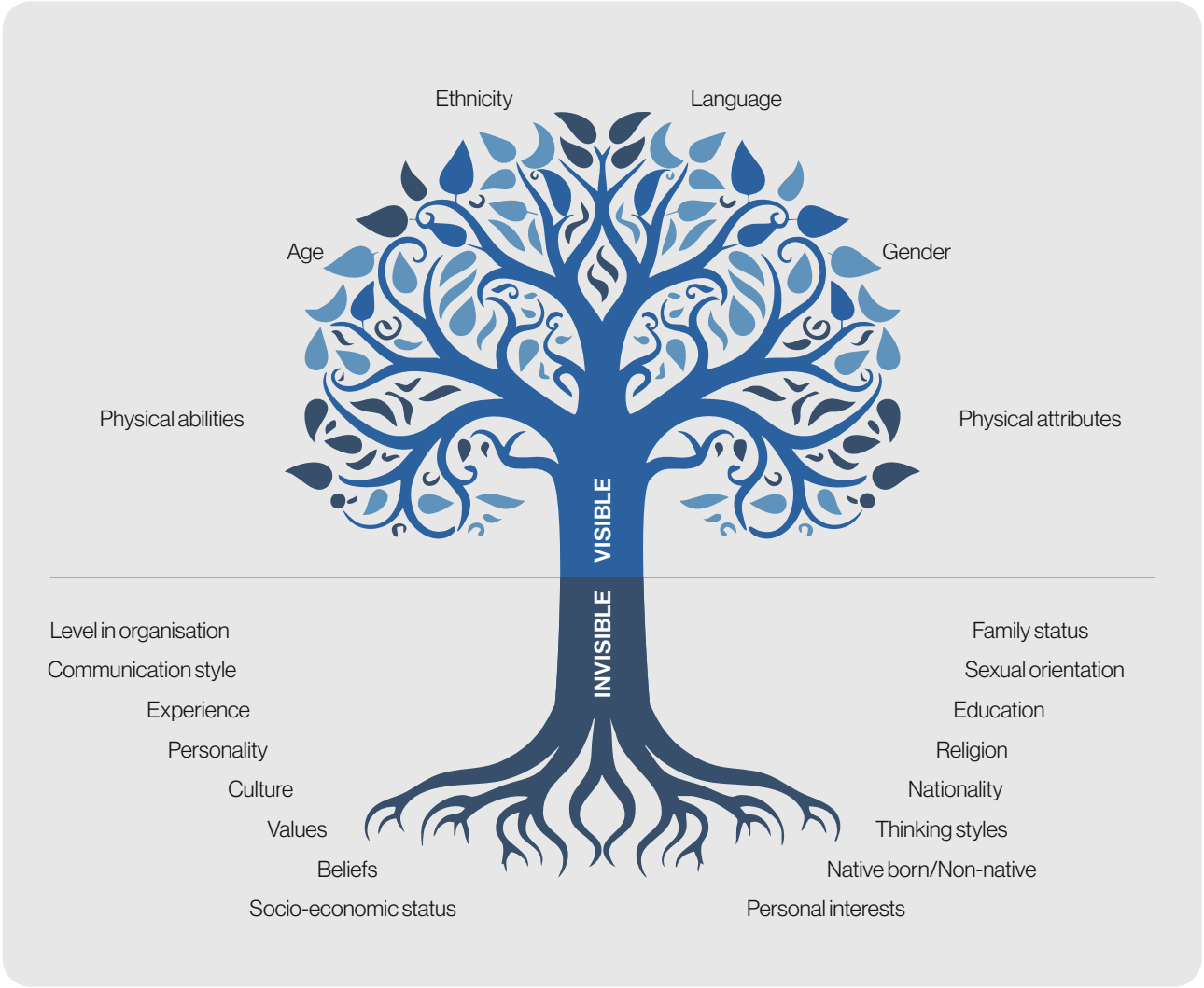
Diversity, equity, and inclusion (DE&I) are essential for modern corporate success. Diverse teams bring varied perspectives that spark innovation, improve problem-solving, and enhance decision-making. Equity ensures fair access to opportunities, boosting morale and retention by valuing contributions from all employees. Inclusive cultures foster belonging, increasing engagement, productivity, and loyalty while reducing turnover costs. DE&I also strengthens reputation with customers, investors,

and talent who prioritise ethical, socially responsible organisations. In increasingly global markets, culturally competent teams better understand diverse customer needs and expand market reach. Prioritising DE&I drives sustainable growth, resilience, and competitive advantage in today's dynamic business landscape.

At Himadri, diversity is not an obligation but a strategic advantage. With a strong presence across diverse markets, the Company recognises that true diversity extends beyond representation; it is about

creating an environment where different perspectives, experiences, and ideas come together to strengthen teams and enhance decision-making.

Himadri fosters a culture that embraces inclusivity, equality, and mutual respect, ensuring every employee feels valued and empowered. Discrimination of any kind is not tolerated. The organisation's DE&I framework aligns with a vision of progressive growth, where fairness, opportunity, and belonging represent the foundation of a vibrant workplace.





At Himadri, diversity is a catalyst for creativity, innovation, and customer-centricity, enabling the Company to stay agile and responsive. It strengthens Himadri's ability to attract and retain top talent, as people are drawn to an environment that celebrates individuality.

To embed these values in everyday practice, Himadri promotes awareness through corporate communication channels, internal campaigns, and open dialogue platforms that encourage discussion, challenge biases, and foster inclusivity. The Company conducts structured training programmes on diversity, equity, inclusion, and unconscious bias for employees across roles and leadership levels. These programmes help participants recognise hidden barriers, build empathy, and contribute to an environment where diversity thrives and innovation flourishes.

Himadri's DE&I strategy, anchored in its corporate vision of 'Together, towards tomorrow,' is guided by the DE&I Policy introduced in November 2023. This policy establishes a clear framework to promote equity and inclusion across the workforce and community initiatives, reinforcing the Company's commitment to an inclusive culture today while shaping a more equitable future.

## DE&I Policy and framework

### Purpose and scope

The DE&I Policy lays the foundation for a workplace where every individual is respected, valued, and empowered with equal opportunities. Its scope extends to include contractors, partners, and stakeholders, ensuring inclusivity across the ecosystem.

The policy applies to all stages of employment from recruitment and onboarding to training, career development, promotions, and leadership. By integrating DE&I throughout the employee lifecycle, Himadri attracts diverse talent, enables growth, and strengthens long-term retention.

Through this framework, Himadri reaffirms its commitment to removing barriers, addressing biases, and nurturing fairness and belonging. This diverse and inclusive workplace is not only a reflection of its values but also a driver of innovation, collaboration, and sustainable success.

### Key objectives and commitments:

#### 1. Board, management, and workforce diversity

- By 2030, we aim for 25% representation of women and underrepresented groups across the

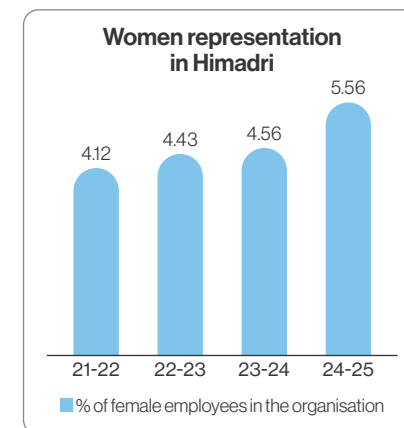
Board of Directors, management, and workforce.

#### 2. DE&I training and cultural awareness

- 100% coverage on DE&I training, including workshops on unconscious bias, cultural sensitivity, and workplace inclusivity.

#### 3. Pay equity and transparency

- Annual pay equity audits are conducted to ensure fair compensation across demographics, with results reported to the Board to ensure continuous transparency (DE&I Policy Ver 012023)



## DE&I framework

Himadri's DEI framework serves as a structured, actionable pathway to turn our policy commitments into tangible outcomes. It outlines objectives that

define what success looks like, along with progress milestones that allow us to track advancements. The framework is reinforced by accountability mechanisms, ensuring that every initiative is monitored,

measured, and improved. By combining structure with adaptability, this framework ensures that Himadri's DE&I efforts remain effective in practice, measurable in impact, and responsive to needs.

## Representation and equity

**Diversity goals:** By 2030, Himadri's workforce will reflect 25% representation of women and underrepresented groups.

**Leadership diversity:** Internal career development programmes prioritise underrepresented groups, aiming for 30% of leadership programme participants from these demographics by 2025.

**Equitable pay:** Regular pay audits ensure that all employees are compensated equitably based on their roles and experience, addressing any disparities identified through these audits.

## Inclusive culture building

**Training and awareness:** All employees participate in DE&I training by 2025, fostering a culture of inclusivity and respect.

**Feedback and improvement:** Annual DE&I surveys and biannual audits assess inclusivity and track progress, while anonymous reporting channels ensure that all employees feel safe sharing feedback.

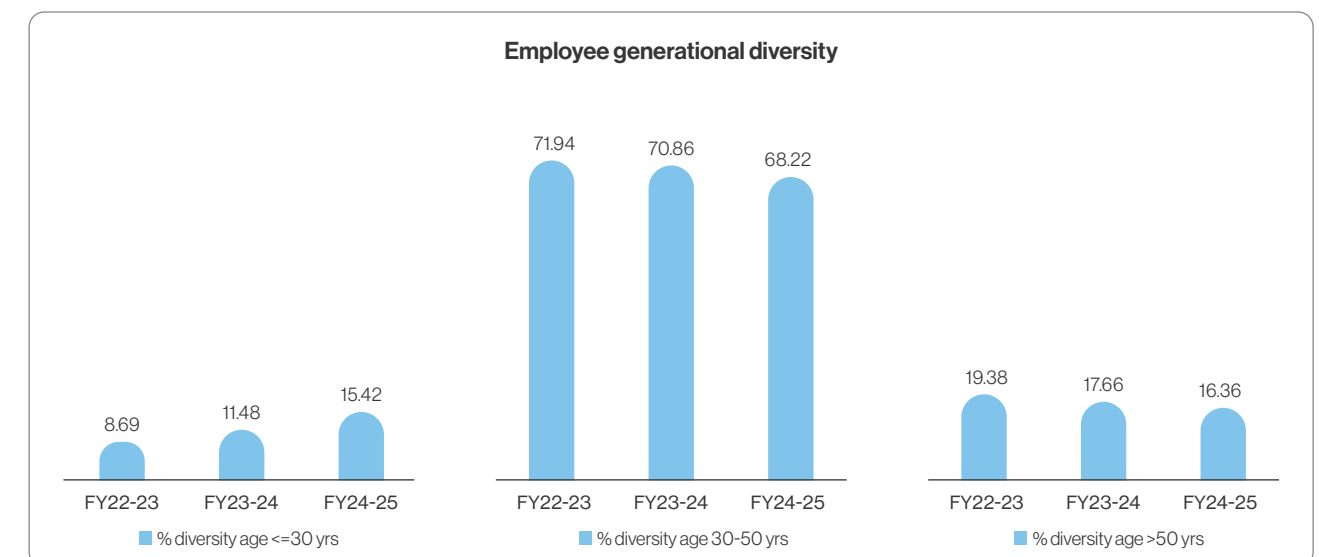
## DE&I progress and maturity journey

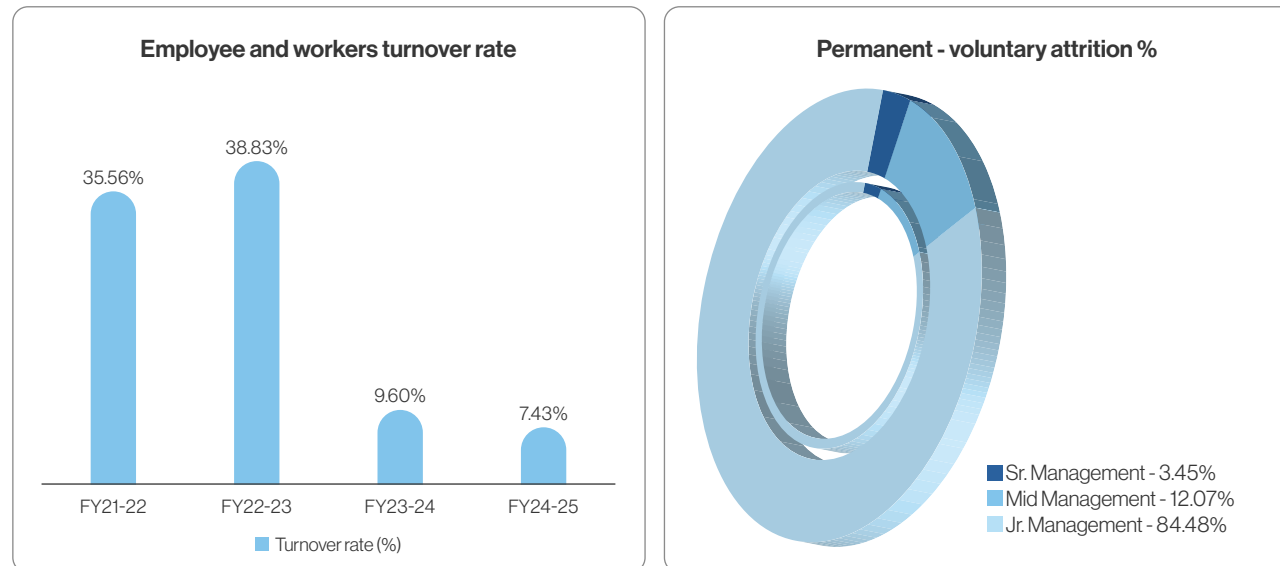
Himadri is positioned as an 'Initiator' on the inclusive business maturity curve, indicating that its DE&I practices serve as a growth springboard.

### Inclusive recruitment and career development

**Bias-free hiring:** We employ standardised evaluations, blind resume screening, and diverse interview panels to ensure objectivity in hiring.

**Talent development:** Career advancement opportunities are accessible to all, with a focus on achieving equitable representation across levels.





### Cultural transformation and continuous feedback

**Employee Resource Groups (ERGs):** Specific groups such as women's networks and LGBTQIA+ support networks provide dedicated resources and a sense of belonging for underrepresented communities.

**Feedback mechanisms:** Regular DE&I surveys and audits provide insight into employee experiences, informing improvements to our DE&I framework.





Himadri's DE&I Policy and Framework are designed for continuous progress, with a long-term goal of achieving Front Runner status on the DE&I maturity curve by 2030. This vision positions Himadri as a leader in inclusive and responsible business practices.



**Product innovation and market inclusivity**

**Inclusive offerings:** Himadri aims to design products and services that address the diverse needs of customers, ensuring accessibility and inclusivity across markets.

**Community empowerment:** The Company's CSR programmes are evolving to integrate DE&I principles, promoting equitable growth and meaningful support for local communities.



**Inclusive leadership and governance**

**Leadership accountability:** DE&I goals will be embedded in leadership assessments and reward mechanisms, reinforcing accountability and ownership at the highest levels.

**Transparent progress:** Himadri plans to publish detailed DE&I reports outlining progress, challenges, and future goals, enabling stakeholders to monitor performance transparently.



**Supplier diversity and ecosystem transformation**

**Equitable value chain:** DE&I considerations will form part of supplier selection and engagement processes, fostering a supply ecosystem that reflects Himadri's values of fairness and inclusion.

**Global benchmarking:** Himadri will continue to align its DE&I approach with international standards and partnerships, strengthening its leadership in inclusive business practices.

### Inclusive future

Himadri envisions a future where diversity, equity, and inclusion (DE&I) are embedded in its culture. Guided by a clear policy, structured framework, and long-term roadmap, Himadri strives to make a lasting impact on employees, stakeholders, and

communities alike. The Company aspires to become a leader in inclusive business practices, fostering a workplace where every individual is empowered.

In line with this commitment, Himadri initiated the recruitment of female front-

line employees under pilot projects. The success of these pilots has encouraged expansion, reinforcing the Company's belief in gender-balanced teams that drive outperformance.





Key initiatives

Digital and people-centric initiatives

‘HORIZON’ - Digital connection with employees

Himadri developed a customised ERP platform, HORIZON, to integrate all HR functions from recruitment to exit with the following benefits:

- Streamlined HR processes with efficient, real-time data management.

- Enhanced decision-making through data analytics and insights.
- A user-friendly, self-service portal that empowers employees and enables managers to track performance and people-related activities accurately and efficiently.

HORIZON houses multiple sub-portals covering recruitment, loans, leave and attendance, individual compensation communication like salary grid, procedure for salary advancement etc., income tax, performance management, and policies. It also includes a dedicated admin portal for HR operations and a centralised employee database, ensuring transparency and accessibility.

Our digital HR platforms and tools

- Employee self-service portal - HORIZON
- UTKARSH - Learning management system (LMS)

- IGNITE - Rewards and Recognition Platform
- Recruitment management system
- Reimbursement and loan and advance portals
- Performance management system (PMS)

- Exit management module
- Digital employee data locker
- ORG Vision - organisational chart portal
- Visit Vision: Visitor Management system

Integrated digital platforms for a future-ready workforce

UTKARSH - Integrated learning with HORIZON

UTKARSH, Himadri’s learning management system, is integrated with the HORIZON platform to provide an engaging learning experience. It features video-based training modules, each followed by an assessment, enabling interactive and measurable learning. Every employee is assigned a unique login ID to access their personalised training dashboard. The platform generates

comprehensive analytics, including total training hours, participant details, and training effectiveness based on pre- and post-assessment performance. This integration ensures that learning is data-driven, transparent, and aligned with organisational development goals.

Management system called UTKARSH with the following benefits:

- Centralised access to all training materials and modules.

- Flexibility for learners to complete courses anytime, anywhere, at their own pace.
- Cost efficiency by reducing the need for travel, printed materials, and in-person sessions.
- Consistency in learning outcomes through uniform content across all locations.

IGNITE - Reward and recognition (R&R) platform

Himadri emphasises employee performance recognition through a dedicated R&R platform IGNITE, integrated with HORIZON. A structured reward and recognition system fosters appreciation, morale, employee engagement and positive behaviour. The benefits of the R&R framework include:

- Inspiring employees to deliver consistently high-quality performance.

- Enhancing retention by making employees feel valued and appreciated.
- Reinforcing positive conduct and improving productivity.
- Building a collaborative and supportive work culture.
- Every month IGNITE newsletter is published to motivate workforce, usually Himadri named them “Marvels of Himadri”.

Award categories under IGNITE

- Safety Ambassador of the Month
- Mountain Movers
- Champion Team of the month
- Ignitor of the month

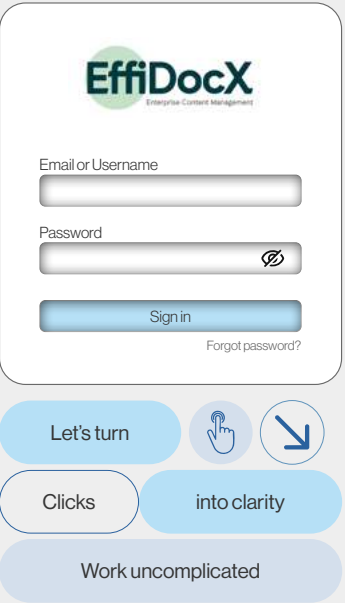
The IGNITE portal centralises the R&R process, ensuring transparency, real-time recognition, uniformity in award distribution and moderated administrative effort.



Employee digital data Locker

To modernise workforce management, Himadri implemented the Digital Employee Data Locker, a secure centralised platform for managing employee records. Replacing paper-based systems, this digital solution ensures accuracy, confidentiality, and real-time accessibility of key documents (appointment letters, payslips, tax forms, and training certificates).

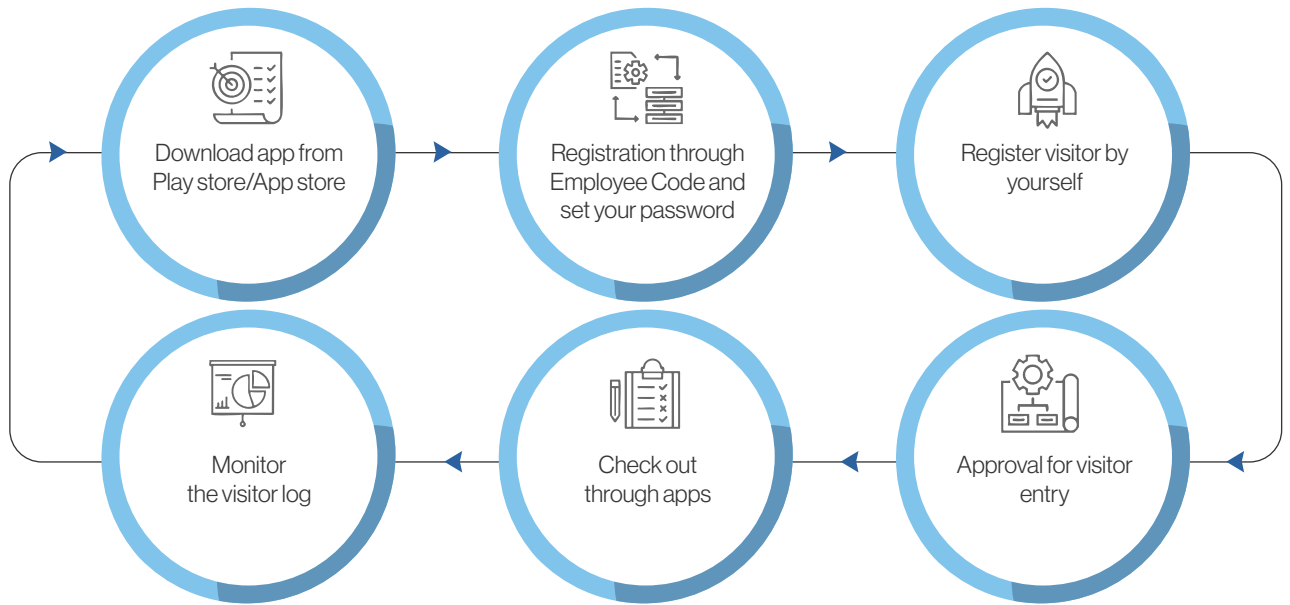
Equipped with robust security features like encryption, multi-factor authentication, and role-based access, the system is compliant with data protection regulations. In line with the Data Protection Act, access to records is automatically disabled within three years of an employee’s separation, following due notification





Visit Vision: Visitor management system

Himadri introduced a simpler way to manage visitors. The Visit Vision system moves the entire process into one smooth, app based flow. Employees register once, visitors sign themselves in, approvals happen quickly, and every entry and exit is tracked in real time. It is a small change that brings stronger control, better security, and a more professional experience for everyone who enters a Himadri facility.



Initiatives for workforce health

Medical test for food handlers

Himadri mandates regular medical examinations for all food handlers. In partnership with renowned super-speciality hospitals, these tests screen for communicable diseases that could be transmitted through food - like typhoid, tuberculosis, or skin infections. Routine assessments typically include physical examinations, chest X-rays, stool and blood tests, and evaluations of respiratory or dermatological conditions. Only employees certified as medically fit are permitted to handle, prepare, or serve food. Periodic re-examinations conducted annually or as required by local health regulations ensure ongoing compliance, uphold hygiene standards, and reinforce Himadri's commitment to a safe and healthy food environment.

RoadSafe Night Vision Test (RSNVT)

Himadri's RoadSafe Night Vision Test for drivers, including pilots, assess their ability to see clearly in low-light and night-time conditions. This specialised eye

examination identifies challenges such as night blindness or reduced contrast sensitivity, which can significantly impact road safety. By evaluating and monitoring drivers' night vision capabilities, the RSNVT promotes safer driving, reduces accident risks, and supports overall public safety.

Strengthening Minds- Himadri's Counselling and Tele-MANAS Empowerment Programs

At Himadri, the well-being of employees goes beyond physical safety to include mental and psychological health. Recognizing the importance of stress management and emotional support, Himadri has implemented a range of initiatives to foster a healthy work environment. Every week, employees have access to confidential counselling sessions with qualified professionals at the Occupational Health Center, providing a safe space to discuss work-related or personal challenges.

In addition, Himadri actively promotes and facilitates the Tele-MANAS initiative of the Government of India, led by the Ministry of Health and Family Welfare, which offers tele-counselling and mental health support to all employees. By combining on-site professional counselling with government-supported tele-mental health services, Himadri ensures that employees have multiple avenues to address stress, build resilience, and maintain psychological well-being. These initiatives reflect the company's commitment to holistic health, recognizing that a mentally healthy workforce is key to a productive and safe workplace.

Human Rights Due Diligence (HRDD) assessment

Himadri participates in Human Rights Due Diligence (HRDD) assessments to identify, prevent, mitigate, and account for potential adverse human rights impacts across its operations, supply chains, and business relationships. Beyond regulatory compliance, HRDD integrates human rights considerations into decision-making and risk management processes.

The assessment includes risk mapping, stakeholder engagement (particularly

with vulnerable groups), supplier evaluations, and reviews of labour, safety, and community practices, aligned with international standards such as the UN Guiding Principles on Business and Human Rights (UNGPs) and ILO conventions.

By monitoring operations, Himadri addresses child and forced labour, workplace discrimination, freedom of association, fair wages, and community

rights. HRDD is an ongoing process of assessment, action, tracking, and transparent reporting, demonstrating accountability, ethical governance, and trustworthiness. It strengthens the organisation's reputation, mitigates legal and operational risks, and contributes to a responsible, sustainable business ecosystem.

Audit coverage	Mahistikry	Liluah (I&II)	Sambalpur	Vizag	Korba	Falta	Corporate Office
Human Rights Due Diligence (HRDD) Audit	100%	100%	100%	100%	100%	100%	100%







VIHAAN: Building a sustainable talent pipeline

Vihaan (dawn) represents new beginnings and a brighter future. Himadri's Vihaan creates an end-to-end fresher hiring and development engine, designed to build a sustainable talent pipeline.

The programme spans the talent lifecycle (workforce planning and calibrated campus sourcing to standardised, data-driven selection, including aptitude, technical, and behavioural assessments). Cohort-based onboarding familiarises

new hires with corporate strategy, tools, compliance requirements, and mentorship support.

Development continues through blended learning, rotational assignments, and mastery checkpoints aligned with defined career paths, supplemented by early recognition initiatives. Retention is supported via regular check-ins, pulse surveys, meaningful project opportunities,

inclusive practices, and well-being programmes.

Governed through dashboards tracking key metrics such as offer-to-join ratios, training effectiveness, and time-to-productivity, Vihaan transforms fresher hiring into a repeatable, high-impact pipeline, accelerating capability building, innovation, and the development of future leaders at Himadri.

Performance and career development reviews of employees and worker

Category	FY21-22	FY22-23	FY23-24	FY24-25
Employees	100%	100%	100%	100%
Workers	100%	100%	100%	100%



Rubaroo: Empowering high-potential talent

Himadri empowers employees to broaden their skills, perspectives, and career opportunities. It introduced Rubaroo, a flagship programme designed to prepare High-performer and High-potential (HIPO) employees for new roles.

Rubaroo's fast-track learning journey is led by renowned business leaders and organisations, combining academic rigour, industry insights, and practical applications. This equips employees to assume additional responsibilities. Since

the programme is continuous, it ensures sustained development; participants are selected through the 'Pragati' initiative.

HR Horizons 2030

As Himadri looks to the future, the Human Resources (HR) function is set to play a pivotal role in driving organisational transformation. Built on a foundation of people-centric practices, the HR team empowers employees and enhances the organisational culture. Himadri's HR function will prioritise initiatives that align with global trends and evolving workplaces:

**Diversity, equity and inclusion (DE&I):** Creating a workplace where every voice is valued and diverse perspectives become a source of innovation and strength.

**Digitalisation of HR processes:** Leveraging technology to streamline workflows, simplify employee experiences, and enable data-driven decision-making.

**Employee growth and career development:** Expanding learning opportunities, leadership pathways, and skill-building programmes to prepare employees for emerging roles and challenges.

**Culture of engagement and well-being:** Fostering a supportive, inclusive, and vibrant environment that promotes professional success and personal well-being.

**Sustainability and global best practices:** Integrating responsible practices that connect people development with Himadri's broader sustainability goals and global aspirations.

These initiatives underscore our commitment to a workplace that is high-performing, inclusive, and future-ready. Himadri envisions a culture where innovation thrives, collaboration deepens, and employees feel a strong sense of

purpose and belonging. By aligning people practices with long-term strategic goals, HR is positioned as a true enabler of organisational growth, resilience, and excellence.

Digital transformation of HR

At Himadri, HR is anchored in digitalisation, redefining employee experiences and service delivery. The HR function is evolving from a primarily administrative role into a strategic enabler of growth, agility, and empowerment. The transformation focuses on creating a seamless, integrated experience across all stages of the employee lifecycle, including:

- Recruitment and onboarding
- Reimbursement management
- Performance management
- Exit management
- Learning and development (UTKARSH)
- Employee engagement and well-being
- Visitor management
- Alignment with organisational vision

Digitising processes enhances efficiency, reduces redundancy, and empowers employees to take a greater career ownership. With real-time access to information, performance insights, and development opportunities, employees can navigate their growth path with confidence.

This digital-first approach reflects Himadri's commitment to innovation, transparency, and employee empowerment. It deepens resilience in a dynamic business landscape and cultivates a forward-thinking, supportive work environment. This digital HR transformation is not just a technological upgrade but a cultural evolution that

ensures employees feel valued, connected, and future ready.

Expanding career development opportunities

To support continuous professional growth, Himadri's HR team is committed to provide enhanced career development and training around individual aspirations and organisational priorities. Employees have access to tailored learning modules, mentorship opportunities, and cross-functional exposure, enabling them to excel in their current roles while preparing for future challenges and career growth. Future programmes will include:

**Auditor training:** Equipping employees to conduct rigorous internal audits that uphold global standards of quality, safety, and compliance.

**Management and leadership development:** Preparing future leaders to inspire teams, drive innovation, and make effective strategic decisions.

**Skills-based training:** Enhancing technical and functional expertise across areas critical to the speciality chemicals sector, ensuring employees remain competitive and industry-ready.

### Broadening diversity and inclusion initiatives: Pink drivers

Himadri's comprehensive Diversity and Inclusion (D&I) recognises that diversity extends beyond gender to include age, educational background, physical ability, sexual orientation, cultural heritage, and nationality. By fostering a workplace

enriched with diverse perspectives, we enhance innovation, collaboration, and problem-solving.

Our HR team ensures that inclusivity extends beyond representation, cultivating a culture where every individual feels valued, respected, and empowered. Initiatives include specialised training, leadership development, and technology enabled engagement, all designed to

enhance employee experience, support career growth, and strengthen cultural inclusivity.

Female drivers will be recruited in operational roles and male-dominated positions, setting benchmarks for gender inclusion in the manufacturing sector. Through such initiatives, Himadri is building a future-ready workforce.



### Outcome and vision

Himadri is creating an inclusive workforce, where opportunities are determined by capability and aspiration - not gender. This approach reinforces our Diversity & Inclusion policy and aligns with our broader sustainability commitments.

## Key performance indicators

Key performance Indicators	Units	FY21-22	FY22-23	FY23-24	FY24-25
<b>Learning and capability development</b>					
Training on discrimination and harassment to all employees	%	99.8	99.8	99.8	99.9
Training on eradication of child and forced labour to all employees	%	99.8	99.8	99.8	99.9
Training on Diversity, Equity and Inclusion to all employees	%	100	100	100	100
'Security personnel trained in human rights policies or procedures'	%	100	100	100	100
<b>Female Employee representation in the organisation</b>					
Women employed within the whole organisation	%	4.12	4.43	4.56	5.56
Women at top management level within the organisation	%	12.5	11.11	11.11	16.67
Women representation within the organisation's board	%	7.69	11.11	12.50	16.67
<b>Wage equity and transparency</b>					
Gross wages paid to female as % of total wages paid	%	2.55	3.25	3.25	4
Average unadjusted gender pay gap	%	33	22	21	22
<b>Assessment of facilities and value chain entities</b>					
Assessment of plant/ offices on sexual harassment, discrimination at workplace, wages, other human rights related issues	%	100	100	100	100
Internal/external assessment of offices and plants of any complaints related to working conditions and employee health and safety	%	100	100	100	100
Assessment of plants and offices for child labor, forced labor and human trafficking	%	-	100	100	100
Assessment of value chain partners on sexual harassment, discrimination at workplace, wages, child labour/ forced labour other human rights related issues	%	-	82	84	88.1
<b>Employee welfare and support Initiatives</b>					
Employees from a minority and/or vulnerable group in the whole organisation	%	-	-	51	46
Employees from general group in the whole organisation	%	-	-	49	54
Expenditure on well being of employees & worker on total revenue	%	-	0.22	0.30	0.32
<b>Welfare actions</b>					
Stress-relieving active measures in place	Yes/No	Yes	Yes	Yes	Yes
Compensation for extra or atypical working hours paid	Yes/No	Yes	Yes	Yes	Yes
Additional days leave beyond standard vacation days granted	Yes/No	Yes	Yes	Yes	Yes
<b>Complaints and grievance disclosure</b>					
Complaints on sexual harassment, discrimination at workplace, wages, other human rights related issues	No.s	Nil	Nil	Nil	Nil
Complaints filed under POSH	No.s	Nil	Nil	Nil	Nil
Incidents of violations involving rights of indigenous peoples	No.s	Nil	Nil	Nil	Nil
Incidents of discrimination and corrective actions taken	No.s	Nil	Nil	Nil	Nil



Part 5

# Sustainable procurement at Himadri



# Introduction

Procurement in the speciality chemicals industry is critical and complex due to the need for precision, risk management, and agility. Speciality chemicals are often high-value, low-volume products with tight specifications; procuring the right raw materials and intermediates requires deep technical understanding and close supplier collaboration to ensure consistency and performance. Regulatory compliance adds layers of complexity - environmental, safety, and trade regulations vary by region and must be met across the supply chain. Sourcing challenges include limited supplier pools, long lead times, and single-source dependencies that raise supply risk. Price volatility for feedstocks and energy, plus fluctuating demand from downstream customers, require sophisticated forecasting, hedging, and contract strategies. Logistics and storage must control contamination, temperature, and hazardous handling. Finally, innovation cycles and custom formulations demand flexible procurement that supports R&D while balancing cost and sustainability goals. Effective procurement therefore drives product quality, time-to-market, cost control, and regulatory resilience.

Sustainable procurement is a pillar of Himadri's commitment to responsible, transparent, and forward-looking practices to transition it to a low-carbon economy. At Himadri, procurement extends beyond mere purchase; it reflects a holistic approach to resource utilisation, supplier engagement, and ethical decision-making. It integrates environmental stewardship, social responsibility, and economic value creation to ensure that operational needs are addressed to benefit society and minimise environmental impact.

In today's interconnected environmentally conscious world, sustainable procurement has evolved from the



functional into a strategic enabler of risk mitigation and long-term value creation. Himadri recognises that every procurement decision could carry far-reaching implications, for its operations and resilience of its value chain.

During the year under review, the Company's sustainable procurement strategy was anchored in a risk mitigation framework. This was designed to proactively identify, assess, and address environmental, social, and governance (ESG) risks across the supplier network. By embedding sustainability considerations into its procurement process, it aims to minimise exposure to supply chain disruptions, regulatory non-compliance, reputational risks, and resource inefficiencies.

At the heart of the approach lies a focus on empowering value chain partners, upholding their integrity, and ensuring uncompromised product quality. Himadri strives to set benchmarks by embedding sustainable practices

into its procurement framework. This enables it to navigate a diverse and dynamic global business environment while maximising transparency. To reinforce this, the Company established clear principles, policies, procedures, roles, and accountabilities governing all procurement-related activities.

Through this risk-focused approach, it safeguarded business continuity and promoted a culture of shared responsibility - 'Together, towards tomorrow.' By working with suppliers, the Company is building a supply chain that is transparent, accountable, and future-ready toward low-carbon economy.

Himadri recognises that the path to achieving Net-Zero emissions depends on the participation and commitment of its partners. This interdependence highlights that each partner's sustainability performance empowers Himadri to achieve its ambitious environmental goals.

# Risk identification process (Double materiality assessment)

## Overview

During the reporting year, the risk management team undertook a comprehensive exercise to evaluate potential risks. Working in collaboration with the Board, procurement department, the risk management committee assessed risks across the

value chain, covering upstream and downstream operations.

This assessment identified sustainability-related risks, with an emphasis on environmental, social, and governance (ESG) factors that could influence the Company's financial performance and long-term value creation.

Himadri's value chain risk management framework followed a cross-functional and integrated approach. This resulted in risks identification at a granular level. This ensured that material issues were captured, prioritised, and aligned with the organisation's sustainability goals and objectives.





We undertook a comprehensive review of our material topics to identify emerging trends and evolving stakeholder priorities. This involved a multi-method assessment that engaged internal teams and external stakeholders, including industry partners, sustainability experts, and employees, whose diverse perspectives contributed to the development of a contemporary, inclusive, and dynamic materiality matrix.

This exercise reaffirms Himadri's enduring commitment to a stakeholder-centric, science-based, and future-ready sustainability strategy. Under the Double Materiality approach, a topic is considered material for Himadri when it demonstrates both:

**Impact materiality:** Significant actual or potential positive/negative impact on people, planet, and prosperity.

## Double Materiality Assessment and supply chain risk context

At Himadri, impact materiality was evaluated based on the likelihood, severity, and scale of potential ESG impacts across the value chain, geographical presence, and stakeholder ecosystems.

Financial materiality, on the other hand, focused on assessing how sustainability issues influenced cost structures, operational risks, regulatory exposure, employee engagement, and strategic resilience.

Following this assessment, 21 key material topics were validated and endorsed by the Company's senior leadership. These topics now form

the cornerstone of Himadri's ESG priorities, guiding its risk management framework, innovation roadmap, and stakeholder engagement and reporting practices.

Himadri's Double Materiality Matrix serves as the strategic foundation for identifying four core pillars: Plant, People, Value Chain, and Sustainability Governance. The Company aligns operations with these pillars, enhancing effectiveness and long-term value.

In a rapidly evolving environment, supply chains face diverse risks that can affect continuity, performance,

and growth. These risks could stem from external factors (market volatility, regulatory shifts, environmental challenges, and technological disruptions) and internal vulnerabilities (compliance gaps, human rights issues, and resource inefficiencies).

For organisations seeking to build resilient and sustainable value chains, recognising, assessing, and managing these risks is essential. The following categories highlight some of the key risks that influence supply chain performance and the importance of mitigation to prevent potential disruptions and safeguard stakeholder trust.



Addressing procurement risks, while unlocking opportunities through policies and actions, lies at the core of Himadri's sustainable procurement strategy. In line with the commitment to responsible sourcing, we implemented a suite of

procurement policies to proactively manage risks, enhance supplier performance, and embed sustainability principles across the value chain. These policies not only align our practices with national and global standards but

also strengthen Himadri's position as a responsible, transparent, and forward-looking leader in the speciality chemical sector.

## Alignment of materiality assessment with global standards

(ISCC PLUS, ISO 28000:2022, Responsible Care Distribution Code, Product Stewardship, SA 8000:2014 and ISO 20400:2017)

Himadri's materiality assessment underscores critical Environmental, Social, and Governance (ESG) risks across its value chain, spanning upstream and downstream operations.

The upstream risks include raw material sourcing, supplier practices, logistics, and regulatory compliance.

The downstream risks encompass product responsibility, customer engagement, end-of-life management, and market reputation.

These risks, from climate change, resource efficiency, and emissions management to ethical sourcing, human rights, and product sustainability - can influence business continuity, stakeholder confidence, and long-term competitiveness.

Material topic	Upstream	Gate-to-Gate	Downstream
GHG emission	●	●	●
Energy management	●	●	●
Water management	●	●	●
Climate change	●	●	●
Product stewardship	●	●	●
Circular economy	●	●	●
Waste management	●	●	●
Health and safety	●	●	●
Human capital development	●	●	●
Human rights	●	●	●
Community relations	●	●	●
Labour practices	●	●	●
Risk management	●	●	●
Fair competition	●	●	●
Policy influence	●	●	●
Responsible procurement	●	●	●
Data security and privacy	●	●	●
Bribery and corruption	●	●	●
Supplier relationship management	●	●	●
Code of conduct	●	●	●
Transparency	●	●	●

● Very high   ● High   ● Moderate

To address these diverse challenges, Himadri adopted a multi-certification approach by integrating globally recognised standards, including:

**ISO 20400:2017:** Sustainable Procurement

**SA 8000:2014:** Social Accountability

**ISO 28000:2022:** Supply Chain Security Management

**ISCC PLUS:** Sustainable Supply Chains for the Circular and Bio-Economy

**Responsible Care Distribution and Product Stewardship Codes**

This integrated framework ensures that sustainability is embedded across all dimensions of procurement, environmental, social, ethical, and operational, strengthening its ability to manage risks and unlock long-term value.

ISO 20400:2017: Sustainable procurement framework

Through ISO 20400, Himadri has institutionalised a structured and transparent supplier assessment framework that evaluates partners on parameters like environmental performance, labour and human rights, ethical business conduct, regulatory compliance, and contribution to innovation. This framework enables the Company to:

**Strengthen supplier engagement:** Establishing clear sustainability expectations, Himadri collaborates with suppliers through capacity-building programmes, awareness initiatives, and performance monitoring to drive continuous improvement.

**Mitigate supply chain risks:** ISO 20400 facilitates systematic risk identification and prioritisation, enabling proactive mitigation of vulnerabilities related to

environmental challenges, compliance gaps, and social accountability.

Promote responsible and ethical sourcing: Procurement decisions are guided by lifecycle considerations, supporting sustainable raw material choices, resource efficiency, and circular economy principles.

**Enhance transparency and trust:** Adoption of ISO 20400 strengthens Himadri's accountability to stakeholders,



assuring customers, investors, regulators, and communities that its procurement practices are ethical, fair, and sustainable.

**Drive long-term value creation:** Beyond compliance, the framework positions procurement as a strategic driver of

innovation, resilience, and sustainable growth across the value chain.

By embedding ISO 20400:2017 into its procurement practices, Himadri has reinforced its role as a responsible corporate citizen within the speciality chemical sector. The standard not only

mitigates risks but also transforms them into opportunities for innovation, resilience, and value creation, ensuring that the Company's growth remains aligned with global sustainability goals and stakeholder expectations.

SA 8000:2014: Strengthening the social dimension of procurement

To reinforce the social pillar of sustainable procurement, Himadri has integrated the requirements of SA 8000:2014 into

its supplier engagement and workforce management systems. This ensures that ethical labour practices are upheld not

only within the Company's operations but also across its extended supply chain.

Himadri's commitments under SA 8000:2014 include:



Through SA 8000:2014, Himadri ensures that its value chain respects human rights, promotes social justice, and builds community trust.

ISO 28000:2022: Supply chain security management

The adoption of ISO 28000:2022 provides Himadri with a robust framework to identify, assess, and mitigate risks that could compromise supply chain security and overall operational performance.

**Upstream:** The implementation of ISO 28000:2022 has strengthened Himadri's secure sourcing practices by ensuring that strategic suppliers adhere to ethical business conduct and the Company's Supplier Code of Conduct. This minimises risks related to non-compliance, unethical practices, and governance failures. The

framework also enhances resilience against geopolitical uncertainties and raw material shortages by encouraging supplier diversification and reducing dependency on high-risk regions. Through targeted policies, comprehensive risk assessments, and defined KPIs, Himadri has reinforced logistics and transportation security across its supply chain, reducing the risks of theft, tampering, and transit delays. Structured supplier audits and periodic evaluations further help identify and eliminate unreliable or high-risk partners, ensuring the continuity of critical supplies.

**Downstream:** ISO 28000:2022 helps safeguard customers and brand reputation by preventing counterfeit or compromised products from entering the market. It ensures strict compliance with international trade, safety, and sustainability regulations, thereby reducing the likelihood of penalties, product recalls, or disputes. Through integrated business continuity planning, Himadri ensures reliable and uninterrupted customer deliveries even under disruptive scenarios, strengthening client confidence, operational reliability, and long-term business relationships.



### ISCC PLUS - International sustainability and carbon certification

The adoption of ISCC PLUS certification marks a milestone in Himadri's journey towards a transparent, low-carbon, and responsible value chain. This certification embeds sustainability and traceability across the entire product lifecycle - from raw material sourcing to customer delivery - ensuring that every stage aligns with internationally recognised sustainability benchmarks.

**Upstream:** ISCC PLUS ensures that feedstocks are responsibly sourced, mitigating risks related to unsustainable extraction, deforestation, greenhouse gas emissions, and unethical labour practices. By enforcing a robust chain-of-custody system, it safeguards against the inclusion of non-compliant or high-risk materials while holding

suppliers accountable for biodiversity protection, climate action, and social responsibility.

**Downstream:** ISCC PLUS provides customers and business partners with credible assurance that Himadri's products originate from verified sustainable sources. This not only strengthens customer confidence but also mitigates reputational and compliance risks, particularly in markets where sustainability credentials are essential for competitiveness.

A key feature of ISCC PLUS is its mass balance system, which enables transparent blending of virgin, recycled, and bio-based inputs within existing supply chains. This ensures that the sustainable portion of inputs

is accurately measured, tracked, and reported, promoting circular economy principles without disrupting operational efficiency. By declaring and tracking the carbon footprint of products, ISCC PLUS supports Himadri's climate strategy and emission reduction goals.

Beyond compliance, ISCC PLUS enhances Himadri's ability to trace and verify ethical sourcing and labour practices, ensuring respect for human rights and fair working conditions throughout the value chain. Through lifecycle-based (LCA) traceability and transparent reporting, the certification strengthens climate risk management and positions Himadri to meet the growing global demand for responsibly produced, low-carbon products.

### Responsible Care Distribution Code

The Responsible Care Distribution Code stands as a cornerstone of Himadri's commitment to operational excellence, embedding sustainability, safety, and accountability throughout the value chain. More than a compliance requirement, it serves as a strategic governance tool that integrates Environment, Health, Safety, and Security (EHSS) principles into the sourcing, transportation, and delivery of chemical products.

**Upstream:** The Code mandates adherence to global standards such as REACH and the Globally Harmonised System (GHS), ensuring that suppliers and logistics partners maintain consistent safety and environmental protocols. This alignment reduces occupational hazards, mitigates risks of chemical exposure or contamination, and ensures that every material entering Himadri's facilities meets the highest compliance and quality standards.

**Downstream:** The Code governs the safe transportation, storage, and distribution of products, minimising the risk of spills, leaks, or cross-border non-compliance while ensuring the protection of communities and ecosystems. By embedding the Responsible Care framework into operations, Himadri not only reduces regulatory and reputational risks but also reinforces its position as a responsible and reliable chemical distributor.

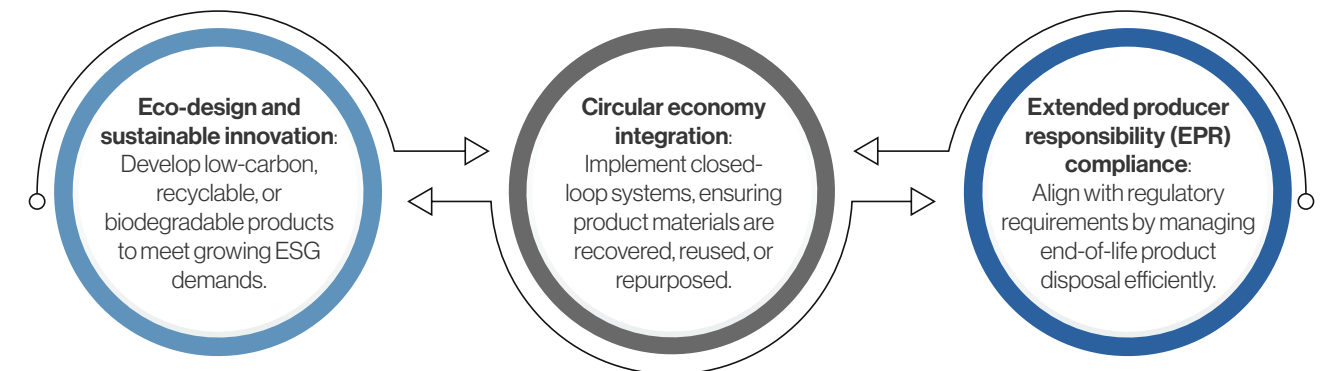
### Product safety and stewardship certification

Product stewardship is central to Himadri's commitment to responsible lifecycle management, ensuring that every stage of a product's journey, from design and production to use and end-of-life, minimises environmental and

social impact. This approach integrates principles of durability, recyclability, and safe disposal into product design, reducing waste, conserving resources, and meeting the growing demand for sustainable solutions. Beyond

regulatory compliance, product stewardship enhances Himadri's market positioning, builds brand trust, and drives innovation in eco-friendly technologies.

Himadri's strategies to advance product stewardship include:



**Downstream engagement:** Collaborating with customers and recyclers, Himadri ensures responsible product use, disposal, and recycling practices that minimise environmental impact.

**Transparency and certifications:** The Company continues to pursue eco-labels and third-party sustainability certifications to strengthen market differentiation and build stakeholder trust.

**Customer and market advantage:** By positioning sustainable products as premium offerings, Himadri attracts environmentally conscious buyers and investors seeking responsible solutions.

By embedding product stewardship into its business model, Himadri not only reinforces its environmental responsibility but also derives tangible financial benefits. This approach enhances brand value, mitigates regulatory risks, drives innovation, and creates new revenue streams, ensuring both financial and environmental sustainability over the long term.

### Key financial benefits of product stewardship

**Regulatory compliance and avoided penalties:** Proactive management of end-of-life products ensures compliance with Extended Producer Responsibility (EPR) regulations, helping the Company avoid fines and legal liabilities.

**New revenue streams:** Circular economy initiatives, such as recycling and product repurposing, generate income from recovered materials and by-products.

**Market differentiation and premium pricing:** Eco-friendly and low-carbon products enable premium pricing, appealing to sustainability-conscious consumers and corporate clients.

**Investor and customer appeal:** Strong stewardship practices improve ESG performance, attracting green investors and responsible value chain partners.

**Supply chain stability:** Sustainable sourcing practices reduce exposure to volatile raw material markets, ensuring cost predictability and long-term resilience.

**Cost savings:** Efficient use of recyclable materials and waste reduction initiatives lower raw material consumption and disposal expenses.

## EPR as a strategic enabler for managing value chain risks

At Himadri, circularity is not just an environmental commitment; it is a strategic framework that enhances value chain resilience and accountability.

By integrating Extended Producer Responsibility (EPR) across operations, the Company assumes ownership of the product lifecycle - from sourcing and production to end-of-life recovery. This holistic approach allows Himadri to mitigate risks upstream (supplier and raw material vulnerabilities) and downstream (customer and environmental impacts).

### Upstream risk management through EPR

Himadri's EPR principles encourage suppliers and value chain partners to follow sustainable practices, reducing environmental, ethical, and resource-related risks. Initiatives like reusable packaging pilots eliminate plastic and wood dependency, while the Company's

integrated production model, where by-products from one process become inputs for another, optimise material efficiency and steady resource availability. Regular collaboration with third-party vendors for waste monitoring further enhances supplier accountability and compliance with global sustainability standards.

### Downstream risk management through EPR

EPR strengthens Himadri's ability to address downstream challenges by ensuring responsible product use, recovery, and disposal. The Company's zero waste to landfill initiative minimises environmental impact, while circularity projects, such as tire recycling, convert waste tyres into reclaimed rubber, recovered carbon black, industrial oil, and steel, effectively closing material loops. By actively managing packaging

collection and recycling, Himadri reduces reputational risks, remains compliant with evolving global EPR regulations, and strengthens customer trust.

### Strategic benefits

**Risk reduction:** Lifecycle-based waste management mitigates regulatory, environmental, and reputational risks.

**Resource security:** Circular material flows lower a dependence on virgin resources, ensuring cost stability and supply chain resilience.

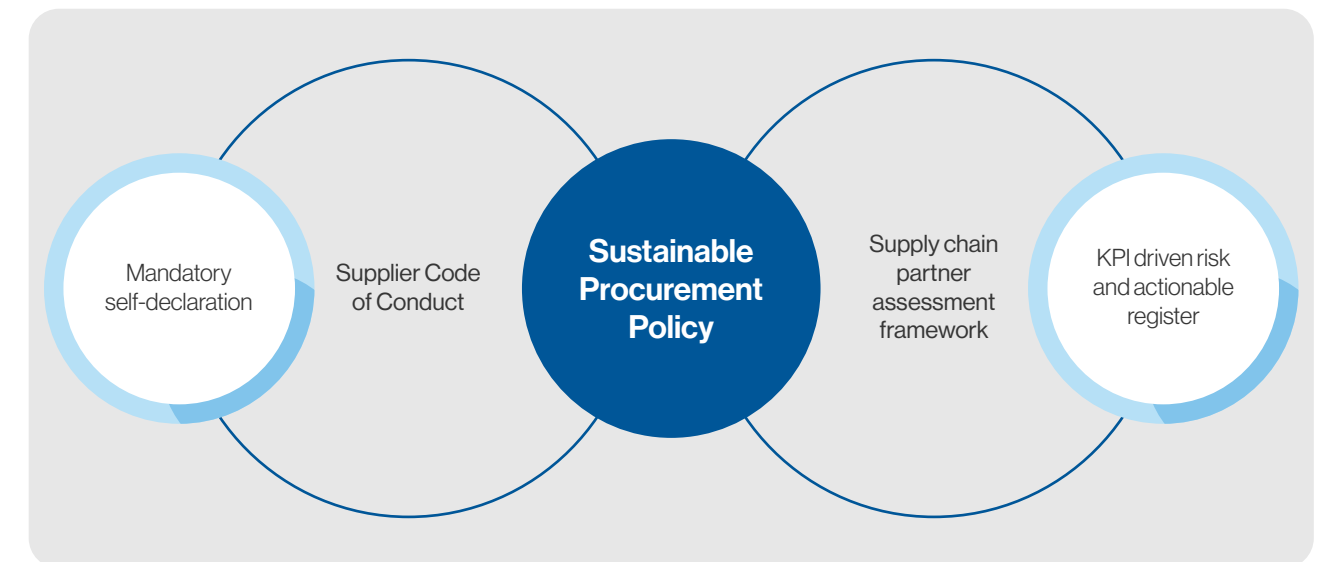
**Customer and investor confidence:** The Company demonstrated accountability under EPR enhances credibility among ESG-focused stakeholders.

**Innovation and market opportunities:** Recycling and material recovery open new revenue channels while differentiating Himadri in competitive global markets.



## Our risk management approach

### Our initiatives to transform risks into opportunities



Recognising that risks identified through the Double Materiality Assessment present opportunities for transformation, Himadri has institutionalised a comprehensive sustainable procurement framework to manage risks, strengthen supplier performance, and embed sustainability within.

This framework is anchored in defined sustainable procurement policies that

ensure procurement practices adhere to global and national standards, reinforcing Himadri's position as a responsible and forward-looking corporate citizen in the speciality chemical sector. Complementing these policies is a supplier assessment framework, developed to evaluate suppliers across critical dimensions such as environmental performance, labour and human rights,

ethical business practices, and regulatory compliance.

Together with the supplier Code of Conduct and other governance mechanisms, these frameworks extend Himadri's approach beyond risk mitigation towards creating long-term shared value for stakeholders across the supply chain.

### Sustainable Procurement Policy

Himadri's sustainable procurement policy integrates responsible sourcing, ESG compliance, and operational efficiency. It focuses on supplier engagement, transparent evaluation, and continuous improvement, ensuring that procurement practices contribute to sustainable growth. The policy is aligned with global best practices and frameworks, including ISO 20400:2017 (sustainable procurement guidance), Responsible Care, and the UN Sustainable Development Goals (SDGs).

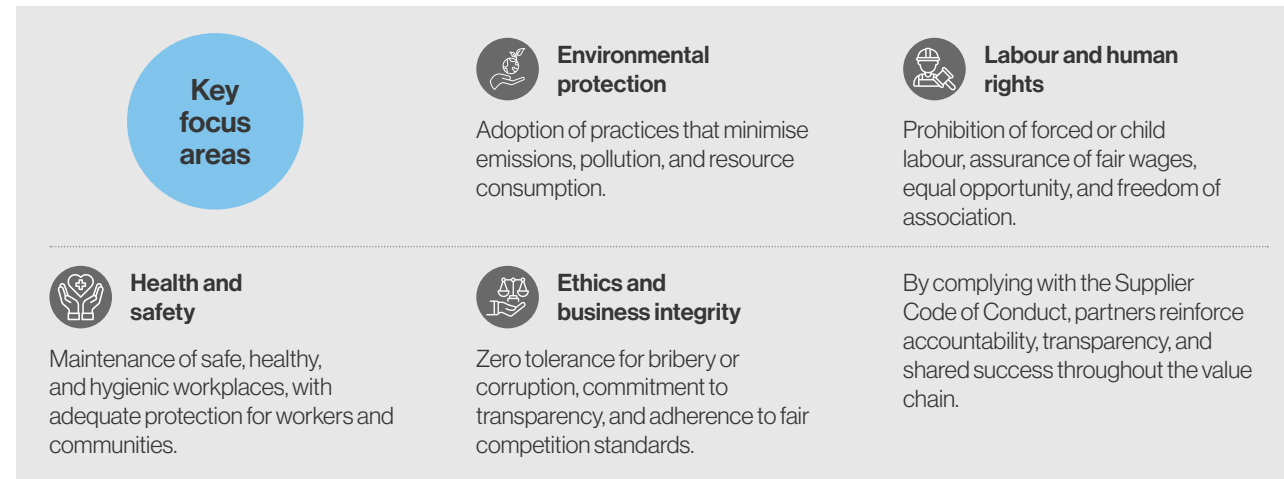
### Key objectives of the policy

- Ensure that all suppliers uphold the highest standards of environmental, social, and governance (ESG) performance.
- Promote resource efficiency and circular economy practices to minimise environmental impact.
- Enhance supply chain resilience through diversified, compliant, and responsible sourcing.
- Foster a culture of collaboration and shared responsibility with suppliers at all levels, including MSMEs and vulnerable or minority-owned enterprises.

### Supplier Code Of Conduct

The Supplier Code of Conduct forms the foundation of Himadri's responsible sourcing practices, establishing non-negotiable expectations across suppliers. Each supplier is required to submit a self-declaration, affirming compliance with Himadri's sustainability standards.





## Our supply chain partner assessment framework



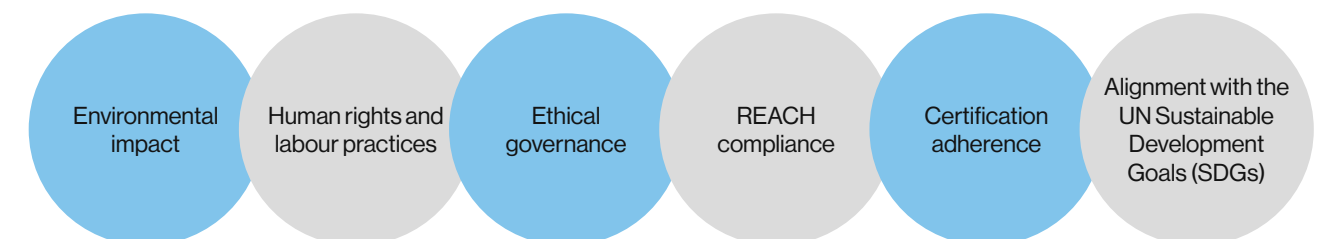
### Sustainable supply chain framework

At Himadri, the sustainable supply chain framework forms the cornerstone of a

commitment to responsible sourcing and long-term value creation. Anchored in our Materiality Matrix and aligned with the Company's broader sustainability goals, this framework integrates a robust

set of key performance indicators (KPIs) to evaluate supplier performance across quantitative and qualitative dimensions.

These KPIs assess critical aspects such as:



Through this structured evaluation, Himadri identifies risks, promotes best practices, and drives continuous improvement across its upstream value chain. Complementing the Sustainable Procurement Policy, the framework ensures that purchasing decisions are guided not only by cost and operational efficiency but also by environmental and social responsibility.

Recognising that achieving our net-zero emissions target is linked to the sustainability performance of our

suppliers, Himadri views its value chain partners as strategic collaborators, integral to advancing climate resilience, ethical sourcing, and circular economy practices.

By nurturing partnerships rooted in shared values and mutual accountability, we aim to:

- Enhance economic prosperity
- Safeguard human rights
- Promote community well-being

- Build a resilient, future-ready supply chain
- To ensure the seamless integration of upstream supply chain risks into the enterprise risk framework, Himadri categorised procurement activities into three pillars - raw materials, consumables, and services. This structured approach enables a holistic management of procurement risks while ensuring alignment with our sustainability and business objectives.

### Supplier contracts and compliance framework

At Himadri, procurement is not limited to operational excellence; it serves as a platform to embed social, environmental, and ethical accountability within supplier relationships. Each purchase order reflects these priorities, incorporating clauses related to labour compliance, health and safety, environmental management, and sustainability performance.

#### Highlights

##### Labour and compliance

- Mandatory adherence to all applicable labour laws, including PF, ESIC, and statutory wage regulations.
- Commitment to timely and fair wage payments to all contractual workers.

##### Health, safety and environment

- Mandatory safety training and PPE usage for all contractor personnel.
- Zero tolerance for unsafe acts, with penalties and blacklisting for repeated violations.
- Strict compliance with EHS protocols for hazardous waste handling, waste segregation, water use, and transport safety.

##### Quality and timely delivery

- Inclusion of liquidated damages clause (0.5% per week, up to a maximum of 5%) for delay in job completion, ensuring adherence to project timelines.

##### Sustainable procurement

- Policy fully aligned with ISO 20400:2017 Sustainable Procurement Guidance.
- Emphasis on supplier capacity building, sustainability assessments, and responsible sourcing practices.
- Target of 100% supplier sign-off on Himadri's Supplier Code of Conduct by FY25-26.

By embedding commitments within supplier contracts, Himadri ensures that sustainability obligations are measurable and enforceable. This integrated approach strengthens supply chain resilience, enhances

##### Supplier code of conduct integration

- Encompasses human rights, fair wages, non-discrimination, and ethical business conduct.
- Mandates environmental stewardship, covering waste reduction, GHG emissions control, and circular economy adoption.
- Requires adherence to data privacy, anti-corruption, and fair competition standards.

transparency, and aligns with BRSR Principle 5 (Respect and promote human rights) and Principle 7 (Responsible engagement with value chain partners).

##### Sustainability commitments

- 70% of upstream value chain spend to undergo sustainability assessment by FY23-24.
- 5% decarbonisation of the value chain by FY24-25 through supplier collaboration.
- Alignment with the UN Global Compact Principles and Sustainable Development Goals (SDGs).

Himadri's sustainable procurement ecosystem transforms compliance into a driver of innovation, risk reduction, and long-term stakeholder value creation.



HARMONISE framework in action

As a part of Himadri’s HARMONISE framework, several Task Forces have been established to drive focused action on the Company’s sustainability priorities. Among these, the value chain partner engagement Task Force plays a central role in managing risks and enhancing resilience across the value chain.

Value chain partner engagement Task Force

The Task Force strengthens the collaboration with suppliers; it embeds sustainability throughout the procurement lifecycle. It conducts comprehensive supplier assessments, monitors ESG compliance, and drives continuous improvement through capacity-building programmes and awareness sessions.

The focus areas include:

- Reducing Scope 3 emissions by engaging suppliers in low-carbon and energy-efficient practices.
  - Assessing and monitoring ESG performance through structured evaluations and periodic audits.
  - Building supplier capability via training, workshops, and knowledge-sharing initiatives.
  - Promoting responsible sourcing aligned with Himadri’s Sustainable Procurement Policy and Supplier Code of Conduct.
- Through these initiatives, Himadri’s value chain remains efficient, transparent, and resilient, aligned with its sustainability goals and commitments.



Procurement categorisation

To embed supply chain resilience into our enterprise-wide risk architecture, Himadri has instituted a strategic categorisation of procurement activities into three key pillars: Raw materials, consumables, and services. This structure allows holistic management of procurement risks while

ensuring alignment with sustainability and business imperatives.

This approach empowers Himadri to:

- Anticipate and respond to supply disruptions.
  - Enhance transparency across procurement lifecycles.
  - Drive sustainable sourcing through targeted supplier engagement.
- By doing so, Himadri reinforces its commitment to operational excellence, ethical stewardship, and long-term value creation within the speciality chemical sector.



Raw materials

This category comprises the core inputs critical to Himadri’s manufacturing processes. Rigorous oversight in sourcing, traceability, and quality assurance safeguards production consistency while mitigating risks associated with supply volatility, regulatory changes, and climate vulnerabilities. Responsible raw material management strengthens operational resilience and enhances product credibility in global markets.



Consumables

This segment includes capital expenditure and operational expenditure items, such as equipment, machinery, and auxiliary inputs that support operations. Systematic monitoring and sustainability-linked assessments enhance process efficiency, optimise resource use, and ensure adherence to safety, environmental, and quality standards. This category also plays a vital role in advancing circular economy principles and minimising lifecycle impacts.



Services

The services segment encompasses the procurement of manpower and allied services that enable business continuity. All service providers are required to align with Himadri’s Supplier Code of Conduct and sustainability principles, reinforcing ethical labour practices, transparency, and long-term partnerships. Through this, services procurement becomes a key driver of social accountability and operational efficiency.

Coverage

Index	Raw materials	Consumables	Service
By Group spent	95%	4%	1%
Target	75%	75%	75%
Achieved	95%	89.5%	80%

Management system	Raw materials	Consumables	Service
ISO 20400:2017	✓	✓	✓
SA 8000:2014	✓	✓	✓

Integration of sustainability objective into buyer performance

Himadri has embedded sustainability parameters into the buyer performance evaluation process to ensure alignment between procurement decisions and corporate sustainability objectives.

Key focus areas:

**ESG engagement:** Collaboration with suppliers on environmental, social, and

governance aspects through value chain assessments.

**Ethical sourcing:** Promotion of responsible and transparent procurement practices through supplier training and collaboration.

**Inclusive procurement:** Enhancement of local and diverse supplier participation through targeted engagement and capacity-building programmes.

**Compliance:** Alignment of suppliers with Himadri’s Supplier Code of Conduct through contractual obligations, assessments, and continuous engagement.

This targeted metrics enhances accountability, strengthens transparency, and drives continuous improvement in sustainable procurement performance across the value chain.

Building an inclusive and equitable value chain

At Himadri, sustainability is inseparable from inclusiveness. Guided by the principles of Diversity, Equity, Inclusion, and Belonging (DEI&B), the Company has increased the participation of women across offices and operational areas.

Women professionals now play a pivotal role in decision-making and innovation.

Himadri engages with women-led enterprises, minority-owned businesses, and vulnerable supplier groups, creating opportunities for shared growth. While the Company’s core raw materials, by-

products of heavy industries (steel and oil & gas), cannot be directly sourced from these groups due to technical constraints, Himadri prioritises the procuring of consumables and services, balancing operational requirements with inclusive growth.



### Empowering MSMEs for shared growth

Himadri recognises Micro, Small, and Medium Enterprises (MSMEs) as its backbone of economic development, innovation, and job creation. Beyond procurement, MSMEs are partners in building a resilient value chain.

The Company's support for MSMEs includes:

- Providing long-term procurement contracts, ensuring financial stability and business predictability.
- Facilitating capacity-building programmes to help MSMEs align with global quality, safety, and sustainability standards.

- Encouraging technological advancement through knowledge-sharing, best practices, and innovation-led collaboration.

This approach transforms MSME engagement from a transactional relationship to a transformative partnership, enabling them to scale sustainably while strengthening local ecosystems and entrepreneurship.

### Sourcing from local communities

Himadri prioritises sourcing consumables and services from local businesses and community enterprises near its operational areas. This strategy promotes regional economic development while reducing the environmental footprint associated with long-distance transportation.

Key initiatives include:

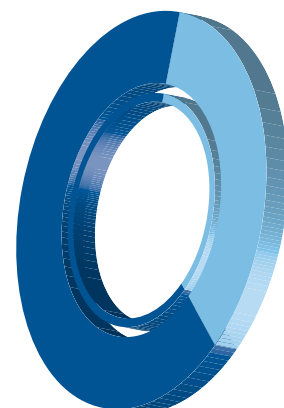
- Engaging local vendors for logistics and transportation.
- Procuring materials from community-based enterprises.
- Conducting skill development programmes to build vendor capabilities for long-term partnerships.

Through actions, Himadri reinforces its role as a responsible corporate citizen, creating inclusive growth and enhancing community well-being.

### Engaging with women-led/marginalised/vulnerable/minorities group-led businesses

Himadri actively promotes inclusive procurement by engaging women-led businesses and enterprises owned by marginalised and vulnerable groups for various operational needs. This includes sourcing packaging materials, office supplies, maintenance services, and eco-friendly consumables. Through these initiatives, Himadri supports economic empowerment and contributes to reducing social and economic disparities.

Third party workers deployed by service vendor-Diversity



■ General 35%  
■ Marginalised / vulnerable / minorities 65%



## Risk management approach: Supplier evaluation process

To ensure suppliers align with Himadri's standards for sustainability, quality, and security, the Company follows a structured and data-driven supplier evaluation process comprising the following components:

### 1. Comprehensive self-assessment surveys

All suppliers complete detailed self-assessment forms covering critical dimensions such as:

- Environmental management (emissions, waste, water use)
- Labour and human rights (fair wages, child labour, workplace safety)
- Business ethics (anti-bribery and data privacy)
- Supply chain management (subcontracting, traceability)
- Governance and regulatory compliance

These assessments help identify strengths and improvement areas, aligning with Himadri's sustainability and expectations.

### 2. Composite performance index (CPI)

Data from self-assessments generates a composite performance index, providing a holistic rating across performance categories. Suppliers are classified into low, low, medium, or high-risk tiers, enabling a targeted engagement and improvement strategies.

### 3. Technology integration in supplier assessment

To enhance efficiency and transparency, Himadri introduced the value chain partner survey portal, a secure digital platform enabling suppliers to complete assessments online. This integration improves data accuracy, reduces manual intervention, and enhances response timelines. The portal maintains

a structured repository of supplier performance data across key ESG dimensions. By leveraging this digital solution, Himadri strengthened supplier engagement, accountability, and resilience across its supply chain.

### 4. Risk-based auditing: On-site and remote

Depending on the supplier's risk profile, Himadri conducts on-site or remote audits focusing on:

- Environmental management systems
- Health and safety practices
- Labour conditions
- Corporate governance and ethical compliance

This multi-layered approach ensures that the supply chain remains secure, responsible, and resilient, aligned with Himadri's certifications (ISO 28000:2022, ISO 20400:2017, and SA 8000:2014).

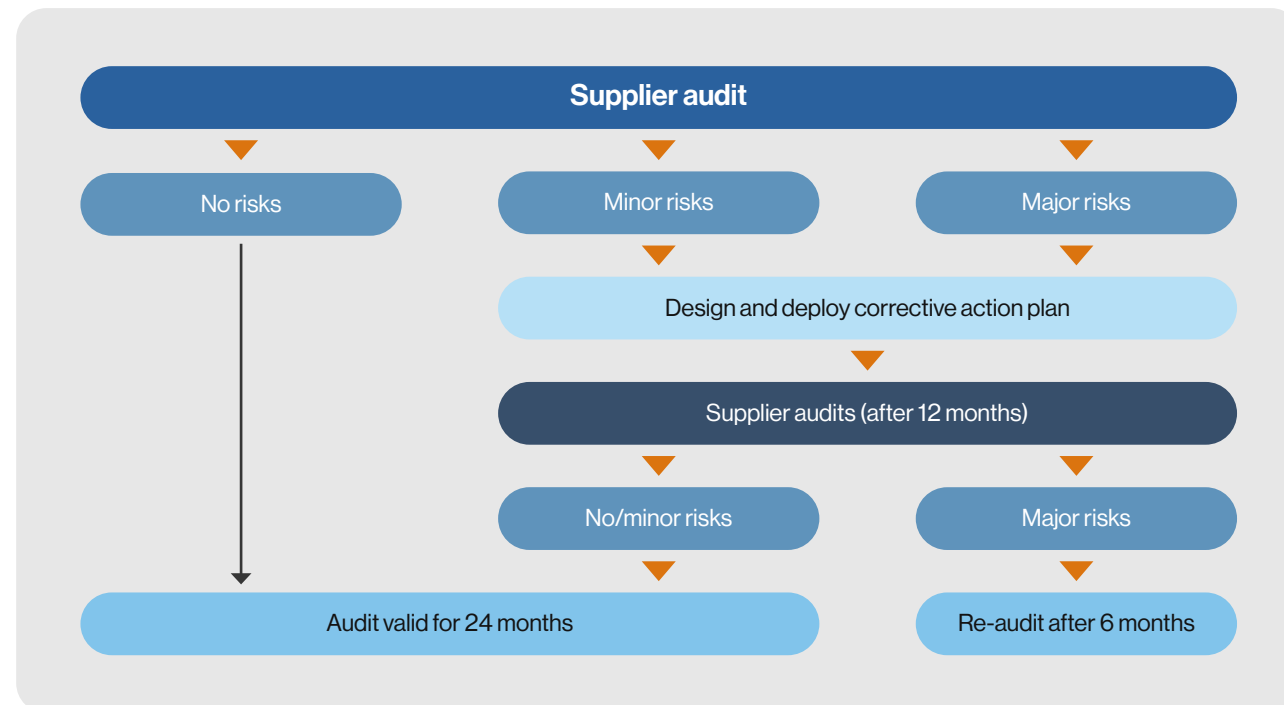


### Promoting resource efficiency and circular practices

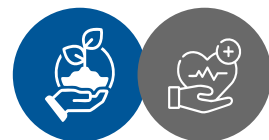
Himadri advances resource efficiency across its operations and supply chain by implementing effective water and

waste management practices, sourcing raw materials with lower climate impact, and promoting circular economy approaches. Efforts focus on reducing wastage, enhancing material recovery, and maximising reuse to minimise

environmental footprint. Through collaboration with suppliers and adoption of sustainable technologies, Himadri continues to build a climate-conscious, resource-efficient, and circular value chain.



A key feature of Himadri's supply chain ESG Framework is comprehensive risk categorisation and the development of mitigation for each category. The supply chain risks are classified into high, medium, low, and very low categories.

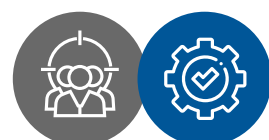


### Environmental risks

Suppliers who fail to comply with environmental regulations, have high greenhouse gas emissions, or lack waste management protocols are classified as high-risk. Mitigation strategies for such suppliers include offering technical support to improve their environmental management systems or terminating contracts if improvements are not made.

### Health and safety risks

Suppliers with unsafe working conditions, insufficient health and safety training, or poor compliance with safety standards are considered high-risk. Himadri's mitigation strategies for such suppliers include implementing certified health and safety management systems (such as ISO 45001) and providing training to help them improve worker safety.



### Labour and human rights risks

Suppliers who are non-compliant with labor laws or exhibit poor labor practices, such as inadequate wages, lack of workers' rights, or unsafe working conditions, are addressed through a focused labor management plan. Himadri ensures that corrective measures are in place to improve working conditions and uphold human rights.

### Corporate governance risks

Suppliers with weak corporate governance, financial instability, or lack of cybersecurity measures are classified as medium-to-high-risk. Himadri engages in detailed financial and governance reviews, offering support to improve transparency, governance practices, and cybersecurity protocols.

## Our risk mitigation and supplier management

### Overview

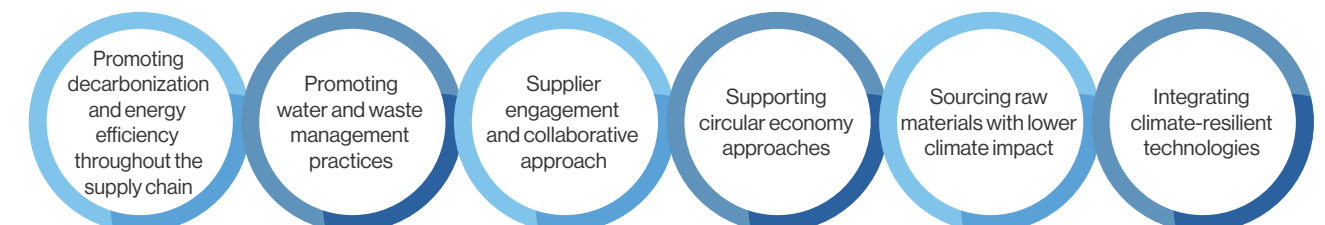
Each risk area is addressed through mitigation that combines targeted interventions, training programmes, and performance reviews. Himadri

established a structured supplier audit process with clear escalation protocols. When shortcomings are identified, suppliers are expected to implement

corrective action plans within a defined timeframe. In the cases of severe non-compliance or persistent improvement failure, Himadri can discontinue the collaboration.

### Risk mitigation approach

Suppliers are categorised based on ESG assessment outcomes, allowing the Company to prioritise engagement and implement targeted audits. This risk-based approach ensures a compliance with Himadri's sustainability standards and expectations. Key long-term risk mitigation strategies include:



### Integrating decarbonisation and climate-resilient technologies across the value chain

Himadri's climate action strategy is grounded in inclusivity, collaboration and measurable impact. The Company engages diverse stakeholders - raw material suppliers, MSMEs, minority

owned suppliers, vulnerable groups, employees, customers, investors, policymakers, and local communities - to promote shared responsibility.

Through targeted awareness campaigns, co-innovation programmes, and capacity building efforts, Himadri cultivates a value chain that is environmentally conscious and socially empowered. Forward-looking initiatives include

expanding investments in low-carbon technologies, operational electrification, bio-based feed stocks, and renewable energy systems. Digital transformation allows real-time monitoring, analysis, and climate performance optimisation. Advanced technologies like block chain for supply chain traceability, AI for energy forecasting, and digital twins for scenario modelling are explored.

### Promoting resource efficiency and circular practices

Himadri advances resource efficiency across its operations and supply chain by implementing effective water and

waste management practices, sourcing raw materials with lower climate impact, and promoting circular economy approaches. Efforts focus on reducing wastage, enhancing material recovery, and maximising reuse to minimise

environmental footprint. Through collaboration with suppliers and adoption of sustainable technologies, Himadri continues to build a climate-conscious, resource-efficient, and circular value chain.





Supplier engagement and collaborative approach

At Himadri, supplier engagement is continuous and strategic, promoting long-term partnerships rooted in sustainability and performance excellence.

Top-performing suppliers, categorised as grade 'A' based on assessments, are recognised through certificates of excellence and invited to participate in collaborative programmes to drive mutual growth and innovation.

For suppliers unable to meet performance expectations, Himadri adopts a supportive approach, providing guidance, resources, and, where necessary, corrective actions. This aligns Himadri's commitment to responsible sourcing, ethical practices, and sustainable development.

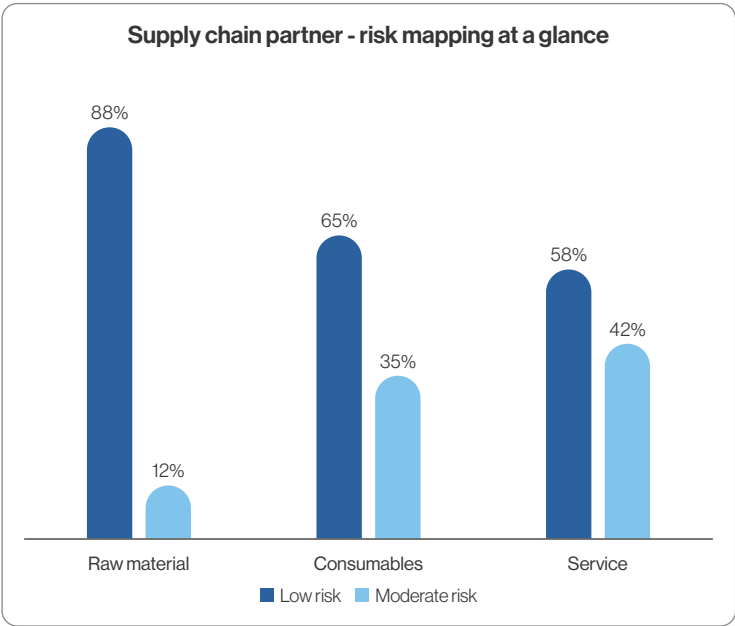
To address the risks identified in our ESG assessments, Himadri provides a range of training and awareness programmes for suppliers. These programmes cover key areas such as:

- Environmental management
  - Health and safety
  - Labour rights
  - Governance and cybersecurity
- Himadri's newly launched Supplier Assessment Portal is also supported through dedicated awareness and usage training for suppliers.
- These training programmes strengthen supplier capabilities and support continuous improvement across our value chain.

Supply chain partner-risk mapping at a glance

For FY23-24, Himadri conducted supplier audits and sustainability assessments to evaluate compliance with environmental, social, and ethical standards. Supplier-specific corrective action plans were initiated to strengthen performance and address identified gaps. The Sustainable Procurement Framework continued to guide responsible sourcing practices, integrating risk assessment, supplier engagement, and continuous improvement mechanisms.

Himadri expands the scope of supplier assessments for FY24-25 and implement corrective action plans in collaboration with key partners. The focus will remain on enhancing supplier capability through training, deepening ESG integration in procurement decisions, and reinforcing transparency across the supply chain. Himadri aims to further institutionalise sustainable procurement as a strategic driver for long-term value creation and responsible growth.



Customer audit overview

At Himadri, customer audits help navigate ESG risks, enhancing sustainability. By gathering, analysing, and acting on customer insights, Himadri strengthens its ESG performance, operational resilience, and stakeholder trust.

In FY24-25, Himadri completed 26 customer audits. These audits highlighted

concerns related to carbon footprints and environmental impacts, emphasising low-carbon product manufacture and cleaner technology investments.

Himadri encourages customers to participate in joint sustainability initiatives like carbon offset programmes and circular economy models. Each audit validates processes, enhances

transparency, and strengthens customer trust. Insights from socially conscious customers often inform additional supplier audits on labour practices and ethical compliance. Traceability systems ensure that raw materials are responsibly sourced, and stakeholders co-create ethical sourcing policies.

mitigation of Scope-3 emission, and product end of life treatment.

Himadri's Platinum rating in the EcoVadis assessment is an industry benchmark, with some customers exempting the Company from audits for multiple years.

Customer audit performance

Himadri recieved excellence performance rating from its downstream value chain partners audit. The customer audits majorily focused on 1. Customer care and servicing 2. Production and

Advancing collaborative sustainability ambitions

Himadri's sustainability initiatives focus on developing low-emission, customer-centric products aligned with SDG 12: Responsible Consumption and Production. These efforts reduce material consumption, encourage collaborative initiatives, and strengthen relationships with industry partners. Being an executive member of CII Eastern Region ESG and Sustainability subcommittee, Himadri stands firmly on following public policies:

- Export competitiveness of public procurement
  - Value chain reporting
  - ESG's role in mainstreaming of public procurement
  - Supportive policies for MSME decarbonisations
  - Mainstreaming genders
- This engagement enhances Himadri's reputation, establishes standards for

responsible business practices, and reinforces the Company's role as a customer-centric and sustainability-driven industry leader.

Feedback mechanisms translate into ensure transparency, accountability, and continuous improvement. By integrating customer feedback into ESG risk assessments and strategic planning, Himadri fosters trust and promotes ethical decision-making.

Indicator-Coverage	Mahistikry	Liluah I&II	Sambalpur	Vizag	Korba	Falta	Corporate Office
Training program of buyers on ISO 20400:2017	✓	✓	✓	✓	✓	✓	✓
NDA and business contract signing-off	✓	✓	✓	✓	✓	✓	✓
Due Diligence internal audit	✓	✓	✓	✓	✓	✓	✓
Due Diligence external audit	✓	✓	✓	✓	✓	✓	✓

“We are engineering materials that will power the world’s clean energy future.”

**M. B. Gadgil**  
Business President,  
New Energy Material Division

**Pioneering India’s clean energy material landscape**

The New Energy Material division is developing next-generation LFP cathode active materials and advanced anode technologies that support electric mobility and renewable energy storage. Through molecular innovation, technology partnerships, and strong R&D infrastructure, we are building Himadri’s presence in the global battery value chain.

Our mission is to enable India and global partners to accelerate their clean energy transition through sustainable, high-performance, and future-ready material solutions.



# Our downstream value chain partners

In FY23-24, Himadri launched a downstream sustainability assessment framework. In the first year, the Company focused on building visibility into environmental and social risks across the downstream value chain, mapping key

partners, and introducing self-assessment tools with the objective to establish a sustainability performance baseline. FY24-25 marked a shift from design to execution and the Company is

implementing a comprehensive downstream sustainable supply chain program, aligned with global ESG best practices and the Company's Responsible Care commitments.

## 1 Development of the downstream partners Code of Conduct (COC)

Himadri developed a Code of Conduct (COC) for distributors, stockists, traders, and other downstream partners to strengthen accountability and sustainability. The COC's five ESG pillars comprise: Governance, Fair Business Practices, Human Rights & Labour, Health & Safety, and Environmental Protection.

Code adoption is mandatory, ensuring that downstream partners align with Himadri's sustainability standards. This promotes ethical and transparent operations while reinforcing Himadri's commitment to sustainable growth and collaboration with value chain partners.

## 2 Assessment protocol and guidelines

Himadri applies the same robust framework for downstream assessments as it does upstream. The process includes self-assessment, categorisation, third-party audits, and risk mitigation measures. The self-assessment questionnaire aggregates information - environmental impact management, social responsibility, and compliance with best practices in waste management - on partners' sustainability practices. This establishes the partner's sustainability profile and identifies improvement areas. Following self-assessment, the partners are categorised according to their risk levels, using a defined risk matrix and composite categorisation. High-priority

partners undergo third-party audits to verify data accuracy. For 'High risk' and 'Extreme high risk' partners, the interventions include:

- Organising workshops and training sessions specific to identified risk areas
- Supporting partners in identifying root causes and implementing corrective actions
- Conducting reassessments post-baseline to track improvement

Additional mitigation measures could comprise the recommendation of best practices, implementing environmental controls, or enhancing worker safety and social equity across the value chain.

## 3 Partner engagement and capacity building

Himadri recognises that building a sustainable value chain extends beyond sourcing to include downstream partners, distributors, traders, agents,

and stockists, who connect products with end users. The engagement framework for downstream partners emphasises:



### Awareness and training

Workshops on responsible marketing, ethical trade, product stewardship, and compliance with international trade and safety standards



### Inclusive growth

Encouraging participation of women-led enterprises, MSMEs, and community-based businesses



### Performance assessments

Structured evaluations of governance, ethics, safety, and transparency



### Collaborative action plans

Joint initiatives to promote sustainable logistics, safe handling of materials, and innovative packaging solutions to reduce environmental impact



### Capacity building

Knowledge-sharing sessions and handholding support to close ESG gaps and align with Himadri's standards

Through these initiatives, Himadri has transformed downstream engagement from a transactional relationship into a strategic partnership, enhancing trust, responsible conduct, and value chain resilience.

## 4

### Commitment to sustainability and long-term impact



Himadri is committed to extend environmental and social responsibility across its products lifecycle. The downstream sustainability assessment evaluates and addresses end-of-life impacts, empowering partners and customers to contribute to a circular economy.

This initiative reinforces the Company's alignment with United Nations

Sustainable Development Goals (SDGs):

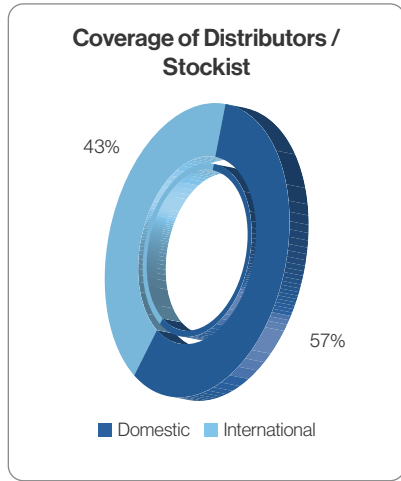
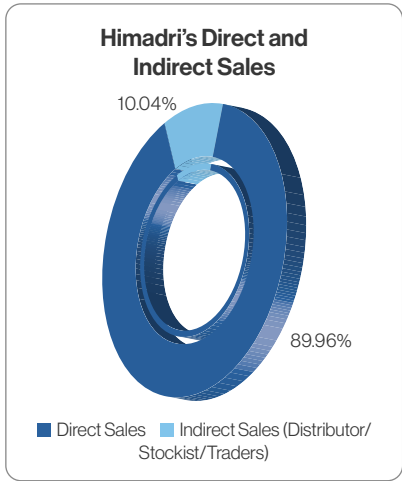
**SDG 12:** Responsible consumption and production; advancing circularity and resource efficiency

**SDG 13:** Climate action; reducing lifecycle emissions

**SDG 17:** Partnerships for the goals; fostering collaborative value chain engagement

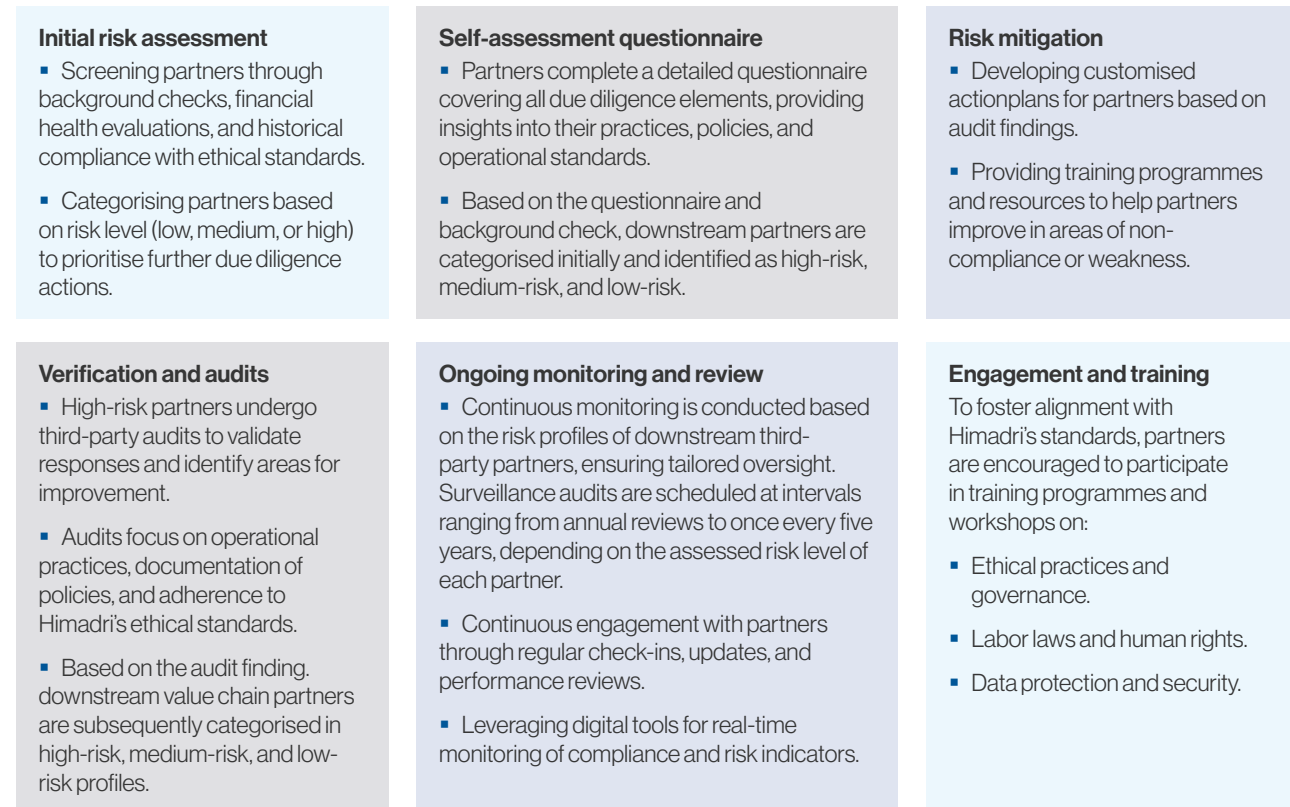
By addressing downstream impacts, Himadri has strengthened resilience, mitigated risks, and enhanced long-term stakeholder value. This approach has helped create a responsible, collaborative, and future-ready ecosystem delivering measurable benefits to the environment and society.

Himadri initiated a structured downstream value-chain assessment programme in FY 24-25, focusing on both domestic and international indirect sales channels. Building on this foundation, the Company is continuing the process in the current financial year, strengthening coverage across distributors and stockists. Indirect sales contribute 57% domestically and 43% internationally, and Himadri has set a uniform assessment target of 75% for downstream value-chain partners. This ongoing effort enhances transparency, promotes responsible business conduct, and supports the Company's broader sustainability and supply-chain stewardship commitments.



Index	Indirect sales	
	Domestic	International
Indirect sales revenue	57%	43%
Downstream value chain partner - Revenue coverage	75%	75%





### Due Diligence obligation

#### Spectrum

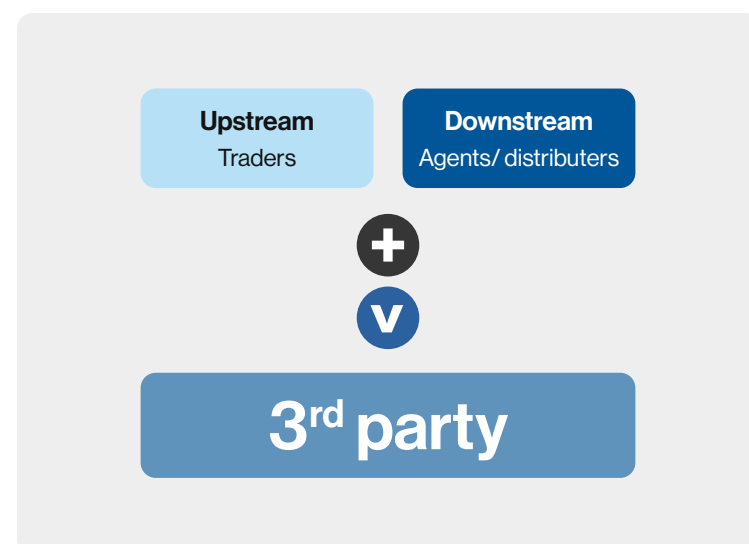


### Due Diligence process

The Company's Due Diligence Programme ensures that all downstream partners align with Himadri's sustainability objectives and comply with global standards for governance, social responsibility, and environmental impact mitigation. The programme evaluates partners on key elements:

- Anti-bribery and anti-corruption
- Prevention of child and forced labour
- Anti-tax evasion
- Data security

This systematic process of assessment, categorisation, monitoring, and continuous improvement helps mitigate risks while promoting ethical and sustainable practices across the downstream value chain.



## Sustainable procurement roadmap

As Himadri progresses on its sustainability journey, the Company remains steadfast in embedding responsible business practices that balance growth with environmental stewardship and social responsibility. The strategic roadmap for the next financial year is guided by three key priorities:





Key performance indicators

KPI's	Units	FY22-23	FY23-24	FY24-25
Learning and capability development				
Buyers across all locations who have received training on sustainable procurement	%	70	100	100
Upstream value chain partners covered under training and awareness programme	%	82	84	88.1
Assessment of suppliers				
Targeted suppliers that have signed the sustainable procurement charter/ supplier code of conduct	%	100	100	100
Sign-off of NDA	%	100	100	100
Targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	%	100	100	100
Percentage or number of audited/assessed suppliers engaged in corrective actions or capacity building	%	82	84	88.1
Targeted suppliers that have gone through a ESG assessment	%	82	84	88.1
Targeted suppliers that have gone through a ESG audit online/onsite	%	82	84	88.1
Assessment of supply chain partners for total of group spent				
By group spent Target	%	50	70	75
Achieved	%	82	84	88
MSME and local sourcing				
Amount spent on local suppliers (MSME)	%	2.28	1.89	2.85
Procurement spend within India (domestic)	%	66.95	68.34	78.17
Diverse suppliers on spend (MSME/Women Enterprise/ Minority owned)	%	25.57	27.07	31.98
Stakeholder-driven sustainability initiatives				
Decarbonization collaboration project with value chain partner	No.s	1	1	2
Complaints and grievance disclosure				
Supplier grievances received	No.s	Nil	Nil	Nil
Supplier grievances resolved	No.s	NA	NA	NA

Way Forward:  
Together Towards Tomorrow

As Himadri enters its next chapter of sustainable growth, our roadmap for the future will be defined by stronger governance maturity, purposeful community investments, systemic environmental transformation, and a people-centric culture backed by digital intelligence. Our ambition is clear - to evolve from being a responsible manufacturer to becoming an ecosystem-leading sustainability platform that delivers long-term value for investors, people/ communities, industry partners, and the planet alike.

Governance - The Scaffold of Trust

Himadri will deepen governance as an enterprise-wide capability powered by transparency, oversight, and stakeholder co-creation. As we raise the bar on disclosures, ESG indicators will be presented with greater granularity, stronger traceability, and board-level visibility. Our oversight architecture led by the Board-level ESG Committee, supported by the ESG Council and Sustainability Steering Committees, will shift toward real-time dashboards, predictive analytics, and independent assurance systems. Governance will accelerate from internal controls into partnership-driven forums that bring together customers, suppliers, regulators, and communities into shared decision-making. This evolution will enable proactive sustainability risk management, insurer confidence, stronger investor trust, and credible strategic stewardship aligned with national and global frameworks such as UNGC, SBTi, Sustainability Report recognition, and Indian regulatory imperatives.

Community Impact & CSR - Scaling Societal Equity

Himadri's CSR commitment will evolve into long-term social capital creation through sharper community intelligence, impact-linked project design, and resilience-focused infrastructure. Education, youth and women skill building, scholarship expansion, and vocational digitisation will be scaled through institutional partnerships with local NGOs, academic bodies, and government ecosystems. Our healthcare interventions will transform from infrastructure support into preventative care networks backed by telemedicine, diagnostics capability expansion, nutrition, hygiene and lifestyle

awareness for underserved communities near our plants. Environmental CSR will join natural capital restoration efforts through native species reforestation, degraded land repair, soil health upliftment, flood protection, water conservation governance, and waste-to-resource awareness at community level. Beyond CSR spends, social returns (SROI) for all strategic projects will be quantified - linking outputs into outcomes such as local employment, entrepreneurship, healthcare upliftment, and community resilience, reflecting Himadri's impact maturity for stakeholders like Alcoa, Johnson Matthey group, and Hindalco.

Environment & Decarbonisation - From Pilots to Enterprise Scale

Himadri's climate and environment roadmap will now accelerate enterprise-wide integration of completed pilots, unlocking multi-plant cross-site synergies. Our adoption of sustainable mobility through Biodiesel logistics and EV fleets will expand with increased low-emission vehicle mix, resilient biofuel supply chains, expanded EV charging access, and IoT-based telematics for route & energy optimisation across logistics, workforce and vendor fleets. Our decarbonisation strategy will embed CCU / CCUS retrofits targeting high-concentration CO2 streams from combustion and process emissions in operations including Carbon Black and Captive Power Plant Tail Gas. Capture streams will be channelled into utilisation pathways such as synthetic fuels, chemicals, calcium carbonate or urea, with geological storage opportunities aligned to ISO 27914, ISO 27919, and CII-led CCUS national mission frameworks. Circular resource ambition will accelerate toward Zero Waste To Landfill by 2026, water stewardship, emission precision, and sustainable feedstock trust - reinforcing India's evolving carbon policy alignment and our competitiveness in CBAM-sensitive export markets.

People, Safety & Responsible CaRE - ZERO HARM, 360° WELL-BEING

The Company will strengthen its Zero Accident Vision into a measurable reality with intelligent safety infrastructure and human behaviour integration. Our sustained

safety interventions have already resulted in significant reduction of LTIFR - supported by digital tools, independent audits and safer asset designs. Fire safety systems will now evolve toward automation including IoT-led fire detection, remote activation of hydrants, sprinklers, foam and gas suppression equipment, state-of-readiness diagnostics, predictive maintenance, and quick response without manual delays - enabling reduction in emergency response time, protecting people, capital assets, and insurer trust across all plants. Our pursuit of Responsible Care certification will reinforce safety maturity as a shared cultural identity, positioning employees and workers as ambassadors of care, traversing Occupational Safety, Process Safety, Human Rights stewardship, DEI, and Community Safety influence. HR systems such as talent platforms (Horizon), Leadership programmes - Pragati, Vihann, Rubaroo, RuBaroo, and Vihaan, employee well-being, counselling networks, ergonomic excellence, and human rights compliance will remain at the heart of transformation - ensuring alignment with the Indian Partnership Act, ILO conventions, UNGC people principles, ISO 45003 mental well-being frameworks, and Britain Safety Council guidance - preparing Himadri into a future-ready, purpose-led, and globally reliable organisation.

Sustainable Procurement & Value-Chain Leadership

As Himadri scales beyond compliance into supply chain leadership, procurement will strengthen traceability, decarbonisation, ethics alignment, supplier DEI embedding, and dashboard-led transparency. Himadri's Code of Conduct alignment will remain mandatory across suppliers and downstream partners, expanding inclusion of women-led enterprises, local institutions, and low-carbon feedstock engagements. Digital supply chain systems will mature further to enable Scope-3 emission accounting (Category 10 & 11), product face emission governance, lifecycle trace exhibits, ESG-linked debt confidence, green logistics partnerships, and faster scorecard sharing with institutional clients.



# GRI index

KPI's	
Statement of use	Himadri Speciality Chemical Ltd has reported (in accordance with) the GRI Standards for the period 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2025.
GRI 1 used	<b>GRI 1:</b> Foundation 2021
Applicable GRI Sector Standard(s)	(Titles of the applicable GRI Sector Standards)

GRI Standard/Other Source	Disclosure	Location
<b>General disclosures</b>		
<b>GRI 2:</b> General Disclosures 2021	2-1 Organisational details	2-5, 20-27
	2-2 Entities included in the organisation's sustainability reporting	Report overview page
	2-3 Reporting period, frequency and contact point	Report overview page
	2-4 Restatements of information	Not applicable
	2-5 External assurance	295-298
	2-6 Activities, value chain and other business relationships	20-27
	2-7 Employees	20-21, 239
	2-8 Workers who are not employees	239
	2-9 Governance structure and composition	59-65, 68-70
	2-10 Nomination and selection of the highest governance body	63
	2-11 Chair of the highest governance body	59, 65
	2-12 Role of the highest governance body in overseeing the management of impacts	62-65
	2-13 Delegation of responsibility for managing impacts	66-70
	2-14 Role of the highest governance body in sustainability reporting	65
	2-15 Conflicts of interest	53-54, 59
	2-16 Communication of critical concerns	53-54, 59
	2-17 Collective knowledge of the highest governance body	60
	2-18 Evaluation of the performance of the highest governance body	61
	2-19 Remuneration policies	30, 52, 59, 61, 63, 224
	2-20 Process to determine remuneration	61, 237
	2-21 Annual total compensation ratio	30
	2-22 Statement on sustainable development strategy	6-7, 10-15, 28-34
	2-23 Policy commitments	52-53, 55, 100-101, 161-163, 223-224, 271
	2-24 Embedding policy commitments	62-65, 69-70, 78-82, 101-103, 160-166, 207-211, 225-227, 248-249, 273-276
	2-25 Processes to remediate negative impacts	79, 81, 85, 226-227, 255, 279-284
	2-26 Mechanisms for seeking advice and raising concerns	81-82, 200-201, 227, 230-231, 234
	2-27 Compliance with laws and regulations	75, 103, 169, 231
	2-28 Membership associations	44-45

GRI Standard/Other Source	Disclosure	Location
<b>GRI 3:</b> Material Topics 2021	2-29 Approach to stakeholder engagement	71-74, 107
	2-30 Collective bargaining agreements	27, 23, 52, 55, 267
	3-1 Process to determine material topics	32-33
	3-2 List of material topics	266-268
<b>Economic performance</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	20, 21, 28-31
<b>GRI 201:</b> Economic Performance 2016	201-1 Direct economic value generated and distributed	20-21
	201-2 Financial implications and other risks and opportunities due to climate change	TCFD Report Pg. No. 72-80
	201-3 Defined benefit plan obligations and other retirement plans	223, 243
	201-4 Financial assistance received from government We do not receive any assistance from government	NA
<b>Market presence</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	22-27
<b>GRI 202:</b> Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	259
	202-2 Proportion of senior management hired from the local community	92
<b>Indirect economic impacts</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	20, 21, 28-31
<b>GRI 203:</b> Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	40-41, 86, 159
	203-2 Significant indirect economic impacts	20, 90
<b>Procurement practices</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	264-268
<b>GRI 204:</b> Procurement Practices 2016	204-1 Proportion of spending on local suppliers	286
<b>Anti-corruption</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 64, 65, 68, 69, 79, 85
<b>GRI 205:</b> Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	33, 36-37, 50, 55
	205-2 Communication and training about anti-corruption policies and procedures	50, 74
	205-3 Confirmed incidents of corruption and actions taken	92
<b>Anti-competitive behavior</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 64, 65, 68, 69, 80, 84
<b>GRI 206:</b> Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	92
<b>Tax</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	30, 31
<b>GRI 207:</b> Tax 2019	207-1 Approach to tax	30
	207-2 Tax governance, control, and risk management	30, 64
	207-3 Stakeholder engagement and management of concerns related to tax	64
	207-4 Country-by-country reporting No information available	NA

GRI Standard/Other Source	Disclosure	Location
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 36, 37, 98, 99, 106, 107, 123, 124, 128-132
GRI 301: Materials 2016	301-1 Materials used by weight or volume	NA
	This information is a proprietary information	
	301-2 Recycled input materials used	36-37
	301-3 Reclaimed products and their packaging materials	270
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 36, 37, 38-43, 67-70, 100-101, 104
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	4, 20, 151-154
	302-2 Energy consumption outside of the organisation	151-154
	302-3 Energy intensity	154
	302-4 Reduction of energy consumption	4, 20, 151-154
	302-5 Reductions in energy requirements of products and services	109, 121, 138-140
Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 118, 119
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	118-124
	303-2 Management of water discharge-related impacts	123-124
	303-3 Water withdrawal	119, 121
	303-4 Water discharge	119, 122-123
	303-5 Water consumption	152-154
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 100, 101, 148
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Annual report 2024-25, Pg. No. 299, BRSR section - P6
	304-2 Significant impacts of activities, products and services on biodiversity	Annual report 2024-25, Pg. No. 299, BRSR section - P6
	304-3 Habitats protected or restored	Annual report 2024-25, Pg. No. 299, BRSR section - P6
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Annual report 2024-25, Pg. No. 299, BRSR section - P6
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	151, 152, 154
	305-2 Energy indirect (Scope 2) GHG emissions	151, 152, 154
	305-3 Other indirect (Scope 3) GHG emissions	151, 152, 154
	305-4 GHG emissions intensity	151, 152, 154
	305-5 Reduction of GHG emissions	151, 152, 154
	305-6 Emissions of ozone-depleting substances (ODS)	NA
	All our refrigerants are blended.	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	152
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	68, 69, 108, 109



GRI Standard/Other Source	Disclosure	Location
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	130-132
	306-2 Management of significant waste-related impacts	130-132
	306-3 Waste generated	130-132, 154
	306-4 Waste diverted from disposal	130-132, 154
	306-5 Waste directed to disposal	130-132, 154
Supplier environmental assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 273-274
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	70, 192, 266, 271, 277
	308-2 Negative environmental impacts in the supply chain and actions taken	192, 266
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 235-243
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	250, 256, 259
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	29, 243
	401-3 Parental leave	243
Labor/management relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 235
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	182
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 159-181
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	159-181
	403-2 Hazard identification, risk assessment, and incident investigation	175-180, 197-199
	403-3 Occupational health services	185-189
	403-4 Worker participation, consultation, and communication on occupational health and safety	200-203
	403-5 Worker training on occupational health and safety	212, 216
	403-6 Promotion of worker health	185-189, 254
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	191-192
	403-8 Workers covered by an occupational health and safety management system	170, 243-249, 189
	403-9 Work-related injuries	199, 212, 216
	403-10 Work-related ill health	186, 212, 216
Training and education		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 238-242
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	20-21, 212, 216
	404-2 Programmes for upgrading employee skills and transition assistance programmes	238-246
	404-3 Percentage of employees receiving regular performance and career development reviews	256-257





GRI Standard/Other Source	Disclosure	Location
<b>Diversity and equal opportunity</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 247-251
<b>GRI 405:</b> Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	60, 247-251
	405-2 Ratio of basic salary and remuneration of women to men	259, Annual Report Pg. No. 277
<b>Non-discrimination</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 54, 68, 69, 81, 82, 221, 259
<b>GRI 406:</b> Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	259
<b>Freedom of association and collective bargaining</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 227, 228, 235
<b>GRI 407:</b> 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	227-229, 255
<b>Child labor</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 231-232
<b>GRI 408:</b> Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	259
<b>Forced or compulsory labor</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 231-232
<b>GRI 409:</b> Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	259
<b>Security practices</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	226, 254, 259
<b>GRI 410:</b> Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	259
<b>Rights of Indigenous Peoples</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	NA
	We do not operate any location where indigenous peoples reside	
<b>GRI 411:</b> Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	NA
<b>Local communities</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 86-87
<b>GRI 413:</b> Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	147, 251, 276, 279, 281
	413-2 Operations with significant actual and potential negative impacts on local communities	264
<b>Supplier social assessment</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 273-284
<b>GRI 414:</b> Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	266-267, 280
	414-2 Negative social impacts in the supply chain and actions taken	280
<b>Public policy</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 98-100
<b>GRI 415:</b> Public Policy 2016	415-1 Political contributions	NA

GRI Standard/Other Source	Disclosure	Location
<b>Customer health and safety</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 135-136
<b>GRI 416:</b> Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	135-136, 149, 154
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	135-136, 149, 154
<b>Marketing and labeling</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 80, 100-101, 135
<b>GRI 417:</b> Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	135
	417-2 Incidents of non-compliance concerning product and service information and labeling	Annual Report Pg. No. 315
	417-3 Incidents of non-compliance concerning marketing communications	92-93
<b>Customer privacy</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	32, 33, 68, 69, 80-81
<b>GRI 418:</b> Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	92-93



Assurance statement on third-party verification of sustainability information

Unique identification no.: 3153157567

TÜV SÜD South Asia Pvt. Ltd. (hereinafter TÜV SÜD) has been engaged by Himadri Speciality Chemical Limited, 8, India Exchange Place, 2nd floor, Kolkata-700001, West Bengal to perform an independent assurance of disclosure of sustainability information in the Sustainability Report by Himadri Speciality Chemical Limited (hereinafter "Company") for the period from 01 April 2024 to 31 March 2025. The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain limited assurance about whether the sustainability information is prepared "in accordance to" the reporting criteria of the Sustainability Reporting Standards of the Global Reporting Initiative 2021 version (hereinafter "Reporting Criteria").

The following selected disclosures are included in the scope of the assurance engagement for reporting year 01 April 2024 to 31 March 2025 the disclosures of following sustainability indicators in the Sustainability Report", published at Himadri Speciality Chemical Limited Website

- GRI 2: General Disclosure
- GRI 3: Materiality Assessment – 3-1, 3-2, 3-3
- GRI 201: Economic Performance 2016 – 201-1 to 201-3
- GRI 202: Market Presence 2016 – 202-1,202-2
- GRI 203: Indirect Economic Impacts 2016 – 203-1, 203-2
- GRI 204: Procurement Practices – 204-1
- GRI 205: Anti-corruption – 205-1 to 205-3
- GRI 206: Anti-competitive behavior – 206-1
- GRI 207: Tax 2019 – 207-1 to 207-3
- GRI 301: Materials 2016 – 301-2,301-3
- GRI 302: Energy– 302-1, 302-2, 302-3, 302-4, 302-5
- GRI 303: Water – 303-1,303-2, 303-3, 303-4, 303-5
- GRI 305: Emissions – 305-1, 305-2, 305-3, 305-4, 305-5,305-7
- GRI 306: Waste – 306-1,306-2,306-3, 306-4, 306-5
- GRI 308: Supplier Environmental Assessment 2016 – 308-1,308-2
- GRI 401: Employment– 401-1, 401-2, 401-3.
- GRI 403: Occupational Health and Safety – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10
- GRI 404: Training and Education – 404-1, 404-2, 404-3



- GRI 405: Diversity and Equal Opportunity – 405-1,405-2
- GRI 406: Non-discrimination – 406-1
- GRI 407: Freedom of Association and Collective Bargaining – 407-1
- GRI 408: Child Labor – 408-1
- GRI 409: Forced or Compulsory Labor – 409-1
- GRI 410: Security Practices – 410-1
- GRI 411: Rights of Indigenous Peoples 2016–411-1
- GRI 413: Local Communities – 413-1, 413-2
- GRI 414: Supplier Social Assessment 2016 -414-1, 414-2
- GRI 415: Public Policy – 415-1
- GRI 417: Marketing and Labeling – 417-1,417-2, 417-3
- GRI 418: Customer Privacy– 418-1

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 integrated reporting, and accordingly, we do not express a conclusion on this information. It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the sustainability information in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for sustainability reporting, the collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a sustainability report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group, which is based upon the ISAE 3000, and ISO 17029. The applied level of assurance was "limited assurance". Because the level of assurance obtained in a limited assurance, the engagement is lower than in a reasonable assurance engagement, the procedures the verification team performs in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability information and applying analytical and other limited assurance procedures.

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.The procedures included amongst others:

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries.





- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations.
- Assessment of local data collection and management procedures, along with control mechanisms, through offsite verification and onsite survey at selected multiple sites: Below sites were selected for onsite/offsite review:

Sl. No.	Company Name	Site Address
1	Himadri Speciality Chemical Limited	<b>Registered Office:</b> Fortuna Tower, 23-A, Netaji Subhas Road, 8th Floor, Suite No: 15, Kolkata – 700 001, West Bengal, India
2		<b>Corporate office:</b> Ruby House 8, India Ex-change Place, 2nd Floor, Kolkata – 700 001, West Bengal, India
3		<b>MTK Plant:</b> Mahistikry, P.S.- Haripal, District- Hooghly, West Bengal, India
4		<b>Liluah Plant 1:</b> 58, N.S. Road, Liluah, Howrah – 711 204, West Bengal, India
5		<b>Liluah Plant 2:</b> 27-B, Gadadhar Bhatt Road, Liluah, Howrah – 711 204, West Bengal, India
6		<b>Falta Plant:</b> Falta Special Economic Zone, Sec-tor – II, Village – Simulberia, Falta, District – 24 Parganas (South), West Bengal, India
7		<b>Sambalpur:</b> Kenghati, P.O. Jayantpur, Sambalpur 768112
8		<b>Korba:</b> Jhagrah, Rajgamar Colliery Korba (Chhattisgarh)
9		<b>Visakhapatnam:</b> Ancillary Industrial Estate, Visakhapatnam, Andhra Pradesh, India

Conclusion

On the basis of the assessment procedures carried out from 25-08-2025 to 05-12-2025, TÜV SÜD has not become aware of any facts that lead to the conclusion that the selected sustainability information has not been prepared, in all material aspects, in reference to the Reporting Criteria.

Limitations

The assurance process was subject to the following limitations:  
The subject matter information covered by the engagement are described in the “scope of the engagement!”. Assurance of further information included in the integrated reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.

Financial data were only considered to the extent to check the compliance with the economic indicators provided by the GRI Standards and were drawn directly from independently audited financial accounts. TÜV SÜD did not perform any further assurance procedures on data, which were subject of the annual financial audit.

The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected



sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd hereby declares that there is no conflict of interest with the Company.

Kolkata, 12 December 2025

Mr Prosenjit Mitra  
General Manager- Verification, Validation and Audit  
Management System Assurance

Ms Brototi Das  
Verification Team Leader, TÜV SÜD  
Management System Assurance



## Notes

## Notes



## Notes

## Disclaimer

This Sustainability Report has been prepared based on information, data, and assumptions available to Himadri Speciality Chemical Limited at the time of reporting. The ESG data disclosed herein has been collated from internal systems, records, and validated third-party sources, and is subject to internal controls and review processes. While reasonable efforts have been made to ensure accuracy, completeness, and consistency, the Company does not warrant that the information is free from errors or omissions. Forward-looking statements, targets, and commitments reflect management's current expectations and are subject to change due to evolving regulatory requirements, business conditions, and other external factors. The report is intended for general informational purposes and should not be construed as a basis for investment or other decision-making.

