



Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

BIODIVERSITY RISK ASSESSMENT PROCESS MANUAL

Version	Revision/Review Date	Approved By	Date Approved
Adopted on	-	ESG Council	16.09.2026

1. Introduction

Himadri acknowledges that biodiversity is the foundation of sustainable ecosystems and resilient communities. Our operations and supply chains interact with nature in multiple ways, creating both dependencies and impacts. Recognizing these interconnections, HSCL is committed to systematically assessing biodiversity risks and opportunities to safeguard ecosystems while ensuring long-term business resilience.

2. Purpose

The purpose of this process is to:

- Establish a structured framework for identifying biodiversity dependencies and impacts across HSCL's operations, supply chain, and downstream activities.
- Integrate biodiversity considerations into the company-wide risk management process using recognized methodologies and frameworks.
- Ensure a location-specific approach that captures risks at sites adjacent to critical landscapes, seascapes, and watersheds.
- Strengthen collaboration with local communities, NGOs, authorities, and industry peers to drive collective action for biodiversity conservation.
- Align HSCL's business strategy with global sustainability goals, embedding biodiversity protection into decision-making at all levels.

3. Risk Assessment Framework

Step 1 : Identification of Dependencies and Impacts

- Map biodiversity dependencies (e.g., water regulation, pollination, carbon sequestration).
- Identify impacts (e.g., habitat fragmentation, pollution, ecosystem disruption).
- Apply location-specific analysis for own operations and adjacent areas (0–2 km).

Step 2 : Application of Methodologies and Frameworks

Use globally recognized tools such as:

- TNFD LEAP approach
- Integrated Biodiversity Assessment Tool (IBAT)
- Species Threat Abatement and Restoration (STAR) metric
- Natural Capital Finance Alliance's Encore
- WWF Biodiversity Risk Filter

Step 3 : Coverage Across Value Chain

- Own Operations: Assess risks at plants, facilities, and subsidiaries.

- Adjacent Areas: Evaluate impacts on nearby ecosystems and watersheds.
- Upstream Activities: Assess supplier practices, raw material sourcing, and extraction.
- Downstream Activities: Evaluate impacts from product distribution, use, and end-of-life.

Step 4 :Mitigation and Action Planning

- Develop site-specific biodiversity management plans.
- Implement restoration initiatives where ecosystems are degraded.
- Collaborate with industry peers and NGOs for collective action.

Step 5 :Monitoring and Disclosure

- Track biodiversity indicators annually.
- Report risks, mitigation actions, and outcomes in ESG disclosures.
- Maintain grievance mechanisms for local communities to raise biodiversity concerns.

4. Governance

- Oversight by the Sustainability (ESG) Committee at Board level.
- Annual reporting to the Board of Directors on biodiversity risks and actions taken.
- Integration of biodiversity risk assessment into enterprise-wide risk management.

5. Progress FY 2025-26

- No Biodiversity-related risks identified in the FY 2025-26.

Dated: 16.09.2026

Sd/-
Anurag Choudhary
Chairman-cum-Managing
Director & CEO