Himadri

Building the New World Sustainably

SUSTAINABILITY REPORT
FY 2025-26

Himadri Speciality Chemical Ltd

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INTRODUCTION

BUILDING THE NEW WORLD SUSTAINABLY

At Himadri, every phase of our journey has been defined by creation of new capabilities and creation of long-term value. In 1990, that meant establishing a coal tar distillation facility in Liluah Howrah. Over the decades that followed, it meant evolving into India's leading coal tar pitch manufacturer, the country's largest producer of naphthalene and SNF, and India's only integrated domestic producer of advanced carbon materials. Today, our ambition is larger still: building the materials and technologies that will power the next phase of industrial energy transition spanning anode active materials, LFP cathode active materials, lithium-ion battery recycling, advanced materials, speciality chemicals, agriculture, animal & human health - while continuing to serve the aluminium, steel, tyre, construction, paints & coatings, electronics, infrastructure and manufacturing industries that have underpinned our growth for close to four decades.

This year's reporting theme, **Building the New World Sustainably**, reflects our belief that growth and stewardship are complementary priorities at Himadri, advancing together to create long-term value. As our portfolio widens into new energy materials, battery technologies, advanced materials and science-led solutions, we are extending the same principles of environmental stewardship, ethical governance, operational excellence and social responsibility that have shaped our legacy businesses.

The new world is being shaped by evolving energy systems, along with the materials, technologies and partnerships that make those transitions possible. For Himadri, sustainability is therefore both a responsibility and a strategic enabler – influencing how we manufacture, innovate, allocate capital, engage our value chain and create solutions for a rapidly changing world.

From Strong Foundations to New-World Opportunities

Our transformation is best understood as a flywheel: capital generated from our established Carbon Materials & Chemicals business is reinvested into new capabilities, and those capabilities in turn open new, more sustainable markets. During FY 2025-26, this included the commissioning of an additional Speciality Carbon Black capacity at Mahistikry, creating the world's largest speciality carbon black manufacturing site at a single location; continued progress on our Lithium-ion Battery Materials project, and our strategic partnership with Sicona Battery Technologies, Australia, to advance silicon-carbon anode innovation.

Each milestone demonstrates a consistent philosophy: building new-world opportunities on a foundation of manufacturing excellence, research & innovation, operational discipline and stakeholder trust.

Collaboration sits at the centre of this journey. We collaborate with global OEMs and cell manufacturers to qualify next-generation battery materials, partner with research institutions to advance our innovation pipeline, and engage with our value chain partners who are assessed against environmental, ethical and human rights standards. Through these relationships, we ensure that responsible practices extend well beyond our own operations.

Our approach is impact-driven, with every investment evaluated for both the value it creates and the positive environmental and social outcomes it enables. Sustainability considerations are embedded into business decisions, supported with our Net-Zero commitment by 2050, aligned with the Science Based Targets initiative (SBTi), and reinforced through clearly articulated environmental, social and governance priorities.

Connecting Sustainability to the Infinite Cycle of Value Creation

This Sustainability Report demonstrates how our business strategy is translated into measurable actions and outcomes. Our approach to climate strategy, decarbonisation, energy management and water stewardship highlight our commitment to achieve business growth with greater efficiency and lower environmental intensity. Our works across responsible supply chains, human rights due diligence and community development demonstrate our commitment to creating long-term value for all stakeholders. These efforts are supported by robust governance framework anchored by a Board-level Environment, Social and Governance Committee, ensuring effective oversight, accountability and transparent decision-making as we pursue our long-term ambitions.

Building the New World Sustainably reflects our commitment to creating lasting value through responsible growth, innovation and collaboration. As we scale in advanced materials, new energy materials, clean energy and innovation-led businesses, we remain focused on strengthening accountability, measuring our progress and delivering sustainable outcomes for our stakeholders. Further details on our strategic priorities and growth pillars are provided in *the Strategy & Value Creation* section of this Report, while our climate ambition and environmental priorities are presented in the *Planet - Environment & Climate* section.

Innovation With Purpose. Growth With Happiness.

VISION

We have charted a new vision for our Company:

To build a pioneering institution that transforms dreams into reality and creates happiness through innovation, courage, and sustainability.

Our Vision reflects Himadri's aspiration to evolve beyond a successful enterprise into an enduring institution. It embodies our commitment to innovation, courage, sustainability, and shared prosperity, guiding us as we create value that extends beyond business performance and contributes positively to society.

MISSION

This is our new mission:

To responsibly create sustainable value for all stakeholders by empowering people to make bold, ethically grounded decisions, developing breakthrough innovations, and delivering excellence in everything we do.

Our Mission articulates how we intend to fulfil our Vision. It places equal emphasis on people, innovation, integrity, and execution excellence, reinforcing our commitment to creating lasting value for stakeholders while enabling responsible and sustainable growth.

VALUES

Our new 'CARE' values framework:

- **C** – **Courage to Act:** Bold decisions. Ethical actions. Fearless pursuit of innovation.
- **A** – **Accountability:** Own the outcome. Deliver on every commitment.
- **R** – **Reliability:** Be consistent. Be dependable. Build trust through actions.
- **E** – **Empathy:** Inclusive mindset. Respect everyone. Value every perspective.

Together, our Vision, Mission and CARE values guide how we build the new world — shaping out decisions, guiding our actions, reinforcing our commitment to innovation, responsible decision-making, reliability, empathy and long-term sustainable value creation.

ENVIRONMENTAL PERFORMANCE FY 2025-26

Climate & Energy

Net-Zero 2050
Long-term ambition to achieve Net-Zero GHG emissions across the value chain by 2050

1,30,000 MTPA
Speciality Carbon Black capacity at Mahistikry following the brownfield expansion

Expanded GHG Inventorisation
Expanded the GHG inventorisation and accounting to additional categories of scope 3 and market based scope 2

100% LCA coverage across defined priority product categories
LCA studies covering Carbon Black, Coal Tar Pitch, Naphthalene, SNF and PCE on a cradle-to-customer basis

2,50,000 MTPA
Total Carbon Black manufacturing capacity following the FY 2025-26 expansion

Water & Circularity

100% ZLD
Zero Liquid Discharge across operations

Harvesting
1,055.60 KL Rainwater recovered and reused at Korba

Treatment
1,250 KLD Combined ETP + WRP treatment capacity at Mahistikry

27.41% reduction
Reduction in total water withdrawal intensity against the FY 2021–22 baseline, exceeding the five-year target of 20%

622.57 ML
Water subjected to primary and secondary treatment during FY 2025–26

1,058.71 ML
Total water withdrawal in FY 2025–26

Waste & Resource Efficiency

Circularity-led operations
Focus on resource recovery, by-product utilisation, recycled and non-virgin materials and waste minimisation

Hydrocarbon derivative
Repurposed as feedstock instead of combustion, supporting resource efficiency and lower emissions

Tyre-derived pyrolysis oil
Utilised as a carbon black feedstock to support industrial waste valorisation

Decarbonisation & Energy Efficiency

Rs. 6,220/tCO_2e
Internal carbon price applied to Scope 1 and Scope 2 emissions in applicable capital investment evaluations

Waste Heat Recovery
Continued enhancement of process-energy recovery and fuel utilisation

Digital Energy Management
Digital monitoring and optimisation support energy efficiency and operational performance

Cleaner Feedstocks & Fuels
Development and adoption of alternative feedstocks, low-carbon fuels and bio-based solutions

Sustainable Products & Innovation

5 Product Categories covered through LCA
Carbon Black | Coal Tar Pitch | Naphthalene | SNF | PCE

New Energy Materials
Anode materials | LFP cathode active materials | Lithium refining | Battery recycling

Sustainable Product Innovation
Low-PAH grades | Recyclable-material compatibility | Conductive carbon black | Battery-Grade Carbon Materials | Energy-efficient applications

Biodiversity & Natural Capital

33%+ Greenbelt Coverage
Sustained greenbelt development across manufacturing locations

Mission Prakriti
Team participation in plantation, environmental awareness and post-plantation care

Zero Reported Biodiversity-Loss Incidents
Biodiversity performance was maintained with zero reported loss incidents attributable to our operations during FY 2021-22 to FY 2025-26

Biodiversity Conservation Task Force
Dedicated governance mechanism supporting ecosystem conservation, greenbelt development, plantation and habitat preservation

SOCIAL PERFORMANCE FY 2025-26

People & Workplace

3,193
Total workforce

1,395
Employees

1,798
Workers

6.14%
Women representation among permanent employees

Health, Safety & Well-being

100%
Health & safety training coverage across employees and workers

35,600+
Man-hours of safety training across our entire workforce

100%
Third-party contractor safety induction coverage

100%
Workforce participation in emergency preparedness drills

100%
Permit-to-Work system deployed across all manufacturing sites.

10,100+
Safety observations logged, with more than 90% closure through the safety audit process

Zero MSD-related LTIs
Ergonomic safety standards deployed across all sites

Learning & Development

100%
Employees covered by health and safety training

100%
Workers covered by health and safety training

100%
ESG, compliance and ethics training coverage across Board, KMPs, employees and workers

5-Level
External safety training framework covering awareness, safety audits, risk assessment, machine safety and ergonomics

UTKARSH LMS
AI-enabled learning platform supporting training delivery, tracking and completion

Human Rights & Inclusion

100%
Permanent and other-than-permanent employees and workers covered by the human-rights training framework

100%
Return-to-work and retention rate following parental leave across reported workforce categories

Zero
Reported complaints relating to sexual harassment, workplace discrimination, child labour, forced labour, wages and other human-rights issues during FY 2025–26

Community & CSR

100%
Beneficiaries from vulnerable and marginalised communities for reported CSR projects

15,316
Beneficiaries of healthcare initiatives

2,813
External safety training framework covering awareness, safety audits, risk assessment, machine safety and ergonomics

Community Development
CSR programmes spanning education, healthcare, rural development, drinking water, electrification, sports and community infrastructure

GOVERNANCE PERFORMANCE FY 2025-26

Ethical & Responsible Governance

Board & Leadership

7
Board members

14.29%
Women representation on the Board

7
Key Managerial Personnel

14.29%
Women representation among KMP

2030 ambition
25% representation of women and underrepresented groups across the Board, management and workforce

Ethics & Business Integrity

Zero
Reported bribery/corruption instances involving Directors, KMPs, employees and workers

100%
Code of Conduct and ethics framework applicable across the organisation

ISO 37001:2016-aligned
Anti-Bribery & Anti-corruption Policy framework

Independent assessment
Anti-Bribery Due Diligence Assessment conducted by TÜV SÜD during FY 2025–26

Risk-based due diligence
Applied to suppliers, agents and contractors, with enhanced focus on higher-risk functions

Responsible Value Chain

100%
Assessment of targeted value-chain partners, representing 75% of Group spend and sales

Responsible Sourcing
ESG considerations integrated into supplier engagement and assessment

Local & Inclusive Procurement
Engagement with local enterprises and businesses associated with economically disadvantaged and vulnerable communities

Supplier capability Building
Training and engagement to strengthen responsible sourcing, ESG awareness and sustainability performance

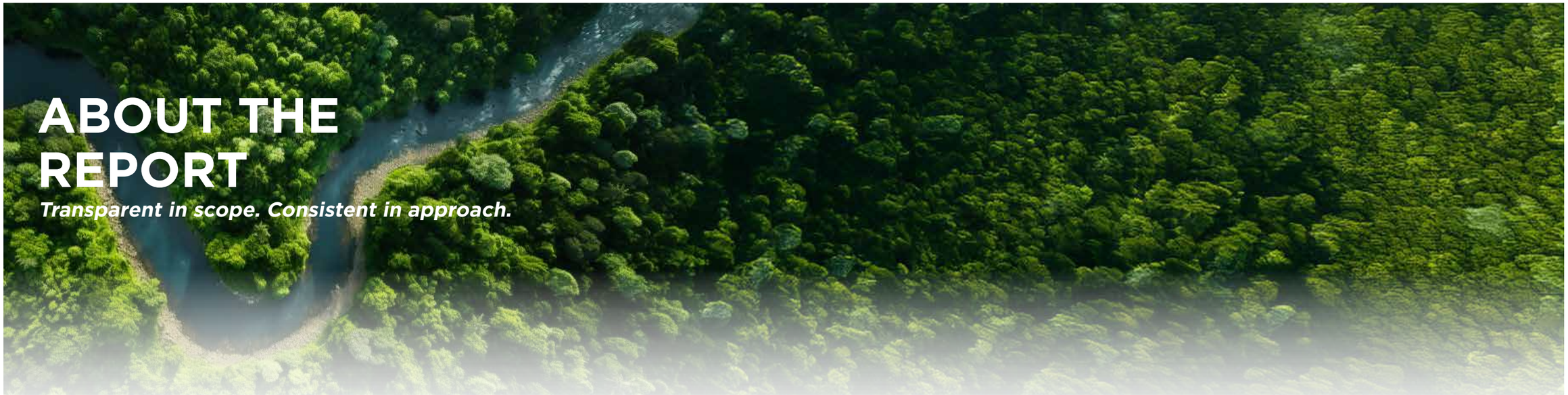
Stakeholder Engagement & Grievance Redressal

Enterprise-wide grievance mechanism
Accessible to permanent and non-permanent workforce

Multiple reporting channels
Helpline | Toll-free number | Email | Whistleblower mechanism

13 Engagement platforms
Supporting workforce participation, safety dialogue, operational excellence and feedback

Social Performance Team
Worker and management representation supporting dialogue, grievance redressal and SA8000:2014 compliance



ABOUT THE REPORT

Transparent in scope. Consistent in approach.

Reporting Boundary And Scope

GRI 2-2 | 2-3

The disclosures in this Report cover Himadri Speciality Chemical Ltd on a standalone reporting boundary for the FY 2025-26. Unless otherwise stated, the Report includes the Company's manufacturing facilities and corporate offices in India.

Reporting Standards And Frameworks

This Report has been prepared **'in accordance with'** the **GRI Standards** (Global Reporting Initiative, 2021). Please refer to see the GRI Content Index in the Annexures for the complete list of disclosures and any applicable omissions. It also aligns with:

- The Business Responsibility and Sustainability Report (BRSR) format prescribed by the Securities and Exchange Board of India (SEBI);
- The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), detailed further in the Climate Risk & Opportunity section and in our standalone TCFD Report;
- The Ten Principles of the United Nations Global Compact (UNGC), of which Himadri is a signatory, in fulfilment of our annual Communication on Progress; and
- The United Nations Sustainable Development Goals (SDGs), mapped against our material topics in the Annexures.

Material Topics

GRI 3-3

The topics covered in this Report reflect the outcome of our materiality assessment, undertaken with an external agency during FY 2025-26 and reviewed by our Environment, Social and Governance (ESG) Committee and Board. The finalised material topics list consisting the 'Sustainability Objectives', prioritisation matrix and governance ownership are presented in the *Key Material Topics* section of this Report.

Restatements And Changes In Reporting

GRI 2-4

Our reporting boundary and organisational structure remained consistent during FY 2025-26, supporting comparability of our disclosures presented in the Report. In line with our commitment to accurate and transparent reporting, we periodically review and refine our data collection processes for Key Performance Indicators (KPIs). Where these reviews result in revisions to previously reported figures, we update the data accordingly. Such revised data is marked with (R#) to indicate a restatement undertaken to enhance accuracy or align with current reporting standards.

External Assurance

GRI 2-5

Himadri's sustainability disclosures are subject to independent external assurance by TÜV SÜD South Asia Pvt Ltd. For FY 2025-26, the assurance level has been enhanced to reasonable assurance, from the limited assurance level reported for FY 2024-25. This Report has been prepared 'in accordance with' the requirements of the Global Reporting Initiative (GRI) Standards, 2021.

The detailed assurance statement, including scope, 'declaration of independence', methodology and conclusions, is available in the *'Assurance statement on third-party verification of sustainability information'* section of this report.

Reporting Approach

Quantitative and qualitative disclosures in this Report have been compiled from Himadri's internal management information systems, audited financial statements and the data underlying our FY 2025-26 disclosures. All monetary figures are presented in Indian Rupees - INR (Rs.) unless stated otherwise.

Forward-Looking Statements

This Sustainability Report contains forward-looking statements that reflect Himadri's current expectations, strategic priorities, future plans and sustainability ambitions. These statements are based on information available at the time of publication, together with assumptions, estimates and judgments considered reasonable by the Company.

Forward-looking statements are inherently subject to risks and uncertainties that may cause actual outcomes to differ materially from those expressed or implied. These factors include changes in economic conditions, market demand, technological advancements, regulatory and policy developments, climate-related risks, geopolitical events and other factors that may influence the Company's operating environment.

Our forward-looking statements reflect current expectations, strategic priorities, future plans and sustainability ambitions and should be considered in the context of the assumptions and uncertainties described in this Report.

We update or revise forward-looking statements where required by applicable law or regulatory requirements.

Report at a Glance

Annual Report FY 2025-26

View report

Reporting Period

1 April 2025 – 31 March 2026

Reporting Frameworks

Global Reporting Initiative (GRI) - In Accordance

Business Responsibility and Sustainability Report (BRSR)
FY 2025-26

View report

Reporting Cycle

Annual

Independent Assurance

TÜV SÜD South Asia Pvt. Ltd.
(Reasonable Assurance)

Sustainability Report FY 2024-25

View report

Reporting Boundary

Standalone reporting boundary covering Himadri's operations in India, with overseas manufacturing disclosures included where relevant and data are available.

Assurance Scope

KPIs under Sustainability Reporting Standards of the Global Reporting Initiative 2021 version

TCFD Report FY 2025-26

View report

Previous Reporting Period

FY 2024-25

Related Resources Corporate Policies Across the Verticals

Visit website

Compliance
Mrs. Monika Saraswat
Company Secretary
& Compliance Officer
monika@himadri.com

Investor Relations
investors@himadri.com
info@himadri.com

About Himadri

Four Decades Of Responsible Growth. One New-World Direction.

GRI 2-1 | 2-6 | BRSR Section A

Himadri Speciality Chemical Ltd, established in 1990 and headquartered at Fortuna Tower, 23-A Netaji Subhas Road, Kolkata, is a public limited company listed on both the National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE). Over more than three decades, Himadri has evolved from a coal tar distillation company into a global speciality solutions company serving both traditional industries and the emerging energy-transition ecosystem. Today, the Company is India's leading manufacturer of coal tar pitch, the country's largest producer of naphthalene and SNF, and the only integrated domestic producer of advanced carbon materials. At the core of Himadri's business model is the transformation of coal tar, a by-product of the steel industry, into a diversified portfolio of high-value carbon materials, speciality chemicals, advanced materials and new-energy solutions. Through continuous innovation, process integration and resource optimisation, the Company creates value across multiple downstream industries, while maximising the utilisation of every fraction within its integrated value chain. Carbon Materials and Chemicals remained the principal business during FY 2025-26, contributing 99.56% of consolidated revenue (NIC Code 23999).

Business Segments

Himadri (on a consolidated basis) reports two strategic business verticals as its reportable segments, reflecting the different technologies and go-to-market strategies each requires:

Reportable segment	Nature of operations
Carbon Materials and Chemicals	Manufacturing of coal tar pitch, carbon black, speciality carbon black, naphthalene derivatives, SNF/PCE, speciality oils and new energy materials
Power	Generation and distribution of power, including captive power generation supporting manufacturing operations

These segments collectively position Himadri across industrial manufacturing, resource transformation and next-generation materials, enabling diversified growth while supporting long-term resilience.

Product Portfolio

Our product portfolio combines established market leadership positions with future-focused innovation, serving diverse range of industrial, infrastructure, mobility and energy transition applications:

- **Carbon Black and Speciality Carbon Black** — including ASTM and speciality grades catering to tyres, mechanical rubber goods (MRG), plastics, inks wires & cables, Lithium-ion cells wires & cables, and conductive applications.
- **Coal Tar Pitch** — a critical input for the aluminium and graphite electrode industries;
- **Naphthalene and Refined Naphthalene Derivatives,** used across construction chemicals, agrochemicals, dyes, dyes intermediates and other speciality chemical applications;
- **SNF (Sulphonated Naphthalene Formaldehyde) and PCE (Polycarboxylate Ether)**, high-performance admixtures for the construction and infrastructure sector;
- **Speciality Oils and Anti-Corrosion Products**;
- **Durofresh™**, our branded moth-repellent naphthalene product for the household and personal care segment;
- **New Energy Materials** — anode materials, LFP (lithium iron phosphate) cathode active materials, lithium mining and refining, silicon-carbon technologies and lithium-ion battery recycling, developed through both organic growth and strategic partnerships; and

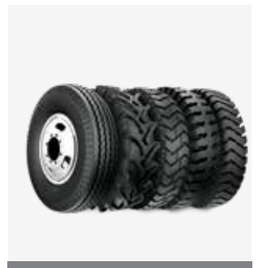
Product Portfolio

ONYX

ANODE MATERIALS

DUROFRESH™

ANTHRAQUINONE


VIRTEX

SPECIALITY OILS

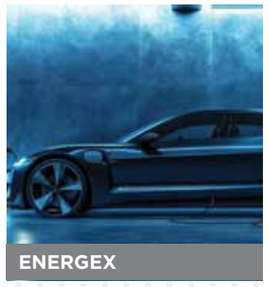
PCE

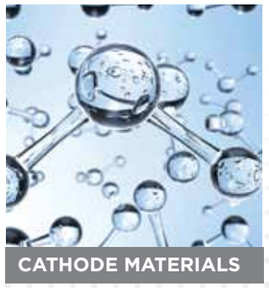
COLORX

KLAREX

SNF

SILICON-BASED ANODE MATERIALS


ENERGEX


CATHODE MATERIALS

ELECTRA

CARBAZOLE

Himadri's Products Enabling a Sustainable World

Lithium-ion batteries

Foundational to electric mobility and energy storage ecosystems.

Lithium-ion battery component materials and advanced carbon materials manufactured by Himadri are used to improve conductivity, energy density, and cycle life.

Paints

Indispensable for homes, offices and consumer products.

Speciality Carbon Black and Carbon Black manufactured by Himadri are used as pigments and performance enhancers in decorative and industrial coatings.

Technical rubber goods

Critical for automotive, industrial and engineering applications.

Carbon Black, Speciality Carbon Black, and speciality oils manufactured by Himadri are used to improve strength, elasticity, and processing efficiency.

Plastics

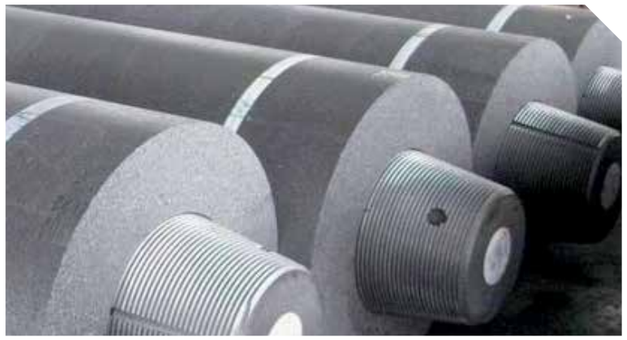
Essential for packaging, consumer goods, automotive and infrastructure applications.

Speciality Carbon Black and Carbon Black manufactured by Himadri are used for colour, UV protection, conductivity, and reinforcement in plastic compounds.

Aluminium

Key material for light weighting structures, power transmission and construction.

Coal Tar Pitch manufactured by Himadri is used as a binder in aluminium smelting and electrode applications.



Graphite (in electrodes)

Demand linked to battery and cell manufacturing. Indispensable for cell operations.

Coal Tar Pitches - Binder grade and Impregnated Grades manufactured by Himadri are used in the manufacture of graphite electrodes.

Agrochemicals

Essential for crop protection and agricultural productivity.

Naphthalene and SNF manufactured by Himadri are used as intermediates and dispersing agents in agrochemical formulations.

Dyes

Critical inputs for textiles, leather and speciality applications.

Naphthalene manufactured by Himadri is used as a key raw material for dye intermediates.

Inks

Essential for packaging, printing and labelling applications.

Speciality Carbon Black manufactured by Himadri is used as a pigment for colour strength, dispersion stability, and print durability.

Tyres

Core component for mobility across passenger, commercial and off-road segments.

Carbon Black, Speciality Carbon Black, and speciality oils manufactured by Himadri are used to enhance tyre performance and longevity.

Construction (used in additives)

Integral to cement, concrete performance and infrastructure durability.

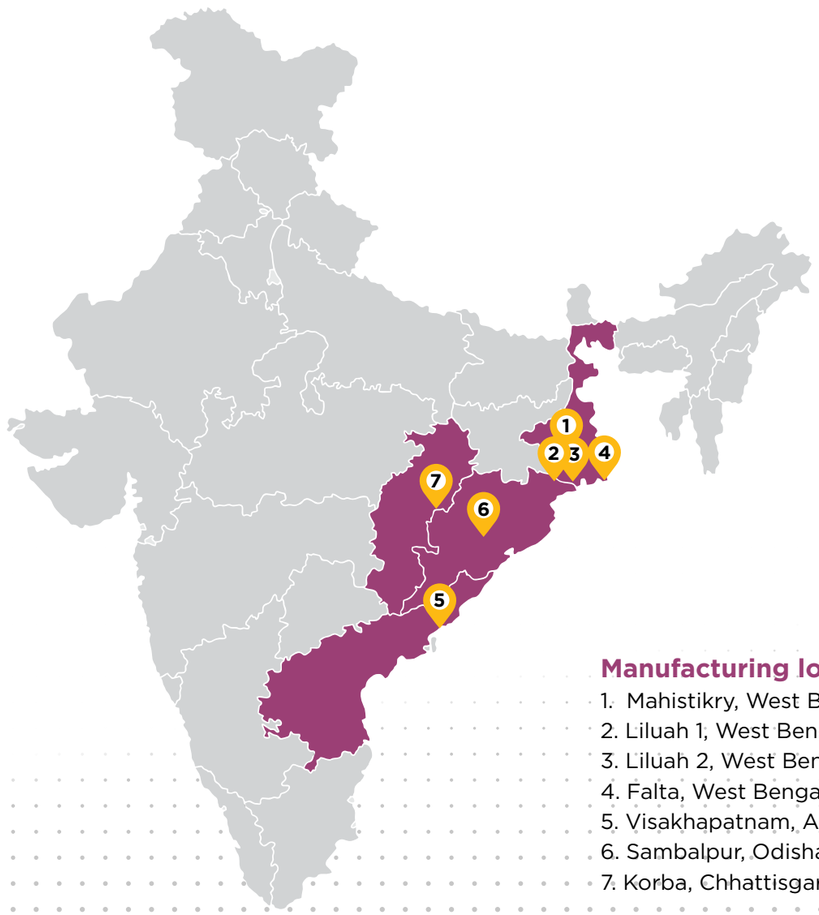
Polycarboxylate ether (PCE) and SNF made by Himadri are used as concrete admixtures to enhance strength, workability, and durability.

Manufacturing Footprint

As of 31 March 2026, Himadri operates 8 manufacturing facilities — 7 in India and 1 overseas — together with 8 offices, giving a total of 16 operating locations. Our Indian manufacturing sites are located at Mahistikry (Hooghly, West Bengal), Liluah (Howrah, West Bengal — two facilities), Sambalpur (Odisha), Visakhapatnam, Korba (Chhattisgarh) and Falta (West Bengal). Our overseas manufacturing facility is operated in China through our step-down subsidiary, Shandong Dawn Himadri Chemical Industry Limited. Following the brownfield expansion commissioned during FY 2025-26, the Mahistikry facility has become the world's largest single-location speciality carbon black manufacturing site, reinforcing Himadri's leadership in advanced carbon materials.

Refer: himadri.com - Global Presence

Our integrated manufacturing footprint enables proximity to key markets, efficient logistics and greater operational flexibility while supporting responsible manufacturing practices across the value chain. A detailed manufacturing footprint is presented in the Corporate Snapshot.



Manufacturing locations

1. Mahistikry, West Bengal
2. Liluah 1, West Bengal
3. Liluah 2, West Bengal
4. Falta, West Bengal
5. Visakhapatnam, Andhra Pradesh
6. Sambalpur, Odisha
7. Korba, Chhattisgarh

Corporate Structure

As on 31 March 2026, Himadri's corporate structure comprised 14 subsidiaries, including three overseas subsidiaries located in Hong Kong, China and the United States of America. Our corporate structure is supported by these subsidiaries, with our operations organised through the established entities within the Group. Recent additions to the Group reflect our expanding presence across advanced materials, clean energy and future-focused business. These include Himadri Clean Energy Limited and its step-down subsidiaries (Himadri Future Material Technology Limited, Himadri Green Technologies Innovation Limited), Himadri Advance New Energy Material Limited, Himadri Integrated Minerals and Resources Limited, and Birla Tyres Limited, which became part of the Group during FY 2025-26. The complete list of subsidiaries, shareholding percentages and dates of incorporation or acquisition is disclosed in the Board's Report forming part of Annual Report FY 2025-26.

Value Chain And Business Relationships

Our value chain extends from responsible sourcing of coal tar and other raw materials through integrated manufacturing, logistics, distribution and customer partnerships across domestic and international markets. Beyond our operational footprint, we collaborate with technology partners, research institutions, industry associations and other stakeholders to accelerate innovation in advanced carbon materials, battery materials and new energy solutions. Our approach to responsible sourcing, supplier engagement and sustainability due diligence is discussed in the Responsible Supply Chain section in this report.

Markets Served and Value Chain

During FY 2025-26, Himadri supplied across 25 States in India and 61 countries internationally, with exports contributing 31.54% of total turnover. The Company serves a diversified customer base spanning steel, aluminium, graphite, lithium-ion cells, tyres, automotive components, plastics, paints, fibres, printing inks, construction and infrastructure sectors. This diversified presence reflects the breadth of our integrated business model which contributes to the resilience of our portfolio.

Our Global Footprint

Our Products are available in 61 Countries.

The Company's international operations are driven by 'emotional or physical customer proximity'.

The Company ensures that customer operations are never interrupted on account of a stock out.

1	Algeria	21	Germany	41	Poland
2	Argentina	22	Ghana	42	Portugal
3	Australia	23	Greece	43	Qatar
4	Austria	24	Guatemala	44	Saudi Arabia
5	Bahrain	25	Indonesia	45	Senegal
6	Bangladesh	26	Israel	46	Serbia
7	Belarus	27	Italy	47	Slovenia
8	Belgium	28	Japan	48	South Africa
9	Brazil	29	Malaysia	49	South Korea
10	Canada	30	Mauritius	50	Spain
11	Chile	31	Mexico	51	Sri Lanka
12	China	32	Morocco	52	Sweden
13	Colombia	33	Mozambique	53	Thailand
14	Costa Rica	34	Nepal	54	Tunisia
15	Czech Republic	35	Netherlands	55	Turkey
16	Ecuador	36	Nigeria	56	UAE
17	Egypt	37	Oman	57	Uganda
18	Ethiopia	38	Paraguay	58	United Kingdom
19	Finland	39	Peru	59	USA
20	France	40	Philippines	60	Venezuela
				61	Vietnam

Chairman, Managing Director & CEO'S Message

Mr. Anurag Choudhary

Founder, Chairman-cum Managing Director & Chief Executive Officer

Building the new world, sustainably

Every industry eventually arrives at a moment when the question changes. For three and a half decades, the question at Himadri was: how much more can we produce? The question we ask ourselves today is: what value are we creating, for how many people, for how long, and in what way are we shaping the future around us?

I have often said that sustainability begins with a simple idea: respect. Respect for the environment that sustains us. Respect for the resources we depend on. And respect for the generations that will inherit the world we are helping to build. At Himadri, this belief extends far beyond policy or compliance. It guides how we allocate capital, design assets, manage resources, develop technologies, and make decisions across our business. FY 2025-26 was a year of significant growth and transformation. Yet throughout this journey, sustainability remained the discipline that enables growth to endure. Our manufacturing operations continue to benefit from clean energy-based recovery systems and our in-house clean power now meet 100% of our electrical energy requirements during the year. Through ongoing investments in energy efficiency, operational excellence, and process optimisation, we reduced energy intensity even as production volumes expanded. Increasingly, sustainability is being built into the operating architecture of our business from the outset. Every new facility, every major investment, and every future platform is being designed with resource efficiency, safety, operational reliability, and long-term resilience in mind. Today, Himadri is entering a new phase of its journey. We have evolved from a coal-tar derivatives company into a global speciality solutions powerhouse, building capabilities across advanced carbon materials, battery materials, speciality chemicals, mobility solutions and emerging science-led applications. A clear conviction guides this transformation: growth is most enduring when it strengthens our customers, our communities, our people and the ecosystems on which our future depends.

A new world is being built at the molecular level

The world we are building into is, quite literally, electrifying. Energy is moving from combustion towards renewable electrons, mobility is becoming electric, and storage is becoming as important as generation. And the materials that enable these transitions are becoming as strategically important as the energy sources themselves. We have chosen to position Himadri directly inside this transition.

We continue to advance in development world's first commercial LFP cathode active material facility outside China, and our silicon-carbon anode collaboration with Sicona Battery Technologies in Australia, alongside our partnership with International Battery Company in the United States. Cathode and anode materials together account for almost two-thirds of the cost of

a lithium-ion cell. Our decision to build capabilities across both is the outcome of years of scientific effort, technological development and conviction in the long-term importance of battery materials. We believe meaningful opportunities emerge when research depth is matched with patience and a willingness to invest ahead of demand.

Our ambition remains focused and clear. We are building an advanced materials platform that supports the battery ecosystem while remaining focused on the chemistry beneath the cell. We see our role as enabling technology, performance, and energy storage solutions through materials innovation.

This same materials-led thinking has led us into another important frontier: carbon nanotubes (CNT). Developed through our in-house research capabilities, CNT is ~100 times stronger than steel while offering electrical conductivity comparable to copper, and holds significant applications across semiconductors, electric mobility, energy storage, aerospace, advanced polymers and future industrial applications. As India's advanced manufacturing and semiconductor ecosystems continue to evolve, we believe our expertise in carbon chemistry can contribute meaningfully to these next generation industries.

Our investment in Birla Tyres reflects a similar logic of value creation through integration and application. Built upon our decades of experience in speciality carbon materials, Birla Tyres enables us to participate more directly in mobility solutions and future-facing tyre applications across electric vehicles, off-highway applications, agriculture, and industrial markets.

Our forward integration into the tyre industry, through our investment in Birla Tyres alongside Dalmia Bharat Refractories, reflects the same logic. Speciality carbon black is a critical input into tyre performance, and our decades of depth in carbon materials give us a natural, defensible advantage as we extend downstream — including into the specialised tyres that electric vehicles and off-highway applications will increasingly demand. Our research effort in speciality carbon black continues to expand the range of what this material can do, from conductive black in wires, cables and engineering plastics, to reinforcement in lithium-ion batteries, inks, coatings and speciality fibres.

Execution, People, and Technology

Transformation is ultimately delivered through execution. Strong ideas only create value when they are translated into capabilities, systems, and operating excellence. Across Himadri, production, research, engineering, procurement, and commercial teams work through an integrated framework designed to ensure that innovation, sustainability, and operational performance advance together.

As we scale, digitalisation is becoming an increasingly important enabler of this transformation journey. Greater visibility into energy consumption, process performance, equipment behaviour, and operational data is helping us improve efficiency, strengthen reliability, and identify opportunities for continuous improvement across our manufacturing footprint.

At the centre of this progress are our people. More than 1,100 professionals across manufacturing, research, technical, and corporate functions contribute every day to building the future of the organisation. As we expand into new technologies and new businesses, we are equally focused on building the capabilities, culture, leadership, and values required to sustain growth over the long term. Our CARE values framework provides a shared foundation for this journey, reinforcing the importance of Courage, Accountability, Reliability, and Empathy in everything we do.

Circularity, alongside growth

As we build new capabilities, we are reimagining how resources are used. Circularity plays an increasingly important role in our long-term strategy. We continue to advance initiatives on recovered carbon black, waste valorisation, by-product utilisation, and resource recovery across our operations. We are also evaluating opportunities across battery recycling and circular material flows, recognising that sustainable growth requires sustainable resource use. Our approach is straightforward: create more value from every resource while reducing dependence on virgin inputs wherever possible. As a signatory to the United Nations Global Compact, we continue to hold ourselves accountable to the globally recognised principles across environmental stewardship, human rights and ethical governance.

The financial discipline behind the ambition

Long-term ambition must be supported by financial discipline. FY 2025-26 reflected continued strength on this front. Consolidated revenue stood at Rs. 4,660.70 crores EBITDA grew 19% to Rs. 1,005.70 crores, and profit after tax strengthened by 36% to Rs. 755.07 crores representing the highest profit in the Company's history. Return on Capital Employed remained robust at 32%, and we continued to fund our expansion through internal accruals while maintaining a positive net-cash position.. Our commitment to innovation remained equally strong. During the year, Himadri invested Rs. 128.06 crores, i.e. 2.75% of the total revenue in research and development supported by a team of more than 180 R&D professionals, including over 28 PhDs. To me, this is inseparable from our sustainability journey: a strong disciplined balance sheet gives us the freedom to invest in the technologies, capabilities and innovations that create value not only today, but for decades to come.

Preparing for uncertain future

We live in an era where disruption has become a permanent feature of the operating environment. Our response is resilience. We continue to build a supply chain reliability, diversify our capabilities, invest in innovation, and buld strategic flexibility across our business. The fact that our primary feedstock continues to be sourced largely from domestic steel producers contributes meaningfully to supply security and operational resilience. Safety remains equally central to this philosophy.

Our **Zero Accident Vision** and the standard of "**no leaks, no hazards, no compromise**" remain non-negotiable. During FY 2025-26, our teams achieved more than 11 million man-hours without a lost-time injury, reflecting the discipline, engagement, and commitment embedded across our operations.

Building an institution for the future

Ultimately, our goal extends beyond building successful businesses, we are building an institution. An institution capable of creating value across generations and defined by responsible growth, scientific innovation, operational excellence, and stakeholder trust. Our renewed Vision, Mission and CARE values provide the foundation for this journey. Our investments in technology, people, manufacturing capabilities, sustainability, and innovation provide the capability and commitment to doing things the right way provides confidence to look ahead.

I believe the defining measure of our success will be our ability to grow with purpose — creating competitive businesses, enabling more sustainable industries and contributing meaningfully to the communities and environment around us. At Himadri, we remain committed to building that future with courage, accountability, reliability and empathy.

Chief Sustainability Officer's Message

Building trust, one measurable outcome at a time

Sustainability, in my experience, is built much like trust — through consistent actions, transparent decisions, and measurable outcomes repeated across the organisation, over time. During FY 2025-26, we continued to strengthen this approach at Himadri by embedding environmental performance, social responsibility and sound governance more deeply into the way how we operate, invest, innovate and create long-term value. As Himadri expands across speciality solutions, advanced materials, and new-energy technologies, our responsibility is to ensure that sustainability advances alongside growth. This requires clear governance, credible data, disciplined execution, and a willingness to continuously strengthen our systems in line with evolving science and stakeholder expectations.

Dr. Avijit Sasmal

Chief Sustainability Officer

A governance architecture built for accountability

Our sustainability programme continues to be anchored by a three-tier governance architecture designed to translate ambition into accountability and accountability into action. At highest level, the Board-level ESG Committee that reviews and sanctions sustainability-linked capital allocation, sets climate-related priorities, KPIs and our Net-Zero pathway. The ESG Council translates this strategic direction into enterprise-wide action through regular monthly cadence. At the operational level, plant-based Sustainability Steering Committees localise our strategies into site-specific execution and embed them into daily operations and decision making. This structure enables sustainability priorities to move seamlessly from the Board-level ambition to enterprise-wide execution, supported by defined accountability, regular review and site-level ownership. Environmental and social performance is increasingly considered alongside financial and operational indicators, strengthening the integration of sustainability into decision-making and capital allocation.

From targets to measurable progress

Our Net-Zero 2050 ambition, aligned with the Science Based Targets initiative, remains an important anchor of our climate strategy. During FY 2025-26, we continued to make measurable progress against our interim targets, including improvements in energy and emissions intensity. The credibility of this progress is supported by independent assurance, external benchmarking and structured ESG data governance. Together, these disciplines strengthen the quality of our disclosures, help identify opportunities for improvement, and enable sustainability information to support informed decision-making across the organisation.

EcoVadis Platinum Medal — **for the second consecutive year; Himadri was placed among the top 1% of more than 150,000 companies assessed globally.**

Circularity, extended to where our raw materials come from

One area where our thinking advanced meaningfully during the year was circularity, particularly as we developed our new-energy materials platform. India's demand for advanced battery chemistries is scaling rapidly. Building a resilient battery ecosystem requires manufacturing capabilities supported by a circular value chain, where critical materials are designed for recovery and reuse at the end of their productive life. Such an approach can reduce dependence on virgin and imported resources while strengthening long-term resource security. As we scale our cathode and anode capabilities, we are incorporating circularity into the platform from its formative stages. Recyclability, resource efficiency, and material recovery are being considered alongside performance, quality and scalability. This integrated philosophy guides our approach to our legacy carbon materials business, where recovered carbon black, by-product utilisation, waste valorisation and process integration enable us to extract greater value from resources, improve material efficiency and reduce dependence on virgin feedstock across the value chain.

Stewardship of natural resources

Responsible management of natural resources remains an important component of our environmental stewardship. During the year, water security continued to receive dedicated focus through continued investment in Zero Liquid Discharge capacity, rainwater harvesting and water-efficient cooling technologies. This focus is particularly relevant for facilities located in water-stressed river basins, alongside the early steps of a structured assessment of water-related risk across our upstream value chain. Across our operational footprint, greenbelt development, plantation and ecosystem-conscious land management complement our water-stewardship efforts and contribute to local ecological resilience. Our approach is holistic and continually evolving: we seek to understand the environmental context in which we operate and strengthen our management practices as expectations, science and stakeholder priorities evolve.

People, safety and an ethical value chain

Our people give purpose and momentum to our sustainability journey. Their ownership, awareness, and actions translate commitments into measurable outcomes across our operations. Our Zero Accident Vision continues to anchor our approach to occupational health and safety, supported by ISO 45001 certification and complete safety training coverage across our workforce. Alongside this, our human rights due diligence, diversity and inclusion commitments, responsible sourcing requirements, and supplier engagement programmers extend our sustainability accountability beyond our own operations. We continue to strengthen preventive systems, build safety awareness, and reinforce individual accountability across our plants, shop floors, and offices. . As a signatory to the United Nations Global Compact, we align our practices across human rights, labour, environmental stewardship and anti-corruption practices with globally recognised principles.

Looking ahead: from transparency to transformation

The next phase of our sustainability journey will focus on translating strong foundations into deeper transformation. Our priorities include accelerating decarbonisation, strengthening resource circularity, advancing water stewardship, enhancing our understanding of nature-related risks and opportunities, deepening responsible value-chain practices and improving the quality and decision-usefulness of ESG information. As Himadri builds capabilities across speciality solutions, advanced materials and new-energy applications, sustainability will increasingly shape how we operate, what we create, how we innovate and the value we enable for our customers, communities and society. Our commitment is clear: to continue engineering trust through transparent decisions and measurable outcomes, while scaling innovation towards a Zero-Harm and Net-Zero future. This is how we intend to contribute to Building the New World Sustainably.

Awards & Accolades

Recognition Earned Through Responsible Growth.

During FY 2025-26, our efforts across innovation, operational excellence, sustainability, workplace culture and responsible business practices were recognised by leading national and international institutions. These recognitions reflect our commitment to creating long-term value through sustainable growth and continuous improvement.

ESG Ratings And External Recognitions

EcoVadis Platinum Medal
Awarded for the second consecutive year, placing Himadri among the top 1% of approximately 1,50,000 global companies assessed

Winner of Golden Peacock Occupational Health & Safety Award-2025

Awarded at the prestigious 4th Edition of Chemconnect 2026, for the International Supply Chain Excellence in Speciality Chemicals segment.

Recognised by Dun & Bradstreet as India's Top Value Creator 2025 -Chemicals

Recognised at the 19th Exceed Environment Award 2025 - Champion (Outstanding) in Quality Management Category and Outstanding Award in the CSR category.

Awarded Indian Social Impact Award for Best 3 Integrated CSR Initiative of the Year - 2025, by brand honchos.

Mr. Anurag Choudhary (CMD & CEO) was conferred Business Today India's Best CEO Award 2026 (Chemicals) at BT MindRush 2026, recognising his leadership in driving Himadri's transformation into a diversified speciality chemicals and advanced materials company.

Recognised among the Top 100 Fastest, Most Consistent and All-Rounder Wealth Creator in 30th Annual Wealth Creation Study by Motilal Oswal Financial Services Ltd.

Recognised at the 19th Exceed CSR Award 2025 - Outstanding Award for 'Building Futures - Empowering Communities' in the CSR Category

Recognised with six prestigious awards at the 13th The Golden Globe Tigers Award 2025, across key categories in CSR, workplace excellence, climate action and sustainability leadership

Certified as a Great Place to Work®, reflecting a high-trust, inclusive and people-centric workplace culture.

CDP B rating for Climate and Water Security, reflecting strong environmental management and responsible impact stewardship.

Certified ISCC Plus for strong leadership in Sustainable and Traceable Supply Chains

International Safety Award, Merit 2026 for demonstrating a strong commitment to good health and safety management.

Honoured with four wins at the 24th Greentech Global Environment & Sustainability Awards 2025, recognising the Company's leadership across key sustainability pillars.

Winner of the 20th Exceed OHS & Security Award 2025. Legend (Emerging) - recognised for performance and commitment to excellence in OH&S category in Chemical & Fertilizer Sector.

Supplier Engagement Leader
CDP
2025

A rating, recognising best-in-class supplier collaboration on climate action at CDP — Supplier Engagement

NSE
Sustainability Ratings & Analytics

70/100 (Aspiring) rating at NSE Sustainability Ratings and Analytics

ICRA

ICRA ESG Combined Rating of 82/100 (Exceptional)

NOTE:- The ratings and performance information presented above reflects the latest available status as of the following dates: CDP – 2025 assessment; ICRA – 12 May 2026; NSE Sustainability Ratings & Analytics – 10 August 2026

STRATEGY & VALUE CREATION

Business Strategy

Building a Sustainable Future Through Strong ESG Foundations, Strategic Growth, and the Transition to Advanced Materials and Clean Technologies

Chairman-Cum-Managing Director & CEO

Sustainability as a Driver of Growth

"Himadri's growth journey demonstrates that business performance and sustainability can progress together. During FY 2025-26, the Company strengthened its financial performance, innovation capabilities and market presence while advancing energy efficiency, water stewardship, circularity, emission management and workplace safety."

Mr. Anurag Choudhary

That single statement captures the essence of our business strategy: at Himadri, performance and responsibility are pursued as single objective, rather than two competing priorities that require constant trade-offs. It reflects our current strategic chapter as the transition into the **"BUILDING THE NEW WORLD SUSTAINABLY,"** a deliberate evolution from being a carbon-materials manufacturer towards a global speciality solutions institution, defined by scientific excellence, diversified applications, resilient earnings and relevance across the industries shaping tomorrow's economy.

Our Development Strategy, Built On Four Dimensions

Our development strategy is built on four mutually reinforcing dimensions, each shaping our priorities for FY 2025-26 and beyond. **Planet** focuses on reducing emissions and resource intensity, maintaining Zero Liquid Discharge, improving circularity and strengthening climate resilience across our operations. **People and Communities** is centred on our Vision Zero Accident philosophy, developing skills and leadership across our workforce, improving inclusion, and expanding outcome-oriented CSR initiatives that create lasting impact. **Governance and Ethics** is anchored in Board-level ESG oversight, transparent compliance, disciplined risk management and ethical conduct. **Innovation and Value Chain** drives our progression into advanced materials, circular solutions, supplier ESG assessment and customer decarbonisation collaboration, embedding sustainability into product design, capital allocation, operational excellence and stakeholder engagement.

Planet
- Reduce emissions and resource intensity
- Maintain Zero Liquid Discharge
- Improve circularity
- Strengthen climate resilience across operations

Peoples and Communities
- Maintain the Vision Zero Accident philosophy
- Develop workforce skills and leadership
- Improve inclusion
- Expand outcome-focused CSR initiatives

Governance & Ethics
- Strengthen Board-level ESG oversight
- Maintain transparent compliance
- Apply disciplined risk management
- Ensure consistent ethical conduct

Innovation & Value Chain
- Advance into advanced materials
- Develop circular products
- Strengthen supplier ESG assessments
- Support customer decarbonisation

Our Focus Areas

Environmental Sustainability | Social Responsibility | Ethical Governance | Responsible Innovation

Scaling With Purpose

Our growth strategy brings together two complementary strengths: our established carbon materials and speciality chemical businesses, and emerging opportunities in lithium-ion batteries, energy storage and cleaner mobility. This balanced portfolio enhances scientific capability, broadens applications, strengthens earnings resilience and supports long-term sustainable growth. Our integrated manufacturing model plays a central role enabling the recovery and reuse of process streams and utilisation of waste gases for captive power generation, improving resource efficiency and reducing dependence on external energy sources. It demonstrates that operational excellence and environmental stewardship are mutually reinforcing drivers of value creation.

Organisational Identity And Reach

Himadri Speciality Chemical Ltd is emerging as a global speciality solutions company built on deep material science expertise and a strong culture of innovation. From its origins in carbon chemistry, the company has expanded its capabilities, enhancing the scope, sophistication and sustainability of its offerings while maintaining a clear focus on responsible growth. While Indian in origin, Himadri has built a global footprint, with products reaching **61 countries** and exports accounting nearly **30% of revenues in FY 2025-26.** Himadri operates **eight manufacturing facilities,** and reported a consolidated revenue of **Rs. 4,660.70 crores** during the year, reflecting the scale and resilience of business built through sustained execution and strategic investment

61
Reach in Countries

30%
revenue from exports in FY26

7
Domestic manufacturing facilities

Rs. 4,660.70 Cr
Consolidated revenue in FY26

Our credibility as an investment-grade, well-governed institution is reflected in external validation beyond our own reporting. Himadri's pedigree, performance and prospects have been validated by robust cash flows, net cash positive, investment from accruals and capacity expansion, reflected in its **credit rating of [ICRA] AA-(Positive) for the long-term facilities and [ICRA] A1+ for short-term** facilities as on 31 March, 2026. During the year, Himadri was recognised among the **Top 100 Fastest, Most Consistent and All-Round Wealth Creators** in Motilal Oswal Financial Services' 30th Annual Wealth Creation Study, and recognised by Dun & Bradstreet as **India's Top Value Creator 2025 in the Chemicals sector**. Further reinforcing this progress, Chairman, Managing Director & CEO, Mr. Anurag Choudhary, received the **Business Today India's Best CEO Award 2026 (Chemicals) at BT MindRush,** recognising his leadership in Himadri's transformation into a diversified speciality chemicals and advanced materials company.

Innovation For A Low-Carbon Future

We continue to invest in advanced carbon materials, battery materials, and application-driven speciality products that support electrification, energy storage, resource efficiency, and lower-carbon mobility. By combining research-led innovation with close customer engagement, we develop solutions that address evolving market requirements while advancing sustainability outcomes. This approach underpins our growing presence in lithium-ion battery materials, high-performance chemical products, and applications supporting electric mobility and advanced material transitions, strengthening our participation in high-growth, value-accretive segments.

Our product portfolio itself tells the story of this transition. We manufacture across categories:

Lithium-ion battery materials

- Supports electric mobility and energy storage ecosystems.
- Indian lithium-ion battery demand projected to grow at **39.3% CAGR (2025–2030).**

Graphite for electrodes

- Indispensable for battery cell manufacturing.
- Demand continues to rise alongside battery and cell manufacturing.

Inks

- Carbon Black supports packaging, printing and labelling applications.
- Market projected to grow at **9.07% CAGR.**

Tyres

- Himadri's **revived platform**, supported by vehicle production and replacement demand.
- Market projected to grow at **8.9% CAGR.**

Construction

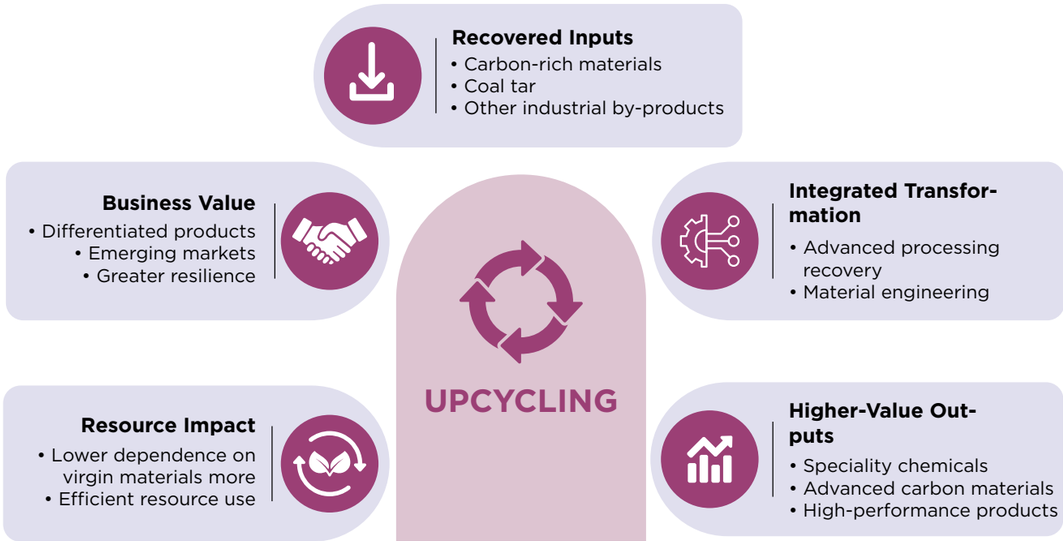
- Products used in additives that enhance concrete strength, elasticity and durability.
- Market projected to grow at **7.46% CAGR.**

Aluminium

- Coal Tar Pitch used as a binder in smelting and electrode manufacture.
- Market projected to grow at **6.9% CAGR.**

Upcycling at the Core of Our Business

Upcycling is an integral part of Himadri's business model, enabling us to create higher-value products from materials generated as by-products of other industrial processes. Our integrated capabilities allow us to transform carbon-rich coal tar and other recovered materials into speciality chemicals, advanced carbon materials and other high-performance products serving diverse industrial applications. Through advanced processing, recovery and material engineering, we continuously enhance the value and utility of these resources while reducing dependence on virgin materials. This model brings together manufacturing excellence, process innovation and circularity, allowing us to create economic value while supporting more efficient use of resources. By embedding upcycling across our value chain, Himadri is strengthening its ability to develop differentiated products, access emerging markets and build a more resilient and resource-efficient business.



A Statement Of Intent For Sustainable Development

Sustainability is embedded in the way we operate and create a long-term value. This Sustainability Report continues our reporting philosophy, **"Building the New World Sustainably,"** and reflects our transition into a global speciality solutions powerhouse driven by material science, application expertise and responsible growth. Aligned with our Annual Report. The report addresses our approach to climate action, resource efficiency, circularity, occupational health and safety, human capital development, diversity, community development, ethical governance, responsible procurement and value-chain collaboration in one coherent story. Our long-term ambition remains **Net-Zero carbon emissions by 2050,** supported by a phased roadmap and Board-level oversight, guiding strategic priorities and capital allocation decisions.

Our disclosures are informed by globally recognised frameworks, including the Global Reporting Initiative (GRI), Business Responsibility and Sustainability Report (BRSR) by Securities and Exchange Board of India (SEBI), the United Nations Global Compact (UNGC), the United Nations Sustainable Development Goals (UN-SDGs), the Task Force on Climate-related Financial Disclosures (TCFD), Carbon Disclosure Project (CDP) and the Science Based Targets initiative (SBTi), providing stakeholders with transparent and comprehensive view of our progress.

Value Creation Model

GRI 2-6

Capitals, Inputs, Business Model, Outputs and Outcomes Integrated with Sustainability

At Himadri, sustainability is embedded within our **Value Creation Charter,** which connects strategy, capital allocation, integrated manufacturing, research-led innovation and stakeholder outcomes into a single coherent model. During FY 2025-26, this framework supported our evolution from a carbon-materials manufacturer into a global speciality solutions powerhouse, guided by material science expertise and responsible growth.

Our business model is designed to create greater value through integration, process efficiency, advanced chemistry, resource recovery and application-led innovation. By leveraging our integrated operations and technical capabilities, we strengthen productivity, operational resilience, and stakeholder value while addressing the evolving needs of customers, people, communities, investors, government and future generations.

Our Charter Intent

Our Charter Intent is stated plainly: to create enduring economic, social and environmental value beyond short-term financial outcomes, across stakeholders, locations, products and time, while strengthening trust, competitiveness and responsible growth.

Chief Financial Officer

Creating Long-Term Value Through Sustainable Growth.

At Himadri, we believe sustainable growth requires a strong balance between financial discipline, strategic investment and long-term value creation. Our business strategy combines operational excellence with focused investments in advanced materials, new energy and innovation-led growth opportunities. Through disciplined capital allocation, prudent risk management and continuous improvement, we are strengthening business resilience, enhancing competitiveness and building a sustainable foundation for long-term stakeholder value.

Mr. Kamlesh Agarwal

The Five Principles That Shape Our Capital Decisions

Five guiding principles shape our capital allocation decisions. Return primacy ensures new projects are evaluated against defined performance benchmarks and long-term value creation objectives. Strategic adjacency directs capital towards opportunities that build our strengths in carbon chemistry, materials science and integrated manufacturing.

Integration-led advantage prioritise investments that enhance value creation, strengthen operational synergies, and support platform-scale growth. Self-funded growth reflects our disciplined approach to expansion through internal accruals, reinforcing financial strength and strategic flexibility. Long-term relevance guides investments towards opportunities aligned with evolving technologies, sustainability priorities, and future market requirements, ensuring our portfolio remains resilient and positioned for sustained growth.

How We Split Our Capital

We deploy capital across four distinct pools that support our growth strategy: sustaining capital strengthens safety, reliability, compliance and operational efficiency; growth capital supports higher-value products and future-focused business platwforms; integration capital advances upstream and downstream investments that increase value creation across the value chain; and optionality capital enables selective partnerships, strategic investments and pilot initiatives that expand capabilities and strengthen future growth opportunities.

Five guiding principles shape our capital allocation decisions.

1. RETURN PRIMACY	2. STRATEGIC ADJACENCY	3. INTEGRATION-LED ADVANTAGE	4. SELF-FUNDED GROWTH	5. LONG-TERM RELEVANCE
New projects are evaluated against defined performance benchmarks and long-term value-creation objectives.	Capital follows opportunities that build our strengths in carbon chemistry, materials sciences and integrated manufacturing.	Investments enhance value creation, strengthening operational synergies and support platform-scale growth.	Expansion through internal accruals reinforces financial strength and strategic flexibility	Investments align with evolving technologies, sustainability priorities and future market requirements.

Himadri's Value Creation Model

Long-Term Value and Key Relationships

Inputs

Financial Capital

- Shareholders' funds, long-term debt
- Capital allocated across 4 pools: sustaining, growth,integration, optionality
- Market capitalisation: Rs. 22,281 crores
- Credit rating: ICRA AA-(Positive)/ A1+

Manufactured Capital

- 7 domestic manufacturing facilities
- 28 MW captive power plant
- 200 MTPA anode-material facility (commissioned April 2026)
- 292 customised tankers for Coal Tar Pitch distribution

Intellectual Capital

- Rs. 244.23 crores R&D spend (5year)
- 180+ R&D professionals, including 28 PhDs

Human Capital

- 1,395 employees, 1,798 workers
- Average age 38
- 6.5% of workforce with 10+ years of service

Social & Relationship Capital

- Enduring customer approvals and supplier relationships
- Products reach 61 countries
- 14 trade and industry affiliations

Natural Capital

- Carbon-rich feed stocks
- Recovered intermediates, process heat and water resources
- 5,300 MWh I-RECs redeemed; 20,000 VCUs retired

Activities

Financial Capital

- Return primacy (min. 30% RoCE at maturity)
- Stage-gated Board oversight, self-funded expansion
- Internal carbon pricing applied to investment and return calculations
- Related-party transaction review through Audit Committee discipline
- Enterprise risk management aligned with ISO31000:2018

Manufactured Capital

- Integration-led advantage
- Smart, flexible manufacturing, downstream conversion
- HAZOP-driven process safety integration (DEKRA collaboration)
- ISO 45001 and ISO 14001 certified operations across all facilities
- LFP cathode platform scale-up toward 40,000 TPA

Intellectual Capital

- Molecular engineering, circular chemistry
- Scale-up and customer-led customisation
- Capability building via EcoVadis Learning Academy and UNGC Academy
- Product-family engineering and qualification capability for high-entry-barrier applications
- Active patent filing and protection

Human Capital

- PRAGATI/Rubaroo leadership pipeline
- UTKARSH learning platform, NIRMAAN capability framework
- Vihaan Graduate Engineer Trainee onboarding programme
- Blind resume screening and diverse interviewpanels
- Structured wellness programmes (4C pillars: Conviction, Consistency, Creativity, Collaboration)
- Annual pay equity audits reported to the Board

Social & Relationship Capital

- Outcome-led CSR
- Supplier ESG assessment, structured stakeholder engagement
- Rural infrastructure initiatives (Awas Yojna housing programme)
- Cultural and livelihood preservation (Pali Mahotsav)
- Customer decarbonisation collaboration projects
- Engagement through 14 trade and industry associations

Natural Capital

- Carbon-rich feedstocks
- Recovered intermediates, process heat and water resources
- 5,300 MWh I-RECs redeemed; 20,000 VCUs retired

Output

Carbon Black

2,50,000 TPA (including 1,30,000 TPA Speciality Carbon Black)

Coal Tar Distillation

6,00,000 TPA

Tyres

75 SKUs (revived Birla Tyres platform)

New Energy Materials

200 MTPA graphite-anode facility commissioned

Outcome

	SDGs	Key stakeholders	Material topics covered
Financial Capital • Consolidated revenue: Rs. 4,660.70 crores • EBITDA: Rs. 1,005.70 crores • PAT: Rs. 755.07 crores • Diluted EPS: Rs. 15.02 • 5-year EBITDA CAGR: 50% • RoCE: 32%; RoE: 17.70% • Operating margin: 21.58% (up from 18.36%)	9, 8	Investors, shareholders	Risk Management, Fair Competition, Bribery and Corruption, Transparency, Code of Conduct
Manufactured Capital • Greater scale, integration and supply reliability • Diversification into future-facing materials	7, 9, 12, 13	Customers, communities	Product Stewardship, Energy Management, Climate Change
Intellectual Capital • 70+ specialty Carbon Black grades • Carbon Nanotube technology breakthrough • Higher-value product mix, faster innovation, technology-led entry barriers	9, 12, 13	Customers, investors	Circular Economy, Data Security and Privacy
Human Capital • 100% training coverage • 66,773 training man-hours • 6.14% women representation among Management Staff • Great Place to Work certified (81% Trust Index) • Turnover improved: 8.26% to 4.91%	3, 4, 5, 8, 10	Himadrians (employees, workers)	Health & Safety, Human Capital, Labour Practices, Human Rights
Social & Relationship Capital • Rs. 8.30 crores CSR spend • 18,152+ beneficiaries across 5 focus areas • Wider community reach, deepened stakeholder trust, improved market access	1, 3, 4, 8, 10, 11	Communities, suppliers, customers	Community Relations, Responsible Procurement, Supplier Relationship Management, Policy Influence
Natural Capital • 100% ZLD coverage • 1,920.29 of 1,922.57 MT waste recycled • Landfill intensity: 0.01% • Water circularity, energy reliability, emissions optimisation	6, 7, 12, 13	Future generations, government and regulators	GHG Emissions, Water, Waste Management

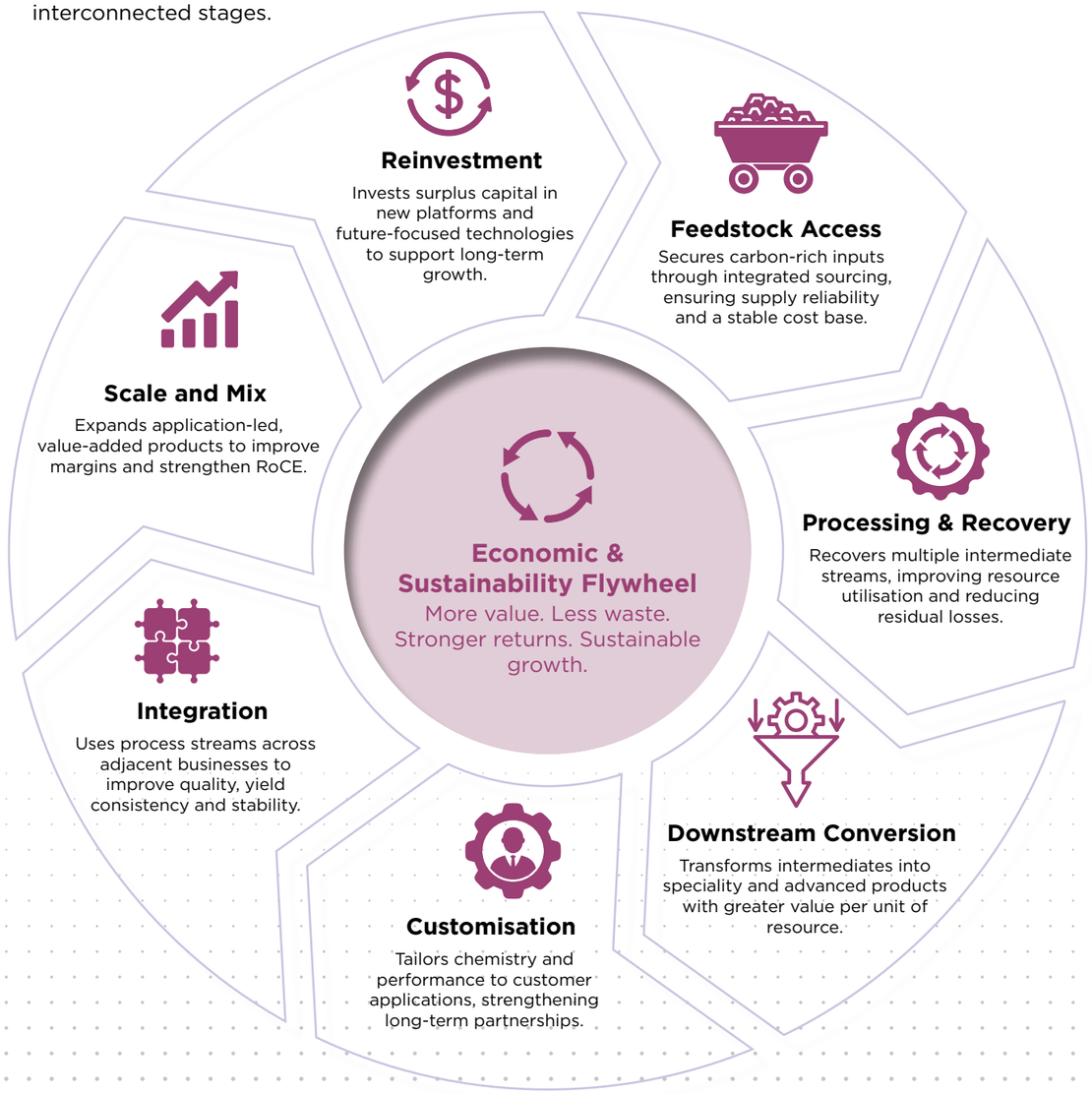
The Ecosystem That Ties It Together

Our value creation ecosystem is anchored in a defined set of core activities: manufacturing, product development, research and development, marketing, sales and technical services. These activities are supported by core competencies in advanced carbon chemistry, process engineering, yield improvement, energy conservation, product-development, circular resource management, qualification capabilities, and integrated utilities and ESG governance.

This ecosystem creates value for diverse group of stakeholders: customers, team members, communities, investors, business partners and suppliers, government and regulatory authorities, and future generations. These stakeholder groups form the foundation of our Value Creation Charter and guide our approach to sustainable growth and long-term value creation.

How Value Moves Through Our Business

Our business model is built around an integrated value creation cycle that enhances the value derived from resources across every stage of the process. This model operates through seven interconnected stages.



Platforms translating the engine into results

Our **New Energy Materials** platform advanced with the commissioning of a **200 MTPA graphite-anode facility** in April 2026, with our planned Phase 1 LFP cathode platform targeted at 40,000 TPA, beginning with an initial 2,000 TPA milestone targeted for Q3 FY 2026-27. Strategic investments in Sicona, IBC and Invati further strengthened our capabilities across the battery materials value chain.

Our **Carbon Black and Speciality Carbon Black** stands at **2,50,000 TPA,** including **1,30,000 TPA of Speciality Carbon Black. During the year,** the portfolio expanded to more than 70 speciality grades supporting a diverse range of customer applications and reinforcing our position in value-added carbon materials. Carbon Nanotubes (CNTs) marked an important advancement in our innovation journey. During the year, we achieved a significant technology milestone in CNT development, strengthening our presence in next-generation carbon materials. With applications spanning energy storage, electric mobility, conductive additives, and advanced performance materials, CNTs represent a high-potential platform aligned with emerging technology and sustainability trends.

Our **Coal Tar Distillation and Pitch** platform expanded distillation capacity to **6,00,000 TPA,** supported by dedicated fleet of 292 customised tankers and strong presence ~**65% domestic Coal Tar Pitch market share.**

Our **Tyres** business, operating under the Birla Tyres brand, delivered **75 SKUs** during the year, introduced 13 new products for agriculture and construction applications, and expanded its international presence across seven countries.

Our **Advanced derivatives and consumer products** platform continue to extend the carbon value chain into high-value applications, including Durofresh with purity level of 99.5%.

Value That Is Actively Shared

Our Value Creation Charter is realised through the value we create for a diverse set of stakeholders.

We deliver innovative and sustainable solutions to our customers, supported by a broad portfolio of over 70 Speciality Carbon Black grades and strong application expertise. For our team members, we provide a workplace shaped by merit, empowerment, capability development, and opportunities to grow, lead, and contribute.

For our investors and shareholders, we focus on responsible growth, transparent governance, disciplined capital allocation, and long-term value creation. Our commitment to communities is reflected in targeted social investments of Rs. 8.3 crores, benefiting over 18,152 individuals across five focus areas.

For government and regulatory authorities, we contribute through safe and responsible operations, employment generation, and compliance-led growth. For future generations, we advance resource efficiency, circularity, and energy transition initiatives that support sustainable development and enduring prosperity.

The Result: A More Resilient Enterprise

Together, this model supports diversified revenue streams, a growing share of speciality products, stronger customer partnership, disciplined capital allocation and ESG-embedded operating model. It is further strengthened by our **16P value-creation framework,** spanning Purpose and People, Performance and Prosperity, Platforms and Portfolio, and Market and Execution. By aligning culture, strategy, governance and execution, the framework provides a common foundation for long-term value creation across the organisation.

At Himadri, we have invested in a structured 16 P's platform with the objective to generate multi-year profitable growth. The platform is attracting strategic priority, corresponding investments and a strategic visibility.

We believe that this approach will enhance value for all our stakeholders, the basis of our long-term success. At Himadri, we believe that this platform is relevant: there is a growing role of trust in consumer engagement, markets are getting larger, manufacturers are commissioning larger capacities, there are a larger number of variables influencing competitiveness, regulatory compliances are deepening, product price swings are widening and there is a larger need for economies in businesses

Himadri's 16 P's Value Creation Framework

Pride
Made people the focus of its growth through a sense of pride
Graduated from a regional mindset to the international to the global
Invested in a culture of overarching and comprehensive excellence
Deepened this culture of excellence ahead of its growth curve

Purpose
Manufactured advanced products from the Coal Tar Pitch base
Introduced a differentiated service and customer experience
Focused on the **opportunities** arising out of energy shift
Made the world a better place

Performance-driven
Invested in quality (product and process) and certifications
Benchmarked manufacturing operations with the best global standards
Invested in recruitment, training and retention
Created capability and product platforms for sustainable growth

People
Invested in managerial bandwidth before the growth curve
Plugged senior management gaps; made the Company growth-ready
Invested in functional and subject matter specialisation
Deepened training, delegation and ownership

Platforms
Creation of multi-product platforms
These platforms will widen into new product variants
Platforms positioned as centres of excellence
Prospective creation of larger product families

Profitable growth
Sustained profit growth % > Revenue growth %
Derived from competitive project economics and value addition
Advanced value-added products with long growth room
Emerging volume-value play

Profitability
Focus on enhanced revenue per tonne of product sold
Enhance working capital efficiency; reduce outlay
Moderate debt; grow out of accruals
Measure success by RoCE metric

Productivity
Reduce resource consumption per unit of production
Moderate resource consumption and energy use
Benchmark as per prevailing compliance standards
Emphasise a culture of sustained outperformance

Proximity
Positioned as a reliable supplier to global customer
Located its manufacturing units next to vendor/ customer units
Himadri's each adjacent manufacturing step was built on the last
Value migrated upward—from commodity to speciality, from volume to precision, from materials to solutions.

Portfolio
Introduced select products for the first time in India
Products addressing unmet needs of society
Created a framework whereby one end product is the raw material for another

Promotion
Marketed a multi-year relationship over products (peace of mind)
Delivery capabilities across geographies and segments
Focused on certifications, standards and sustainability benchmarks
Subsidiaries in international geographies

Products
Progressive development of advanced materials and grades
Products validated by certifications and demanding MNC teams
Created through collaboration and proprietary capabilities
Focus on addressing the global energy transition play

Prosperity
Build a holistic value-creating organisation
Enhance value for all stakeholders
Track this value-creation each quarter
Report progress transparently in the annual report

Proactive
We operate before markets get crowded, before standards are frozen, and before cost curves flatten
We invest when uncertainty is the highest – and when optionality is richest
This allows us to lock secure customer relationships, embed in their supply chains, and influence specifications that later entrants must accept.
Rs. 306 Crores acquisition of Birla Tyres

Predictable
Business 'locked' into multi-year vendor and customer engagements
High switching cost for vendor and customer

Pedigree
Made governance central to its existence
Deep ESG compliant business model
Extensively de-risked approach; established global corporate credibility
Comfortable Net debt/ EBITDA; attractive credit rating

Stakeholder Engagement

GRI disclosures: 2-29 | 2-16

Stakeholder groups, engagement mechanisms, concerns raised and response

Stakeholder engagement is central to our philosophy of Building the New World Sustainably. Through continuous dialogue with the individuals and institutions connected to our business, we strengthen relationships, enhance decision-making, and support long-term value creation.

Why We Engage The Way We Do

During FY 2025-26, we engaged with shareholders and investors, Himadrians, customers, suppliers, value chain partners, lenders, regulators, communities, and industry bodies to better understand expectations, identify emerging priorities, and inform business decisions. Insights from both internal and external stakeholders contributed directly to our double materiality assessment, strengthening our understanding of sustainability impacts, risks, and opportunities across the value chain.

This structured engagement process supports informed decision-making across climate action, resource efficiency, circularity, responsible sourcing, occupational health and safety, community development, and governance.

During FY 2025-26, stakeholder (both external and internal) inputs were integrated directly into our double materiality assessment, helping us evaluate both the impact of our operations on people and the environment, and the influence of sustainability matters on our own business performance.

How We Identify And Prioritise Stakeholders

Stakeholders are identified and prioritised based on their relationship with the Company, operational relevance, sustainability considerations, regulatory expectations, and contribution to long-term value creation. This approach helps us focus our engagement efforts on topics that are most material to our business and stakeholders.

Our Engagement Channels, Group By Group

Himadrians, our greatest asset.

We foster an enabling workplace that supports growth, learning, safety, and collaboration. Engagement channels include the HR portal, intranet, newsletters, town halls, team forums, training programmes, and regular communication platforms. Key areas of engagement include capability development, rewards and recognition, performance management, career progression, workplace culture, and well-being.

Shareholders and Investors

We maintain transparent and consistent engagement through investor meetings, analyst interactions, investor conferences, annual reports, financial disclosures, investor presentations, and corporate communications. Key areas of engagement include business performance, strategy, governance, capital allocation, growth initiatives, and long-term value creation.

Customers

By actively listening to consumer concerns and opinions and keeping close lines of communication (channels such as – online form submission through website, email, dedicated phone line, etc.), we aim to develop and improve our products and services. Engagement runs through customer meetings, business discussions, award and recognition ceremonies and participation in customer-run surveys, focused on new developments in techniques and products, and building long lasting relationships.

Supply Chain Partners

We work closely with suppliers and business partners to strengthen operational excellence, responsible sourcing, sustainability practices, and value chain resilience. Engagement channels include supplier meetings, performance reviews, business discussions, surveys, and recognition programmes.

Communities

We engage with communities through CSR programmes, consultations, volunteering initiatives, community events, and development projects. Discussions focus on livelihood enhancement, education, healthcare, environmental stewardship, infrastructure development, and community well-being.

Government and Regulatory Authorities

We maintain regular engagement through statutory filings, consultations, compliance interactions, policy discussions, and participation in industry associations. Key areas of engagement include regulatory compliance, industrial development, environmental performance, safety standards, and economic contribution

Academia, Industry Groups and NGOs

Our engagement with academic institutions, industry associations, and civil society organisations supports knowledge sharing, research collaboration, innovation, sustainability advancement, and capacity building on emerging environmental and social priorities.

Building Capability To Engage Well

Meaningful stakeholder engagement is supported by continuous capability building across the organisation. During FY 2025-26, training programmes delivered through our **UTKARSH** platform included ESG awareness, sustainable procurement practices, supplier code compliance, circular economy principles, and ESG leadership development for senior management, the ESG Committee, and the Board. These initiatives strengthen our ability to engage constructively with stakeholders and respond to evolving sustainability priorities.

From Listening To Action

Stakeholder inputs are reviewed through governance processes and incorporated into business planning, risk management, ESG priorities and materiality assessments. This structured approach supports informed decision-making, strengthens accountability, and drives continuous improvement across the organisation.

Where Materiality And Engagement Meet

At Himadri, stakeholder engagement is closely connected to strategy and value creation. Inputs gathered through engagement channels contribute directly to our double materiality assessment, helping the Board to shape priorities across sustainability, risk management, and long-term business planning. This approach strengthens alignment between stakeholder expectations, strategic priorities, and governance oversight.

How Concerns Reach The Right People

GRI 2-16

We provide formal channels that enables stakeholders to raise concerns and seek resolution through transparent and accountable processes. These channels include the **Stakeholders' Relationship Committee**, investor grievance channels, team member communication systems and SEBI SCORES, ensuring concerns are reviewed and addressed through established governance structures.

During FY 2025-26, our Stakeholders' Relationship Committee, chaired by Independent Director Amitabh Srivastava, met three times and reviewed **445 investor complaints** relating to share transmission, duplicate share certificates, delayed receipt of annual reports and dividend-related matters. Every one of these complaints reached satisfactory resolution.

Double Materiality Assessment

GRI disclosures: 3-1 | 2-12

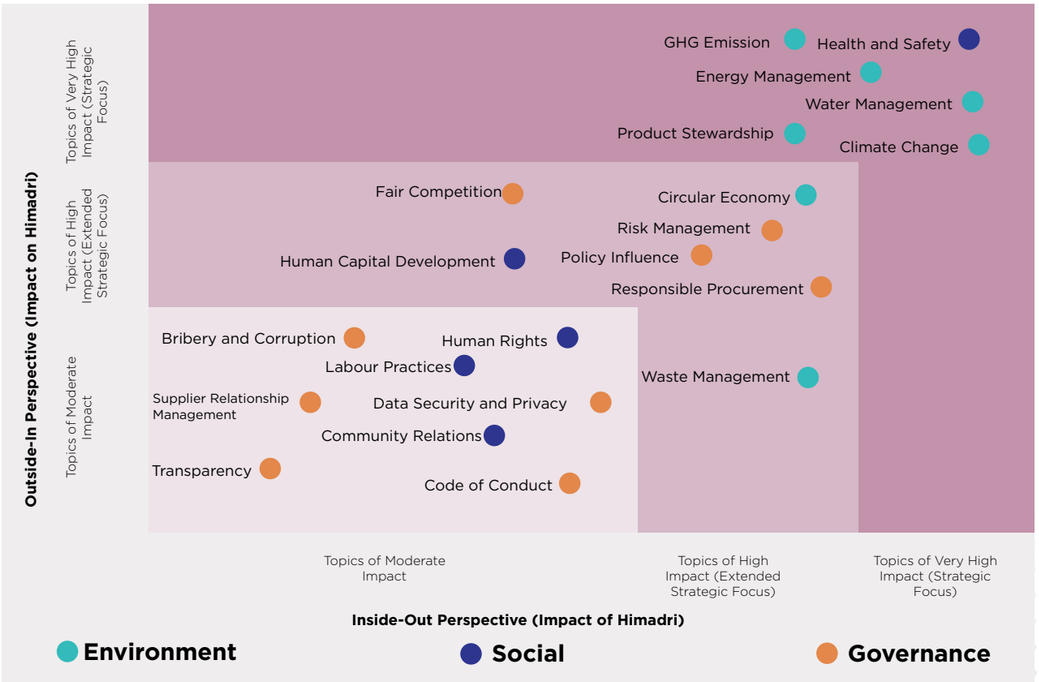
Understanding what truly matters to us and the impact we create is fundamental to building the new world sustainably. In FY 2025–26, we adopted a double materiality approach that considers both how environmental and social developments may affect our Company and how our own activities impact people and the environment. This approach enables us to identify priorities that are closely aligned with strategy, risk management, governance, and long-term value creation.

Our Five-Step Assessment Approach

Our materiality process follows a structured five-step process. We first define our business model, products, markets, value chain and stakeholder groups. We then identify actual and potential impacts, risks, and opportunities across both outside-in and inside-out perspectives. We assess topics based on their significance, likelihood, and strategic relevance. We prioritise material topics using defined assessment criteria and management review. Finally, we integrate material topics into governance processes, capital allocation, enterprise risk management, target setting and disclosures, ensuring that materiality informs decision-making across the organisation.

What we found matters most.

Domain	Very high / strategic focus	High and moderate focus
Environment	GHG emissions, energy management, water management, climate change, product stewardship	Circular economy, waste management
Social	Health and safety	Human capital development, human rights, labour practices, community relations
Governance	Risk management, fair competition, responsible procurement	Policy influence, data security and privacy, bribery and corruption, supplier relationships, code of conduct, transparency



Two Lenses, One Assessment

Our materiality process is guided by a double materiality approach, which is also embedded within our Enterprise Risk Management framework. The inside-out perspective evaluates the impacts of our own operations, products, value chain activities on people, communities, and the environment covering topics such as business ethics, data security, regulatory compliance, reputational exposure and business continuity. The outside-in perspective considers how external developments including regulatory changes, market dynamics, stakeholder expectations and sustainability trends may influence our long-term resilience and business performance.

Together, these perspectives provide a comprehensive view of material issues, enabling us to identify topics that are significant from an impact, risk, and opportunity standpoint.

Aligned With Global Standards, Built For Local Relevance

Our materiality framework incorporates the principles of double materiality outlined under the Corporate Sustainability Reporting Directive (CSRD), aligning our assessment process with internationally recognised practices. Material topics identified through this process are mapped and embedded into enterprise risk management , governance, strategy, target setting, and disclosures, supporting informed decision-making across both current priorities and long-term business objectives.

How Materiality Meaningfully Shapes Our Decisions

Climate-related considerations inform technology development, energy management, electrification initiatives, and market expansion decisions. Water stewardship and our Zero Liquid Discharge commitment strengthen operational continuity and resource efficiency. Circular products, resource recovery and by-product utilisation contribute to value creation and operational effectiveness. Health and safety remains integral to workforce well-being, operational excellence, and business continuity, while responsible procurement supports supply chain resilience and stakeholder trust.

Our FY 2025-26 Emphasis

These priorities guide strategic decision-making, risk assessment, performance improvement and sustainability initiatives across the business.

Board Oversight Of Impact Management

GRI 2-12

Our **Board-level ESG Committee** annually reviews and approves the material environmental, social and governance priorities, along with associated risks, opportunities, and management responses. The Committee supports the integration of ESG considerations into strategy, decision making, and long-term business planning, as detailed in the Board Governance and ESG Oversight section. Material topics and performance against our identified priorities are reviewed periodically by senior management and the Board, ensuring they continue to inform the business strategy, risk assessment and value creation.

Materiality Reviewed

Our approach treats materiality as an evolving process that reflects changes in the business environment, stakeholder expectations, and sustainability priorities. The Board-level ESG Committee reviews sustainability policies, standards, action plans, material risks and performance indicators on a periodic basis, with scope covering climate, safety, human rights, diversity, reputational risk and the institutionalisation of ESG considerations across the organisation. This approach helps ensure that material topics remain aligned with the Company's strategic priorities and operating context. Our materiality assessment process and related non-financial disclosures are independently assured by TÜV SÜD South Asia Pvt. Ltd.

Every Material Issue, Seen As An Opportunity

The materiality assessment identified 21 material topics, spanning health and safety, human rights, GHG emissions, water, labour practices, transparency, community relations, code of conduct, data security, supplier relationships, anti-bribery, waste, responsible procurement, policy influence, human capital, fair competition, circular economy, risk management, energy management, product stewardship and climate change.

These topics guide our approach to risk management, operational excellence, stakeholder engagement, and sustainable value creation.

We view these material topics as important drivers of long-term resilience, innovation, operational improvement, and stakeholder value. By integrating them into strategy, governance, and business planning, we strengthen our ability to capture emerging opportunities while advancing sustainable growth objectives.

Strengthening The Data Behind Our Judgement

Our double materiality process is supported by structured digital ESG data governance framework with defined ownership, periodic reviews and established reporting processes. This framework captures performance indicators across environmental, social, governance, safety, energy, emissions, waste, water and responsible value chain practices at business unit and functional levels. This improves the data quality, consistency, traceability and audit readiness while supporting the timely monitoring of performance against sustainability priorities and targets.

Key Material Topics

GRI disclosures: 2-22 | 3-3 | 201-2

Our material topics are translated into clear and measurable objectives that guide our sustainability priorities and strengthen long-term value creation. These priorities are embedded within a structured, cluster-based KPI framework that enables consistent performance tracking, assessment, and management review across environmental, social and governance dimensions. The framework aligns material topics with defined targets, performance indicators, and governance oversight, supporting informed decision-making and continuous improvement. Through this approach, sustainability considerations remain integrated into business planning, operational execution, and risk management across the organisation.

Our 21 Material Issues, In Full

Our materiality assessment identified 21 material issues that guide our sustainability strategy and performance management approach. Each issue has been assessed based on its relevance to our business, stakeholders, and long-term value creation objectives, together with the actions and governance mechanisms that support its management.

To strengthen alignment between materiality and performance, each material issue is mapped to the relevant Sustainability Objective(s) and categorised under one of four domains: People, Planet, Governance, or Communities. While several topics are supported by quantified FY 2025-26 objectives, others are managed through established policies, frameworks, and governance processes, providing a clear pathway for future target-setting and performance evaluation.

No.	Material Issue	Why It Matters To Us	Sustainability Objective(s)	Domain
1	Health & Safety	Upholding high HSE standards, certified to ISO 45001:2018, protects our people and strengthens our brand value. Vision Zero Accident/Incident (LTIFR < 1 vs 2021)	Vision Zero Accident/ Incident (LTIFR < 1 vs 2021)	People
2	Human Rights	Respecting human rights builds lasting stakeholder partnerships and positions us as a sector leader.	Advanced through our Human Rights Policy and workforce training coverage; tracked qualitatively alongside the People & Communities objectives.	People
3	GHG Emissions	Diligent emissions monitoring creates value through our climate transition strategy.	CO_2e Emission Intensity – Scope 1 & 2 (-30%) and Scope 3 (-8%), both vs baseline.	Planet
4	Water	Strategic water management across our processes strengthens operational resilience.	Zero Liquid Discharge (100% of plants).	Planet
5	Labour Practices	Our people are vital to business performance; fostering a positive working experience builds capability, gender diversity.	(Female representation in management); reinforced through workforce engagement programmes.	People
6	Transparency	Upholding transparent conduct through defined policies strengthens stakeholder confidence.	Advanced through disclosure policies and the Compliance Training objective; tracked qualitatively.	Governance
7	Community Relations	Strong community relationships, built through outcome-led CSR, create a shared value.	Upstream & Downstream Value Chain Partner Assessment; reinforced through CSR programme outcomes reported in People & Communities.	Communities

No.	Material Issue	Why It Matters To Us	Sustainability Objective(s)	Domain
8	Code of Conduct	A well-defined Code of Business Conduct guides ethical decision-making across the organisation.	Compliance Training (anti-bribery and corruption > 95%).	Governance
9	Data Security and Privacy	Robust data protection, aligned with the Digital Personal Data Protection Act 2023, builds stakeholder trust. Advanced through our	Data governance framework; tracked qualitatively alongside the Governance-domain objectives.	Communities
10	Supplier Relationship Management	Effective SRM strengthens supply chain resilience, cost efficiency and consistent quality.	Upstream Value Chain Partner Assessment (100%, against 75% ofGroup spend).	Governance
11	Bribery and Corruption	A firm anti-bribery stance, supported by audits and due diligence tools, protects reputation and value.	Compliance Training (anti-bribery and corruption, >95%).	Communities
12	Waste Management	Effective waste management reflects our legacy of resource efficiency. Solid Waste (hazardous	Waste to landfill, < 1%) and Recycle Materials (non-virgin raw material use, > 95%).	Planet
13	Responsible Procurement	Working closely with value chain partners on ethical sourcing strengthens our sustainable procurement footprint.	Upstream Value Chain Partner Assessment (100%, against 75% of Group spend)	Communities
14	Policy Influence	Constructive policy engagement helps shape industry standards in our favour.	Advanced through structured industry-association engagement; tracked qualitatively.	Governance
15	Human Capital	Focus on workforce capability drives long-term business performance.	Gender Diversity (female representation in management); supported by learning and capability-development programmes.	People
16	Fair Competition	Our Fair Competition Policy promotes a genuinely level playing field	Advanced through our Fair Competition Policy and Code of Conduct; tracked qualitatively	Governance
17	Circular Economy	Embracing circular economy principles integrates directly with our broader sustainability efforts.	Recycle Materials (non-virgin raw material use, > 95%) and Solid Waste (< 1% to landfill).	Planet
18	Risk Management	Effective, proactive risk management strengthens organisational resilience.	Advanced through Board-level ESG Committee oversight and enterprise risk management; tracked qualitatively.	Governance
19	Energy Management	Disciplined energy management supports both cost efficiency and emissions reduction.	Energy Consumption (energy intensity, -20% vs 2021).	Planet
20	Product Stewardship	Responsible product stewardship across our full life cycle protects customers and the environment alike.	Carbon Neutral Product (0.2% of variants/ FG in MT) and Customer Decarbonisation (collaboration projects).	Communities
21	Climate Change	Addressing climate change as a forward-thinking organisation strengthens our long-term relevance.	CO_2e Emission Intensity (Scope 1 & 2; Scope 3) and Energy Consumption—the combined Net-Zero 2050 pathway.	Planet

Responsible actions today.
A sustainable tomorrow.

Material Topics For The Board

Drawing on Himadri's double materiality assessment (the topics occupying the 'Topics of Very High Impact — Strategic Focus' quadrant on both the inside-out and outside-in axes), Health & Safety, GHG Emissions, and Energy Management emerged as the three highest-priority material topics, reflecting their significance across both impact and financial materiality dimensions and their importance to long-term value creation. .

HEALTH & SAFETY

Cost Risk Opportunity

Business Case

Himadri's operations — spanning coal tar distillation, carbon black manufacturing and, increasingly, battery material processing across eight manufacturing facilities in India and China — involve inherent process-safety, fire and chemical-handling risks. A strong, verifiable safety record protects our workforce and contractors, sustains operational continuity across sites, and underpins the confidence of customers, investors and regulators in a chemicals business scaling rapidly into new energy materials. This is reflected directly in our Vision Zero Accident/ Incident objective (Lost Time Injury Frequency Rate below 1, against a 2021 baseline), on which FY 2025-26 delivered a result of zero.

Business Strategy

Our safety framework is anchored in ISO 45001:2018-certified occupational health and safety management systems across manufacturing sites, a Permit-to-Work system deployed at all locations, a five-level external safety-training framework (awareness, safety audits, risk assessment, machine safety and ergonomics), and 100% health and safety training coverage across team members, workers and contractors. Continuous monitoring, safety observation and audit-closure processes, together with regular emergency-preparedness drills, support operational discipline and continuous improvement. Oversight is provided through the Board level ESG Committee, supported by the ESG Council and site-level Sustainability Steering Committees.

Executive Compensation / Governance Linkage

The Board, through the ESG Committee, provides strategic oversight of health and safety performance, material risks and improvement initiatives. The management is responsible for implementing safety programmes, performance monitoring and driving continuous improvement across operations. Safety performance is reviewed periodically through established governance framework, with identified risks and improvement priorities escalated through the appropriate management and Board-level channels.

GHG EMISSIONS

Cost Risk Opportunity

Business Case

As an energy-intensive manufacturing company, Himadri is exposed to climate transition risk — evolving carbon pricing and regulation — alongside growing expectations from investors, customers and rating agencies (CDP, EcoVadis, and prospective DJSI/S&P Global CSA participation). This exposure is heightened as we expand our presence across new energy materials (anode materials, LFP cathode active materials, battery recycling), where the lifecycle carbon credentials of our products are themselves a competitive differentiator with customers pursuing their own decarbonisation. Disciplined emissions performance is tracked through our CO_2e Emission Intensity objectives for Scope 1 & 2 (target: -30% vs 2021) and Scope 3 (target: -8% vs 2024), both of which Himadri exceeded in FY 2025-26 (-38.18% and -17.17% respectively).

Business Strategy

Our climate strategy is guided by our Net-Zero 2050 ambition and aligned with the Science Based Targets initiative (SBTi). Oversight is provided through a three-tier governance structure: the Board-level ESG Committee, the ESG Council and site-level Sustainability Steering Committees. Climate considerations are embedded into capital allocation through the application of an Internal Carbon Price of US$130/ tCO_2e applied to Scope 1 and 2 emissions in applicable investment evaluations. This approach is complemented by renewable energy procurement, resource-efficiency initiatives, and carbon management measures aligned with recognised frameworks, including the GHG Protocol and SBTi.

Executive Compensation / Governance Linkage

The Board, through the ESG Committee, oversees climate-related strategy, performance, targets, and emerging developments. Management is responsible for implementing the Company's decarbonisation roadmap, monitoring emissions performance, and advancing climate initiatives across operations. Climate-related considerations are integrated into strategic planning, capital allocation, operational deci-sion-making, and enterprise risk management, with progress reviewed periodically through the Company's ESG governance framework.

ENERGY MANAGEMENT

Cost Risk Opportunity Revenue

Business Case

Energy performance is a key driver of operational efficiency, competitiveness, and long-term value creation at Himadri. As an energy-intensive manufacturing company, efficient energy management supports resource productivity, cost optimisation, and progress towards our climate objectives. Our integrated waste-gas-to-power model enhances energy reliability and strengthens operational resilience, contributing to sustained performance across our operations. This focus is reflected in our Energy Con-sumption objective, which targets a 20% reduction in energy intensity against the 2021 baseline. During FY 2025-26, we achieved a 19.31% reduction, demonstrating continued progress in energy efficiency.

Business Strategy

Energy management approach is supported by a digital energy management system covering 140 smart meters and integrated resource-efficiency framework. During FY 2025-26, 100% of our electrical energy consumption was met through recovered process waste gas utilised in our captive power plant. Further efficiency is delivered through waste heat recovery, high-efficiency equipment, variable frequency drives, power factor optimisation, and periodic third-party energy audits. Energy management remains closely aligned with our Net-Zero 2050 ambition and is overseen through the Company's established ESG governance structure, including the Board-level ESG Committee, ESG Council, and site-level Sustainability Steering Committees.

Executive Compensation / Governance Linkage

Energy performance is overseen through Himadri's ESG governance framework, with management responsible for implementing energy-efficiency initiatives, monitoring performance, and identifying opportunities to enhance resource productivity across operations. Energy e considerations are incorporated into operational planning, capital allocation and climate-related decision making, with progress reviewed periodically through the Company's ESG governance framework.

Material Topics For External Stakeholders

Alongside the Board's strategic priorities, we also assess topics of greatest significance to our external stakeholders including customers, investors, communities and regulators. While many priorities are shared, stakeholder perspectives provide additional insight into the issues that shape long-term value creation and societal impact. . For Himadri, the two topics of highest relevance to external stakeholders are Community Relations and Climate Change: Community Relations reflects our commitment to creating positive outcomes across the communities surrounding our manufacturing locations, while Climate Change reflects the growing importance of decarbonisation, resource efficiency, and sustainable innovation to customers and investors engaging with Himadri's evolving portfolio of speciality and new energy materials.

Community Relations	
Impact on value chain	Operations — communities surrounding our manufacturing sites at Mahistikry, Liluah, Sambalpur, Visakhapatnam, Korba and Falta
External stakeholder impacted	Local communities / Society
Impact (Positive/Negative)	Positive
Output metric	15,316 beneficiaries of healthcare initiatives; 2,813 beneficiaries of education-focused initiatives; 100% of reported CSR project beneficiaries drawn from vulnerable and marginalised communities
Impact valuation	Access to healthcare, education and community infrastructure, with a positive social impact provided
Impact metrics	Community development — CSR programmes spanning education, healthcare, rural development, drinking water, electrification, sports and community infrastructure

Climate Change	
Impact on value chain	Operations, upstream sourcing and downstream customer use-phase (battery materials, energy-efficient carbon black grades)
External stakeholder impacted	Customers | Investors | Regulators | Local communities
Impact (Positive/Negative)	Positive
Output metric	38.18% reduction in Scope 1 & 2 emission intensity vs FY 2021 baseline; 17.17% reduction in Scope 3 emission intensity vs FY 2024 baseline; 5,300 MWh of renewable electricity attributes procured via I-RECs
Impact valuation	Environmental value gained through avoided emissions, and support for customers' own decarbonisation through our Customer Decarbonisation collaboration objective
Impact metrics	Renewable energy adoption; customer-side carbon-footprint reduction collaboration projects

How Our Material Topics Map To GRI

Each of our 21 material issues is aligned with the applicable GRI Topic Standards and addressed through dedicated sections of this report. Environmental topics, including GHG emissions, energy management, water management, climate change, product stewardship, circular economy and waste management, map to GRI 302, 303, 305 and 306, and are addressed through our ESG Goals & Roadmap disclosures. Social topics, including health and safety, human capital development, human rights, labour practices and community relations, map to GRI 401 through 404, 407 through 409 and GRI 413, are covered through our Occupational Health & Safety, Learning & Capability Development, Human Rights & Labour Practices, and CSR & Community Development sections. Governance topics, including risk management, fair competition, responsible procurement, policy influence, data security and privacy, bribery and corruption, supplier relationships, code of conduct and transparency, map to GRI 2-12, 2-13, 2-23, 2-24, 2-27, 205, 206, 308, 414, 415 and 418, are addressed through our Enterprise Risk Management, Ethics Compliance & Integrity, Responsible Supply Chain, Digital Governance & Data Privacy, and Public Policy & Industry Collaboration sections. This approach provides a clear connection between material topics, management responses, performance indicators, and disclosures across the report. **A Finer Lens: Three Tiers Of Impact**

Our materiality assessment classifies topics into three distinct tiers of significance. **Topics of Very High Impact (Strategic Focus)** include GHG emissions, health and safety, energy management, product stewardship, water management and climate change, the six issues where our influence, and our exposure, run deepest. **Topics of High Impact (Extended Strategic Focus)** include fair competition, circular economy, risk management, human capital development, policy influence, responsible procurement and waste management. **Topics of Moderate Impact** include business conduct, human rights, labour practices, supplier relationship management, data security and privacy, community relations, transparency and code of conduct, issues that remain important even where their strategic weight sits a step below our top tier.

Where Sustainability Meets The Balance Sheet

Materiality supports informed decision-making by highlighting the sustainability topics most closely connected to operational performance, resilience, and long-term growth. **Climate-related considerations** influence technology deployment, energy transition initiatives, and market development strategies. **Energy performance** supports operational efficiency and resource productivity, while **circular economy initiatives**, by-product utilisation, and resource recovery contribute to value creation across the portfolio. Water stewardship, safety performance, responsible procurement, and governance practices further support business continuity and stakeholder confidence.

Several topics have particular significance across our operations, including **carbon intensity, energy performance, and resource efficiency.** These considerations are integrated into enterprise risk management, capital allocation, operational planning, and sustainability target setting.

Built On What Our Stakeholders Told Us

Our FY 2025-26 materiality consultation incorporated inputs from global customers, sustainability partners, auditors, investors and industry stakeholders. Feedback covered climate governance, human rights, supply continuity carbon footprint, energy continuity, water and waste integrity, human rights practices, HSE ambition, governance transparency and circular economy potentials. These perspectives reaffirmed our commitment to a purpose-driven, stakeholder-focused and future-ready strategy that are relevant to long-term value creation balancing People, Planet and Profit.

Insights from this Process also support disclosures and assessments across recognised frameworks and rating platforms, including GRI, BRSR, CDP, EcoVadis and other sustainability reporting and assurance requirements.

Climate-Related Risks And Opportunities

GRI 201-2

Climate change remains a key material topic with direct financial relevance. Climate-related considerations are incorporated into investment evaluations through the application of an internal carbon price, which factors estimated Scope 1 and Scope 2 emissions into applicable investment decisions., Climate transition, physical and value chain risks are integrated into the Company's enterprise risk management framework and Ner - Zero 2050 roadmap, ensuring alignment between sustainability objectives, strategic planning & capital allocation.

We continue to monitor emerging developments relevant to our business and industry, including climate policy evolution, electrification pathways, energy transition technologies, safety performance enhancement, and circular innovation opportunities. This forward-looking approach supports resilience, competitiveness, and sustainable growth across the business.

HIMADRI'S ROADMAP:
Net-Zero
TARGET BY 2050

Shaping A Net-Zero Future: Our Targets, Actions & Progress

Building the New World means shaping growth with sustainability at its core. At Himadri, our ESG roadmap translates this ambition into clear priorities, measurable targets and purposeful action across climate, energy, resource efficiency, circularity, people and communities. Guided by our **NEW WORLD** philosophy, we continue to strengthen resilience, enhance resource productivity, and advance sustainable growth.

Our Roadmap To Net-Zero By 2050

Our climate strategy is guided by a phased Net-Zero 2050 roadmap supported by operational decarbonisation, energy efficiency, circularity, renewable energy, value-chain engagement and product innovation. Progress against the roadmap is reviewed through our established ESG governance framework.

Achieve
(2022 to 2030)

- Reduction of packaging emissions
- Reduction of upstream and downstream emission
- Lowering the customer's carbon footprint through novel products
- Science based offset, pilot projects.
- Focus on adding renewable energy source
- Deployment of sustainable procurement framework

Reduction of Scope 3 by 28.85% by 2034

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

Reduction of Scope 1 and 2 by 33.6%

+3.3° C to +2.8° C

Accelerate
(2030 to 2040)

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

Reduction of Scope 3 by 26.68%

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

Reduction of Scope 1 and 2 by 33.20%

+2.8° C to +2.4 °C

Scope 3: Baseline Year FY24
Scope 1 and 2: Baseline Year FY22

Where We Stand Today, In Numbers

Our FY 2025-26 climate performance reflects continued progress against out Net-Zero 2050 roadmap. Scope 1 emissions stood at **4,22,398.22 tCO_2e** during the year. Location-based Scope 2 emissions were **3,534.11 tCO_2e,** while net market-based Scope 2 emissions remained at zero.

Combined Scope 1 and 2 emissions intensity reached **0.729 tCO_2e per MT**, while Scope 3 emissions totalled **12,47,430.99 tCO_2e**, at an intensity of **2.15 tCO_2e per MT**. During the year, we redeemed **5,300 MWh** of International Renewable Energy Certificates and separately retired **20,000 Verified Carbon Units** from renewable-energy projects, both disclosed transparently as instruments as part of broader climate transition strategy.

Scale
(2040 to 2050)

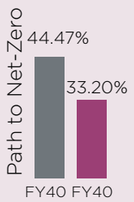
Assumption: India will have a regulated carbon market with high tax imposed on conventional Fuel & PLI for clean fuel and technologies

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

Reduction of Scope 3 by 34.47%

- 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 and 2 by 23.20%

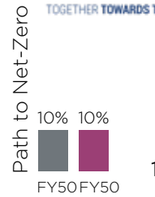


+2.4° C to + 1.5° C

VISION ZERO ACCIDENT INCIDENT

Bussiness Value Chain

TOGETHER TOWARDS TOMORROW



10% Offsets

Source Note:
SBTi Services has validated that the greenhouse gas emissions reductiontarget(s) submitted by Himadri Speciality Chemical Ltd conform with the SBTi Criteria and Recommendations (Near- Term Criteria V5.3 And Net-Zero Criteria V1.3).

Our Sustainability Objectives

Objectives	Measures	Target FY27	Target FY26	Result FY26	Main Domain		UNGC-SDGs
Vision Zero Accident / Incident	By 2026, Lost Time Injury Frequency Rate below 1 (Vs 2021)	< 1	<1	0	People		3, 8
Energy consumption	By 2026, Reduce Energy Intensity per metric tonne of product sold (Vs 2021)	-20%	-20%	-19.31%	Planet		9, 13
CO2e emission Intensity (Scope-1 & Scope-2)	By 2026, Reduce Scope 1 and Scope 2 CO2e emission intensity per metric tonne of product sold (Vs 2021)	-30%	-30%	-38.18%	Planet		9, 12, 13
CO2 emission intensity (Scope 3)	By 2026, Reduce scope 3 CO2e emission intensity per Metric tonne of product sold (Vs 2024)	-10%*	-8%	-17.17%	Planet		9, 12, 13
Zero Liquid Discharge (ZLD)	All plant must operate with ZLD status (Vs 2021)	100%	100%	100%	Planet		6, 9, 12
Solid waste	Reduce solid waste (Hazardous and sent to landfill) per metric tonne of product sold (Vs 2021)	<1%	<1%	0.01%	Planet		9, 12
Recycle materials	Maintain the proportion of Non-virgin raw material from external sources used in production to avoid depletion of natural resources (Vs 2021)	>95%	>95%	>95%	Planet		9, 12
Gender diversity	Increase female representation in management team (Vs 2021)	7%	6.5%	6.14%	People		5
Compliance training	Increase percentage of Targeted staff, who completed anti bribery and corruption training (Vs 2021)	>95%	>95%	99.90%	Governance		16
Upstream Value Chain Partner	By 2026, conduct sustainability assessment of our Upstream value chain partners covering at least 75% of group spend in FY 2025-26	100% (against 80% Spend)	100%	100% (against 75% Spend)	Communities		8, 10, 17
Downstream Value Chain Partner	By 2026, conduct sustainability assessment of our downstream value chain partners covering at least 75% of group sales of FY 2025-26	100% (against 80% Sales)	100%	100% (against 75% sales)	Communities		8, 10, 17
Carbon neutral product	By 2026, Scaling of carbon neutral product to customers - % Variants / % FG in MT	0.3%	0.2%	0.2%	Communities		13, 12, 9
Customer decarbonisation	Scaling of customer-side carbon footprint reduction collaboration project	2	1	1	Communities		13, 12, 9

How We Think About Climate Risk

Our approach follows six clear principles. We **integrate** climate, regulatory, physical and value-chain risks directly into enterprise risk management and capital allocation process. **Internal carbon pricing**, including the application of shadow carbon cost is **applied** into investment evaluations to reflect Scope 1 and 2 impacts.

We **prioritise direct emission reduction** through process efficiency, cleaner technology, fuel optimisation and waste-gas recovery initiatives. We **improve value-chain transparency** through supplier and customer assessments that strengthen activity-based Scope 3 emission tracking.

Collaboration remains an important part of our decarbonisation journey, supported by local sourcing, fleet optimisation, biodiesel adoption and packaging improvements. To strengthen transparency and credibility, our GHG data is subject to reasonable assurance aligned with ISAE 3410, while selected sustainability disclosures are independently assured by TÜV SÜD South Asia Pvt. Ltd.

Targets Set, And Targets Met

Our FY 2025-26 sustainability objectives are tracked through a cluster-based KPI framework and reviewed periodically by senior management and the Board. During the year, we delivered strong progress across several priority areas, reflecting the continued integration of sustainability into business planning and operational performance.

Objective	FY25-26 Target	FY25-26 Result	FY26-27 Direction
Energy intensity reduction vs FY21 baseline	-20%	-19.31%	Achieve -20%
Scope 1 and 2 emission intensity reduction vs FY21	-30%	-38.18%	Maintain/deepen performance
Scope 3 emission intensity reduction vs FY24	-8%	-17.17%	-10%
Zero Liquid Discharge coverage	100%	100%	Maintain 100%
Solid waste sent to landfill intensity	Below 1%	0.01%	Maintain below 1%
Non-virgin raw-material proportion	Above 95%	Above 95%	Maintain above 95%
Carbon-neutral product variants/finished goods	0.2%	0.2%	0.3%
Customer decarbonisation collaboration projects	1	1	2

We exceeded our FY 2025-26 targets on Scope 1 and 2 emission intensity, achieving a 38.18% reduction against a 30% target, and on Scope 3 emission intensity, achieving 17.17% against target of 8% . Energy intensity improvement of 19.31% landed just short of our ambitious 20% target, a strong result we are carrying forward with real intent into FY 2026-27.

The Operational Levers Behind These Numbers

Our implementation is powered by tangible, on-ground levers rather than abstract commitments. Our **28 MW captive power plant** converts process-generated off-gases into electricity, supporting resource efficiency and energy optimisation. Additional improvements were driven through pump optimisation, IE3 motors, VFDs, LED lighting and efficient milling reduce our specific energy use, while spiral heat exchangers, air and oil preheaters and boiler blowdown recovery systems.

Logistics optimisation initiatives reduced approximately **43,604 litres of diesel consumption during the year**, while deployment of high-capacity vehicles resulted in estimated reduction of **30.4 tCO_2e** of emissions. Across our operations, **100% ZLD coverage,** RO optimisation, condensate recovery and by-product reuse continue to strengthen resource efficiency and circularity performance. In addition, approximately 1,000 native saplings were planted during the year supporting local biodiversity and environmental enhancement initiatives.

Energy optimisation initiatives contributed to an energy intensity of **0.74 GJ per MT** during the year. Water stewardship performance reached a specific intensity of **1.83 KL per MT,** representing **27.41% improvement from our baseline year.** Circularity performance, remained strong, with **1,920.29 MT of waste recycled out of total 1,922.57 MT waste generated** during the year, supporting landfill intensity of 0.01%.

Ratings And Recognition That Reflect Credibility

Independent assessments continue to reflect the strength of our sustainability framework and governance practices. . During FY 2025-26, we retained the **EcoVadis Platinum Medal for the second consecutive year,** placing Himadri among the top 1% of over 1,50,000 assessed companies globally. We also received a **CDP A rating for Supplier Engagement** and **CDP B ratings for both Climate Change and Water Security.**

The Company holds an **ICRA ESG Combined Rating of 82, classified as Exceptional,** and our Net-Zero 2050 target had undergone validation by the **Science Based Targets initiative (SBTi)** further strengthening alignment with the globally recognised climate benchmarks.

The Alliances And Certifications Behind Our Credibility

Our sustainability approach is strengthened through alignment with globally recognised initiatives and industry frameworks. Our continued alignment with the UN Global Compact keeps our business conduct anchored to its principles on human rights, labour, environment and ethical business conduct, with UNGC Academy learning modules integrated into our **UTKARSH** platform to strengthen awareness and leadership capability across the organisation.

Our commitment to responsible operations is further reinforced through participation in **ICCA Responsible Care,** supporting continuous improvement across process safety, pollution prevention, occupational health, product stewardship, distribution, security and emergency response, strengthening chemical safety and continual improvement across our product life cycle. We also maintain **ISCC PLUS certification** strengthening supply chains traceability, and supporting the use of circular and responsibly sourced feedstocks.

Underpinning all of this, Himadri maintains a comprehensive portfolio of sustained management system certifications spanning across management systems. Together, these certifications provide a strong foundation for operational excellence, governance, and sustainable value creation.

BUILT ON STANDARDS. DRIVEN BY RESPONSIBILITY.

Our certified management systems underpin every dimension of responsible operations.

13 CERTIFIED MANAGEMENT SYSTEMS
A comprehensive standards architecture covering every dimension of our operations.

Commitment to excellence, resilience, ethics and sustainable growth

QUALITY & PRODUCT EXCELLENCE

- **ISO 9001:2015** Quality Management System
- **IATF 16949:2016** Automotive Quality Management System
- **ISO 17025:2017** Laboratory Management System

ENVIRONMENT & ENERGY

- **ISO 14001:2015** Environmental Management System
- **ISO 50001:2018** Energy Management System

PEOPLE & SOCIAL RESPONSIBILITY

- **ISO 45001:2018** Occupational Health and Safety Management System
- **SA 8000:2014** Social Accountability Standard

GOVERNANCE & ETHICS

- **ISO 37001:2016** Anti-Bribery Management System
- **ISO 31000:2018** Risk Management Guidelines

SECURITY & RESILIENCE

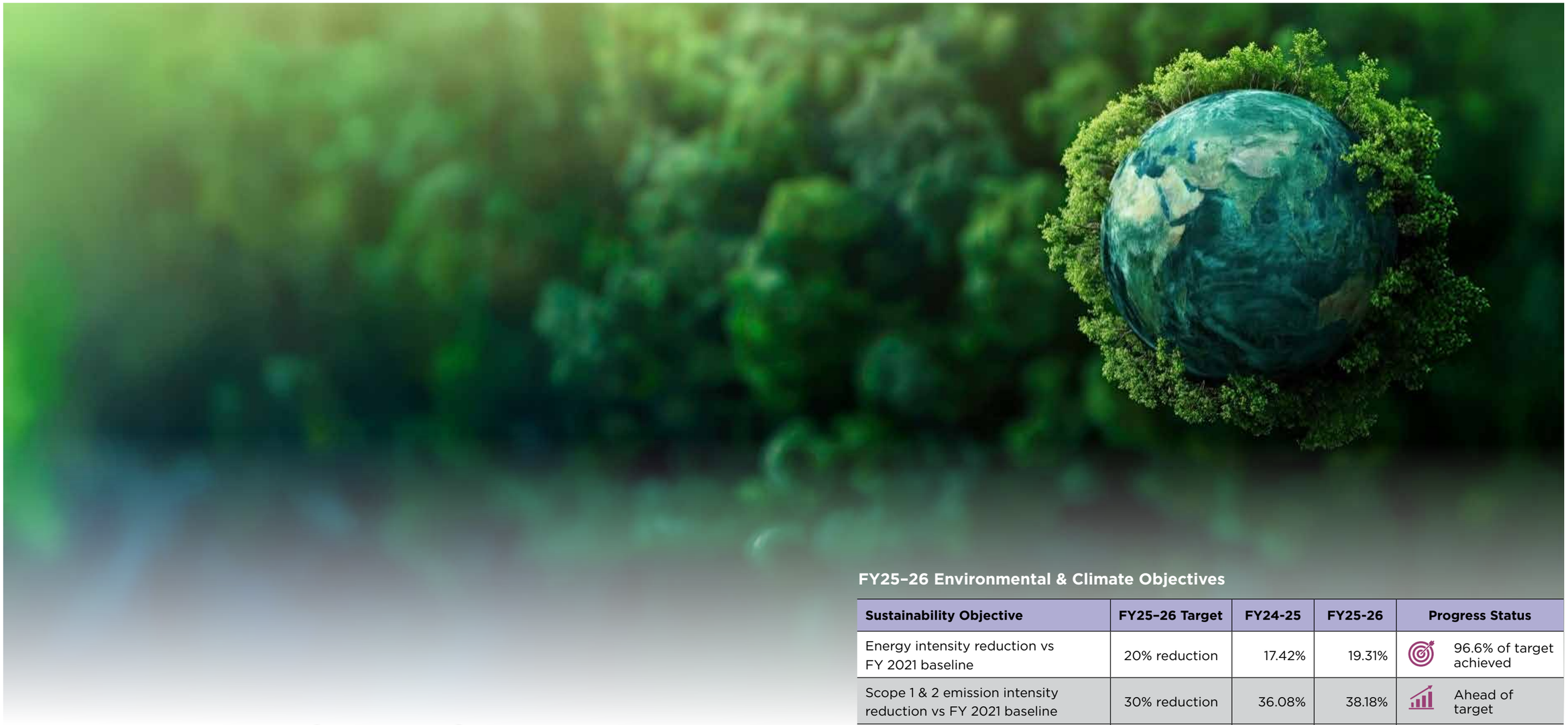
- **ISO 27001:2022** Information Security Management System
- **ISO 22301:2019** Business Continuity Management System
- **ISO 28000:2022** Supply Chain Security Management System

RESPONSIBLE SUPPLY CHAIN

- **ISO 20400:2017** Sustainable Procurement Guidance

Together, these certifications form a comprehensive standards architecture supporting every dimension of responsible operations—from **quality and environmental performance to people, ethics, resilience, security and sustainable procurement.**

PLANET, ENVIRONMENT & CLIMATE



Environmental Performance Dashboard

Driving Efficiency. Advancing Decarbonisation. Strengthening Resource Resilience.

Himadri's environmental performance is guided by set of measurable sustainability objectives that translate long-term ambitions into focused operational action across energy efficiency, climate action, water stewardship, circularity and sustainable product development. During FY 2025-26, we delivered strong progress across key environmental priorities, supported by disciplined execution, operational excellence, and resource efficiency initiatives. The scorecard below presents our performance against FY25–26 objectives and the focus areas guiding future action.

FY25–26 Environmental & Climate Objectives

Sustainability Objective	FY25–26 Target	FY24-25	FY25-26	Progress Status
Energy intensity reduction vs FY 2021 baseline	20% reduction	17.42%	19.31%	96.6% of target achieved
Scope 1 & 2 emission intensity reduction vs FY 2021 baseline	30% reduction	36.08%	38.18%	Ahead of target
Scope 3 emission intensity reduction vs FY 2024 baseline	8% reduction	22.25%	17.17%	Ahead of target
Zero Liquid Discharge (ZLD) coverage	100%	100%	100%	Achieved & maintained
Solid waste sent to landfill intensity	<1%	0.01%	0.01%	Achieved & maintained
Non-virgin raw-material proportion	>95%	>95%	>95%	Achieved & maintained
Carbon-neutral product variants / finished goods	0.20%	0.10%	0.20%	Target achieved
Customer decarbonisation collaboration projects	1	New objective	1	Target achieved

CLIMATE ACTION & RESOURCE EFFICIENCY

Climate Action

SCOPE 1 & 2 TRANSITION
38.18%
reduction in Scope 1 & Scope 2 emission intensity vs FY 2021 baseline

NET-ZERO COMMITMENT
2050
long-term value-chain decarbonisation ambition

SCOPE 3 TRANSITION
17.17%
reduction in Scope 3 emission intensity vs FY2024 baseline

Energy Efficiency

19.31%
Energy intensity reduction from FY2021 baseline

140 Smart Meters
deployed through the Smart Comm-enabled digital energy management system

100%
of FY2025–26 electrical energy consumption supplied through recovered process waste gas

Renewable Energy & Low-Carbon Transition

5,300 MWh
Renewable electricity attributes procured through I-RECs

3,900 MWh
Retail green / low-carbon electricity procured

5kW
On-site solar capacity installed at Nagpur warehouse

100%
Market-based Scope 2 emissions covered through renewable electricity attributes

Water Stewardship

1,250 KLD
Combined ETP + WRP treatment capacity at Mahistikry

1,055.6 KL
Rainwater recovered and reused at Korba

~100 KL/ month
Water saved through RO-CIP optimisation

72 KL/year
Water conserved through SNF-PCE flushing-water reuse

Circular Economy & Waste Management

99.88%
Waste recycled / recovered

>95%
Non-virgin raw material use

0.01%
Hazardous solid waste to landfill intensity

1,920.29 MT
Waste recycled/recovered during FY 2025–26

Sustainable Products & Value-Chain Decarbonisation

1
Customer decarbonisation collaboration project

FY26–27
2 customer collaboration projects planned

0.2%
Carbon-neutral product variants / finished goods

Climate Strategy & Decarbonisation

GRI 201-2 | 3-3

Business President, Coal Tar Division

Building climate-resilient operations

"At Himadri, sustainability is embedded at the core of our strategy, guided by our philosophy of 'Building the New World Sustainably'. We are committed to creating long-term value by balancing economic growth with environmental stewardship, social responsibility, and strong governance. Our integrated ESG approach enables us to respond proactively to global challenges while building resilience and delivering sustainable growth for all stakeholders."

Mr. Soumyodeep Bhattacharya

Our climate strategy is guided by a **Net-Zero 2050 ambition,** supported by measurable near- and medium-term objectives and a progressive transition pathway. We focus on reducing emissions at source through energy efficiency, process optimisation, renewable energy adoption, cleaner fuels, waste heat recovery, technology innovation and value-chain engagement.

Climate Resilience at Himadri

During FY 2025-26, we continue to strengthen environmental governance, resource-efficient manufacturing, energy optimisation, emissions management and climate-conscious infrastructure across our operations. Environmental risk assessment, monitoring systems, process optimisation and emergency-preparedness frameworks supported operational stability at our major manufacturing locations, underpinned by an integrated operating model that embeds sustainability into decision-making across the business.

Himadri is progressing towards Net-Zero greenhouse gas emissions by 2050, with a transition pathway designed to progressively reduce emissions across our operations and value chain.

Our Approach Prioritises

Reduce
Lower energy consumption and emissions through process optimisation, energy efficiency and operational excellence.

Transition
Increase the use of renewable energy, cleaner fuels and lower-carbon technologies while reducing dependence on carbon-intensive energy sources.

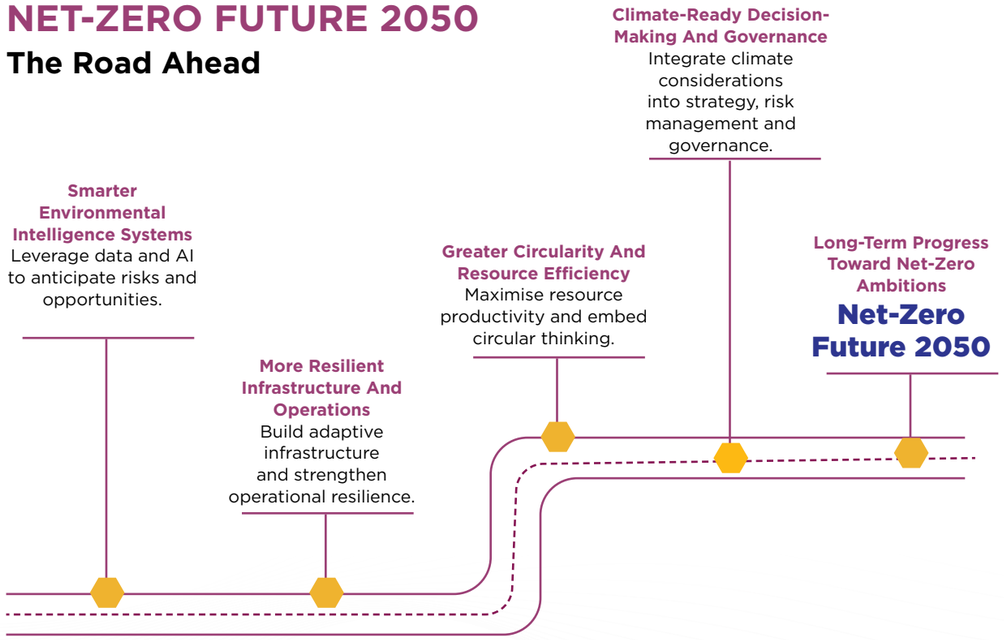
Innovate
Develop and deploy advanced technologies, circular solutions and lower-carbon products that support the transition across our operations and customer value chains.

Engage
Collaborate with suppliers, logistics partners, customers and other stakeholders to address value-chain emissions and accelerate collective climate action.

Scale
Expand successful pilots, technologies and transition solutions to progressively reduce residual emissions and support our long-term Net-Zero ambition.

NET-ZERO FUTURE 2050

The Road Ahead



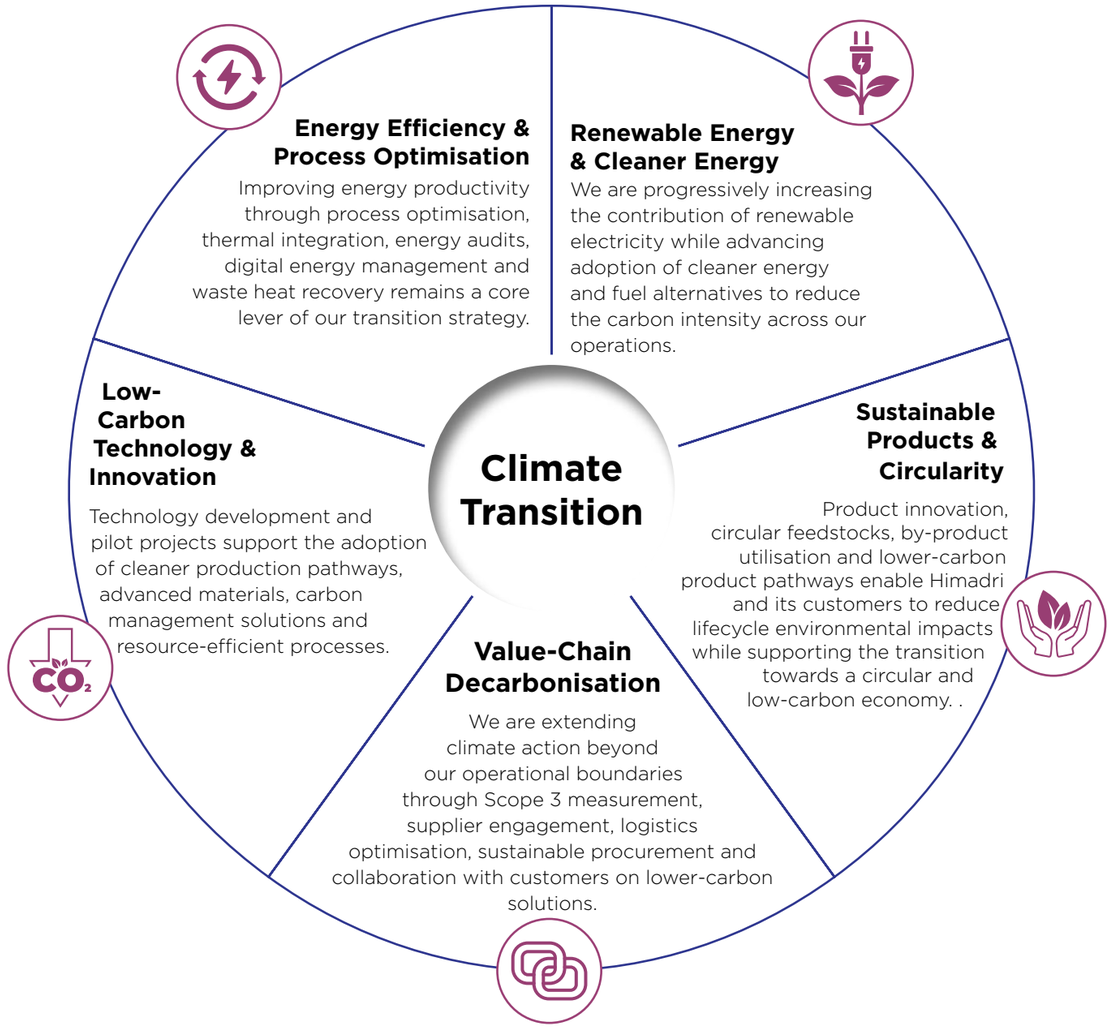
TODAY

Building resilience for a sustainable tomorrow

The road ahead: from today's baseline to our long-term Net-Zero ambition

Climate Transition Pillars

Himadri's decarbonisation strategy is built around interconnected transition pillars that address both operational emissions and the broader product and value-chain footprint.



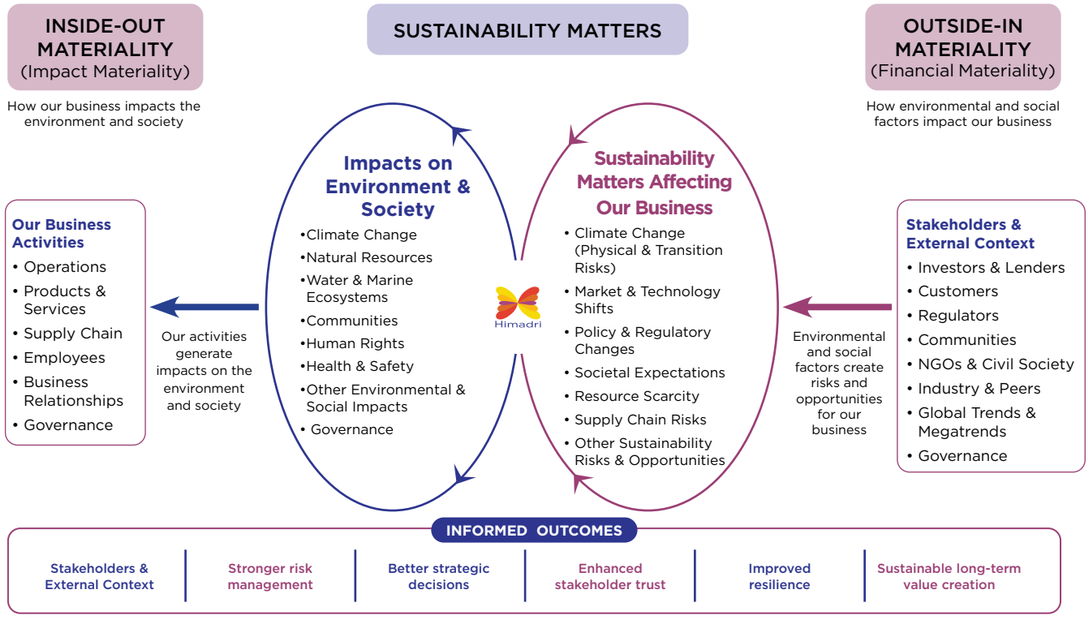
Double Materiality Of Climate Change

GRI 3-1 | 3-2

We assess climate change through a double materiality lens: considering how our operations affect the environment and society (inside-out), and how climate-related developments influence our business resilience (outside-in). From an inside-out perspective, we focus on emissions management, water stewardship, circular resource practices and environmental governance to reduce our operational footprint. From an outside-in perspective, factors such as rising temperatures, tightening regulation, resource stress, energy-transition pressure and shifting market expectations increasingly influence our operational continuity and future readiness. We embed these climate considerations into environmental planning, infrastructure investment, operational assessment and long-term strategy.

DOUBLE MATERIALITY

Assessing the impact of our business on the environment and society, and the impact of sustainability matters on our business



Integrated Environmental Management Framework

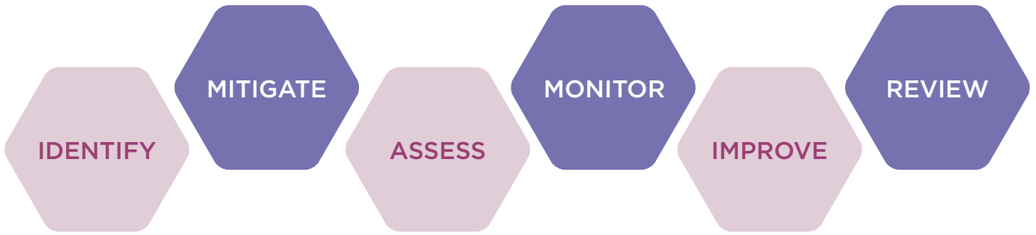
Our environmental management is founded on an integrated framework combining governance, environmental policy, operational management systems and structured risk management — designed to strengthen climate resilience, improve resource efficiency and drive continuous environmental performance across our manufacturing locations.

Policies Supporting Planet

- Environment Policy
- Energy Efficiency & GHG Emission Management Policy
- Air Quality & Emission Control Policy
- Water Efficiency & Preservation Policy
- Responsible Consumption Policy
- Biodiversity Policy
- Product End of Life Policy
- Customer Health, Safety & Environment Policy
- Environmental Services & Advocacy Policy

Management Systems Aligned With The Frameworks

Strategic Risk Management Approach

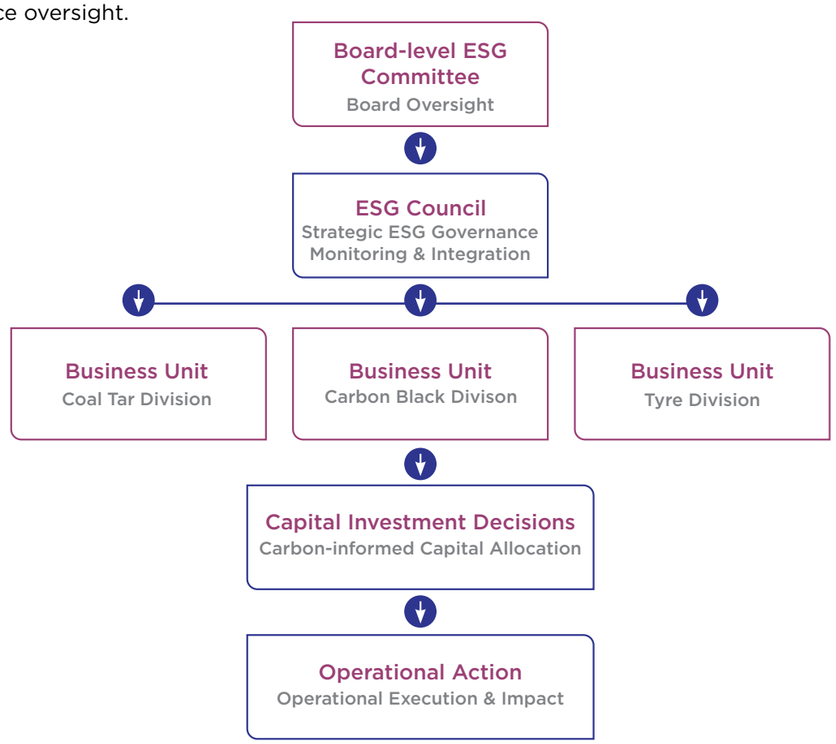


Governance And Oversight

GRI 2-9 | 2-12 | 2-13

"Strong environmental performance is built through clear accountability, collaborative leadership and continuous operational oversight."

Sustainability and climate-related matters are reviewed through Himadri's multi-tier ESG governance framework, with oversight provided by the Board level ESG Committee and management-level monitoring through the ESG Council. The ESG Council periodically reviews sustainability policies, key ESG performance indicators and progress against sustainability priorities, while providing updates to the Board and relevant governance forums annually. In line with the Company's governance processes, performance against sustainability policies and relevant statutory requirements are reviewed annually and mandatorily updated every three years, with follow-up actions tracked through the ESG governance structure. Climate change, environmental stewardship and associated risks and opportunities are incorporated within this governance oversight.



Our **Board-level ESG Committee** is responsible for the oversight and accountability for sustainability matters, including overseeing sustainability strategies and initiatives, setting and reviewing sustainability targets and performance, approving Group sustainability-related policies, receiving sustainability updates from the CSO, monitoring progress against sustainability objectives, and maintaining transparent communication with relevant stakeholders. Climate-related issues are included as an agenda item for the Board of Directors annually.

ESG Council (Members / Composition)

- CMD & CEO
- Executive Director
- Chief Financial Officer (CFO)
- Chief Sustainability Officer (CSO)
- Business President, New Energy Materials Division
- Business President, Carbon Black Division
- Business President, Coal Tar Division
- Business President, Treated Black Division
- Executive Vice President, Tyre & Strategy
- Sr. Vice President, Sales & Marketing
- Vice President, Human Resource
- Company Secretary and Compliance Officer

The **ESG Council** supports our integration into business operations. We monitor climate-related performance indicators, including GHG intensity and energy consumption, and supports the integration of climate considerations into enterprise risk management and capital allocation.

The governance structure also includes a Sustainability Steering Committee at the operational/unit level.

Sustainability / ESG Steering Committee

- Unit Head – Chairman
- Process Head – Member
- Engineering Head – Member
- Purchase Head – Member
- HR Head – Member
- HSE Head – Member
- CPP In-charge – Member
- Logistics Head – Member

The Business Presidents play an important role in translating these priorities into operational action across their respective business units, including energy efficiency, fuel diversification, renewable energy adoption and climate-related performance monitoring. They are responsible for executing sustainability strategies, setting priorities, overseeing plant-level sustainability activities, monitoring progress against targets and ensuring compliance.

ESG Taskforces

Eight specialised task forces comprising Energy & GHG Reduction, Air Emissions Reduction, Zero Liquid Discharge, Circular Economy, Biodiversity Conservation, Health & Safety, Product Lifecycle, and Responsible Business & Advocacy, operate with defined mandates covering monitoring, target-setting, stakeholder engagement and continuous improvement. The Energy & GHG Reduction Task Force leads our decarbonisation and energy optimisation programmes by monitoring consumption and emissions, identifying efficiency opportunities, supporting cleaner-fuel transition and tracking progress against our emissions-reduction goals and long-term Net-Zero ambition.

BUILT ON STANDARDS. DRIVEN BY RESPONSIBILITY.

Board-level ESG Committee

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

ESG Council

- Operationalises Board directives into climate and resource efficiency programmes
- Reviews and approves environmental KPIs, including climate action
- Drives clean technology innovation
- Monitors progress towards Net-Zero and SDG commitments

Sustainability Steering Committee

- Localises environmental strategy at site level
- Develops implementation roadmaps and action plans
- Monitors environmental KPIs and GHG intensity
- Engages suppliers on sustainability initiatives
- Leads employee awareness and capability-building programmes
- Embeds sustainability into day-to-day operations

ESG TASK FORCES

- Implements ESG initiatives and action plans
- Coordinates cross-functional ESG activities
- Identifies gaps and recommends corrective actions

Energy & GHG Reduction Task Force

Key Focus Areas

- Monitors energy use & GHG emissions
- Identifies efficiency improvements opportunities
- Drives renewables & cleaner energy integration
- Strengthens Scope 1 & 2 reduction programmes
- Tracks emissions performance
- Promotes energy-conscious practices across locations

Air Emissions Reduction Task Force

Key Focus Areas

- Monitors stack & fugitive emissions
- Strengthens air pollution control systems
- Reduces PM, NOx, SOx & other air pollutants
- Supports regulatory compliance & reporting
- Improves operational controls to minimise air emissions
- Enhances monitoring & reporting

ZLD Task Force

Key Focus Areas

- Manages wastewater treatment & ZLD (Zero Liquid Discharge System)
- Improves water reuse, recycling & recovery
- Strengthens wastewater monitoring & compliance
- Enhancing treatment efficiency & operational reliability
- Supports water stewardship & reduced water management
- Identifies opportunities for process water conservation management

Circular Economy Task Force

Key Focus Areas

- Promotes circular resource use
- Improves waste recovery, reuse & recycling
- Strengthens by-product utilisation & material circularity
- Reduces landfill disposal & operational waste
- Supports responsible consumption & sustainable material use
- Improves resource productivity across value chain
- Advances long-term circularity & sustainability initiatives

Biodiversity Conservation Task Force

Key Focus Areas

- Protects & enhances biodiversity conservation areas
- Conserves ecosystems & support habitat preservation
- Develops green belts & plantation initiatives
- Implements responsible land management
- Monitors biodiversity & ecological impacts
- Conducts awareness programmes
- Drives nature-positive operational strategies

Product Lifecycle Task Force

Key Focus Areas

- Ensures responsible product handling across lifecycle
- Supports end-of-life management & recovery
- Promotes recycling & resource recovery
- Drives circular product initiatives
- Promotes sustainable packaging solutions
- Improves resource efficiency across value chain
- Strengthens product stewardship practices

Responsible Business & Advocacy Task Force

Key Focus Areas

- Conducts ESG awareness & capability building
- Engages stakeholders & build partnerships
- Promotes sustainability advocacy & collaboration
- Drives policy & regulatory engagement
- Strengthens ESG communication
- Supports climate-related training initiatives
- Aligns with global sustainability frameworks & expectations

Our Net-Zero Pathway

GRI 305-4 | 305-5

Our climate strategy is centred on reducing operational emissions through energy optimisation, process efficiency, thermal integration, logistics optimisation and cleaner fuel alternatives. We conduct energy and waste audits across operational locations once every three years and carry out annual greenhouse gas verification at corporate level, strengthening inventory accuracy, transparency and reporting credibility.

Himadri's Net-Zero pathway follows a phased approach, with priorities evolving from establishing and delivering near-term reductions to accelerating technology deployment and scaling transformative solutions over the long-term.

Transition Roadmap

Himadri's Net-Zero pathway progresses through a phased approach, with priorities evolving from establishing and delivering near-term reductions to accelerating technology deployment and ultimately scaling transformative solutions.

ACHIEVE | 2023–2030

Focus: Establishing and delivering the foundations of the transition

- Energy efficiency and process optimisation
- Increased renewable energy adoption
- Reduction in Scope 1 and Scope 3 emissions
- Waste and resource efficiency
- Fuel diversification and cleaner technologies
- Sustainable procurement
- Reduction of packaging and logistics emissions
- Development and piloting of low-carbon technologies
- Integration of climate action into business decision-making

ACCELERATE| 2030–2040

Focus: Scaling low-carbon technologies and value-chain transformation

- Increased renewable and low-carbon energy consumption
- Further reduction in Scope 1 and Scope 3 emissions
- Scale-up of successful technology pilots
- Carbon capture and utilisation solutions
- Greater use of recycled and upcycled raw materials
- Renewable and lower-carbon transportation solutions
- Expansion of sustainable products and circular solutions
- Deeper collaboration across the value chain

SCALE | 2040–2050

Focus: Scaling transformative solutions towards Net-Zero

- Further decarbonisation of operations
- Increased use of renewable thermal energy and low-carbon fuels
- Scaling carbon capture and utilisation
- Expansion of recycled and circular material inputs
- Low-carbon logistics and transportation
- Scaling carbon-removal solutions where required
- Continued value-chain collaboration
- Progression towards Net-Zero by 2050 business decision-making

Looking Ahead

Himadri will continue to strengthen its climate transition through a combination of operational efficiency, renewable energy, technology innovation and value-chain collaboration.

For FY 2026–27, the Company is targeting a 20% reduction in energy intensity, a 30% reduction in Scope 1 and Scope 2 emissions intensity, and a 10% reduction in Scope 3 emissions intensity from the baseline year, alongside continued progress in resource efficiency and the use of sustainable materials.

The next phase of the transition will focus on scaling proven energy-efficiency measures, expanding renewable and cleaner energy adoption, advancing low-carbon technologies, strengthening Scope 3 engagement and further integrating climate considerations more deeply into investment and business planning.

Through disciplined execution, innovation and collaboration across the value chain, Himadri continues to advance from efficiency-led emissions reduction towards a broader transformation of its products, processes and energy systems - strengthening resilience and creating a pathway towards Net-Zero 2050.

Greenhouse Gas Emissions

GRI 305-1 | 305-2 | 305-3 | 305-4 | 305-5 | 305-6 | 305-7

Business President -Treated Black Division

Driving Decarbonisation Through Control and Innovation.

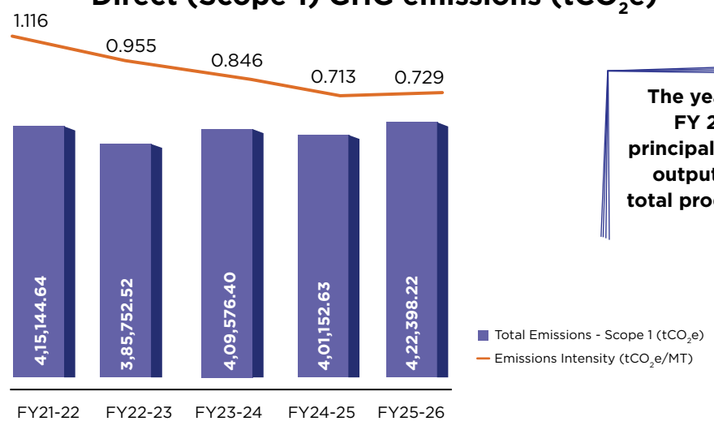
Our approach to air emissions and GHG management is anchored in robust systems, advanced technologies, and continuous monitoring. We have strengthened emission control measures across operations, ensuring compliance while achieving meaningful reductions in our carbon footprint. With a clear roadmap aligned to Net-Zero 2050, we remain focused on accelerating our decarbonisation journey through innovation and accountability.

Dr. Soumen Chakraborty

Our Approach To GHG Accounting

We account for our greenhouse gas emissions using the operational control consolidation approach, under which 100% of Scope 1 and Scope 2 emissions are reported for facilities where Himadri has the authority to implement operational, environmental, and health and safety policies. This approach gives the clear linkage between operational decision-making and emissions outcomes, supports consistent year-on-year comparability, and aligns with our integrated ISO 14001:2015, ISO 45001:2018 and ISO 50001 management systems. All of our manufacturing sites are certified under Environmental Management Systems – ISO 14001:2015

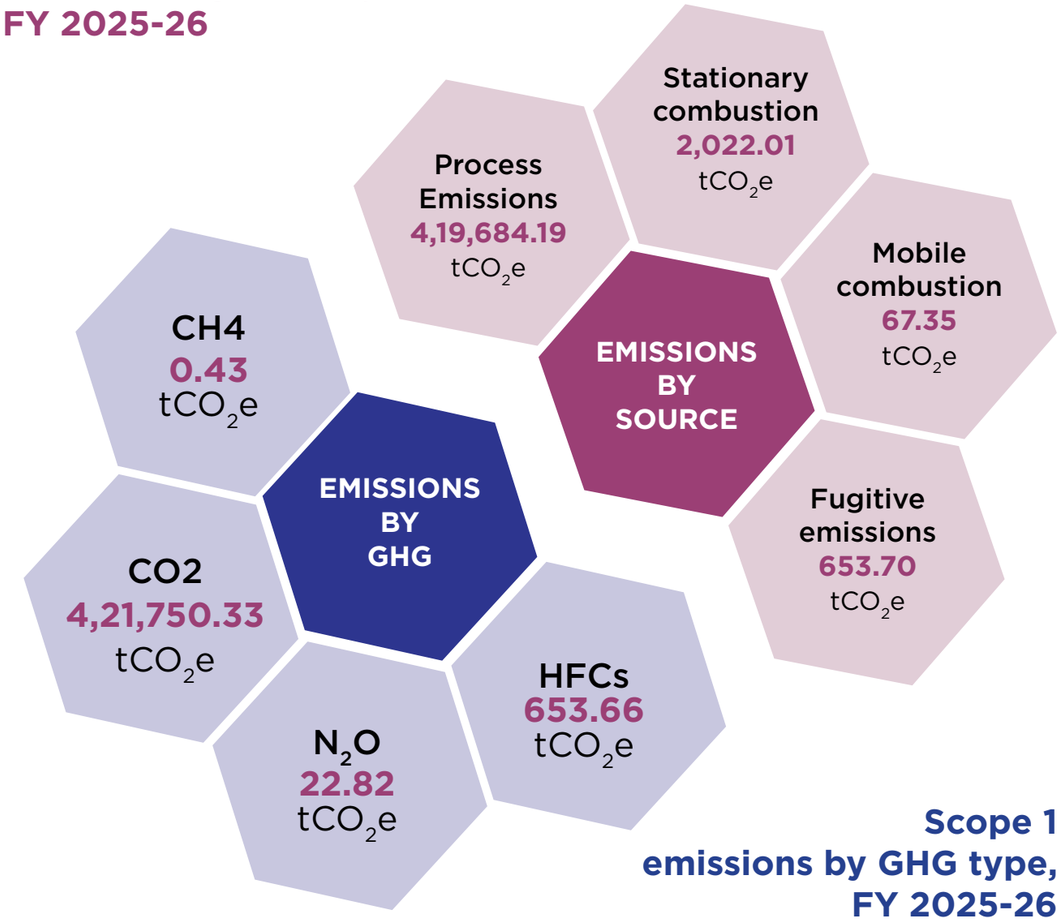
Direct (Scope 1) GHG emissions (tCO_2e)



The year-on-year increase in FY 2025-26 was driven principally by higher production output (a 2.99% increase in total production volume over FY 2024-25)

Our Scope 1, Scope 2 and Scope 3 GHG emissions are accounted for in line with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1, with reference to relevant guidance and emission factors from the Intergovernmental Panel on Climate Change (IPCC) and the Department for Environment, Food & Rural Affairs (DEFRA). We have established FY 2021–22 as the base year for Scope 1 and Scope 2 emissions and FY 2023–24 as the base year for Scope 3. The reported Scope 1, Scope 2 and Scope 3 emissions are independently assured by TÜV SÜD South Asia Pvt. Ltd.

Scope 1 Emissions By Source, FY 2025-26



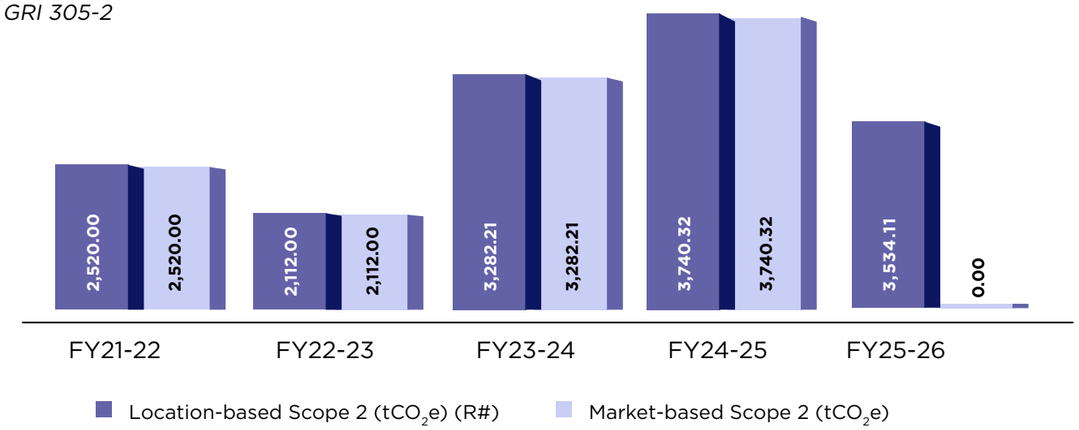
During FY 2025–26, our gross Scope 1 GHG emissions were 4,22,398.22 tCO_2e, arising from process emissions, stationary combustion, mobile combustion and fugitive emissions. The GHGs included in the calculation comprise carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and hydrofluorocarbons (HFCs). The emissions were calculated using activity data and applicable emission factors and global warming potentials in accordance with the GHG Protocol, with the applicable consolidation approach and calculation methodology applied consistently across our GHG inventory.

Scope 1 emissions by GHG type, FY 2025-26

R# - Scope 2 emissions for FY25–26 have been restated to 3,534.11 tCO_2e from previously reported figure in the FY25–26 Annual Report and Business Responsibility and Sustainability Report (BRSR). The restatement reflects updated approach and methodology.

Indirect (Scope 2) GHG Emissions

GRI 305-2



We calculate location-based Scope 2 emissions by applying the applicable Central Electricity Authority grid emission factor to metered grid electricity purchases. In FY 2025-26, location-based Scope 2 emissions amounted to 3,534.11 tCO_2e.

The 5,300 MWh of I-REC-backed renewable electricity attributes covered the market-based Scope 2 electricity emissions for FY2025–26, resulting in reported market-based Scope 2 emissions of zero.

Other Indirect (Scope 3) GHG Emissions

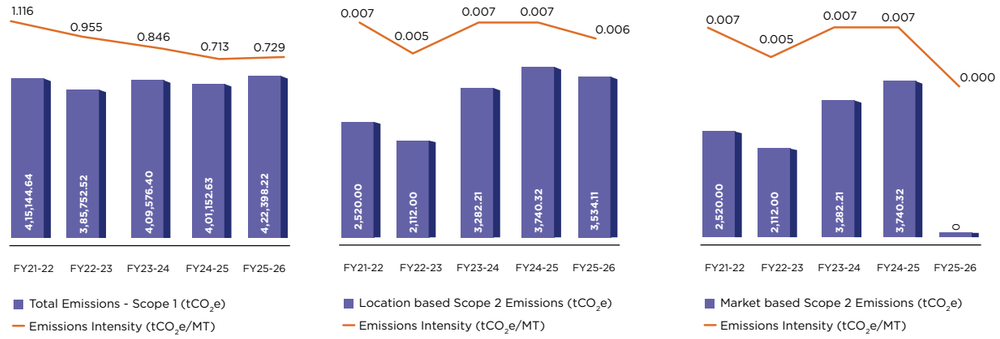
GRI 305-3

Scope 3 category	Calculation method	FY25-26 (tCO_2e)
1. Purchased goods and services	Average-data method	7,98,951.00
2. Capital goods	Spend-based method	7,173.50
3. Fuel- and energy-related activities (not in Scope 1 or 2)	Average-data method	879.14
4. Upstream transportation and distribution	Distance-based method	99,022.00
5. Waste generated in operations	Waste-type-specific method	764.70
6. Business travel	Distance-based method	957.74
7. Employee commuting	Fuel-based method	217.69
8. Upstream leased assets	Activity-based method	56.09
9. Downstream transportation and distribution	Distance-based method	74,260.79
10. Processing of sold products	Activity-based method	2,63,583.43
11. Use of sold products	Activity-based method	-
12. End-of-life treatment of sold products	Activity-based method	1,564.91
13. Downstream leased assets	Not relevant	—
14. Franchises	Not relevant	—
15. Investments	Not relevant	—
Total Scope 3		**12,47,430.99**
of which upstream (Categories 1-8)		*9,08,021.86*
of which downstream (Categories 9-15)		*3,39,409.13*

GHG Emissions Intensity

GRI 305-4

Scope 1 and Scope 2 Emissions Intensity (tCO_2e/MT)



Gases included: CO_2, CH_4, N_2O and HFCs (Scope 1); Scope 2 on a market-based accounting basis. The intensity ratio denominator is total Product Sold in volume (MT).

Reduction of GHG emissions

GRI 305-5

Reason for change	Effect (tCO_2e)
Change in output (higher production volume, ~3%)	17,112.37
Change in methodology / market-based instruments (full I-REC offset of market-based Scope 2)	3,534.11
Net change	**13,578.26**

In addition to the market-based instruments captured above, we continued to reduce emissions at source through the energy-efficiency and decarbonisation initiatives detailed in Energy Management section — including waste heat recovery, thermal desorption unit optimisation, boiler and reactor efficiency upgrades, and logistics fuel optimisation. Collectively, these initiatives contributed to an estimated avoidance of 12,883.18 tCO_2e in FY 2025-26 across the quantified projects set out in that section.

We also voluntarily retired 20,000 Verified Carbon Units (VCUs) from renewable energy projects during FY 2025–26, reflecting our support for renewable energy development and climate action. Aligning with SBTi guidance, these retirements are disclosed separately and complement the emissions reductions achieved through our operational decarbonisation initiatives.

Emissions of Ozone-Depleting Substances (ODS)

GRI 305-6

Refrigerant	Quantity consumed FY25-26	Ozone-depleting substance?	ODP factor	ODS emissions (tCO_2e CFC-11 equivalent)
R-22 (HCFC-22)	129.0 kg	Yes	0.055	0.0071 (7.10 kg CFC-11e)
R-32 (HFC-32)	110.5 kg	No	0	Not applicable
R-410A (HFC blend)	179.5 kg	No	0	Not applicable
CO2 fire suppression systems	41.12 kg	No	0	Not applicable

Himadri continues to progress the transition from R-22 to zero-ODP alternatives including R-410A and R-32. During FY 2025–26, R-22 consumption was 129.0 kg, corresponding to 0.0071 tonnes CFC-11 equivalent of ODS emissions. The GHG impact associated with all four refrigerant/fugitive emission sources listed above is included within the HFC component (653.66 tCO_2e) of our Scope 1 emissions reported under GRI 305-1.

Nitrogen Oxides (NOx), Sulphur Oxides (SOx) And Other Significant Air Emissions

GRI 305-7

Detailed site-level and pollutant-level disclosure of NOx, SOx, particulate matter and VOC emissions, together with our pollution-control infrastructure, is set out in Air Emissions & Pollution Prevention.

Verification and Assurance

GRI 2-5

Scope	Verification/ assurance cycle	FY25-26 Status	Level of assurance
Scope 1	Annual process	Complete	Reasonable assurance
Scope 2 (location-and market-based)	Annual process	Complete	Reasonable assurance
Scope 3 (Categories 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12)	Annual process	Complete	Reasonable assurance

Energy Management

GRI 302-1 | 302-2 | 302-3 | 302-4 | 302-5

Business President - Tyre Division

Powering Efficiency. Advancing Decarbonisation.

"Our energy management strategy is driven by efficiency, digitalisation, and disciplined execution. During the year, we strengthened performance through advanced monitoring systems, waste heat recovery, and process optimisation initiatives. These efforts have enabled a significant reduction in energy intensity, reinforcing our commitment to decarbonisation and our Net-Zero 2050 ambition. We will continue to drive innovation-led efficiency improvements to support sustainable and resilient growth."

Mr. Somesh Satnalika

How We Manage Energy

Energy management is governed through our Board-level ESG Committee, ESG Council and Sustainability Steering Committee, with day-to-day ownership held by the Energy & GHG Reduction Task Force. Our approach combines a rolling three-year energy audit cycle, continuous monitoring and metering, a structured project pipeline and annual review of performance against the Sustainability Objectives 2026-27 targets by the Board-level ESG Committee.

Energy Consumption Within The Organisation

GRI 302-1 | 302-3

Our total energy consumption for FY 2025-26 was 4,33,180.12 GJ, up from 4,30,062.82 GJ in FY 2024-25, reflecting expanded manufacturing capacity. Against our FY 2021 baseline, we achieved a 19.31% reduction in energy intensity per MT of product sold in FY 2025-26 (target: 20% by 2026), and building on this progress, we are targeting a further 20% reduction in energy intensity by FY 2026-27.

Climate & Energy Performance Snapshot

Metric	Unit	FY24-25	FY25-26	Target
Total energy consumption	GJ	4,30,062.82	4,33,180.12	—
Energy intensity reduction vs FY 2021 baseline	%	17.42%	19.31%	20% (FY26-27)
CPP electricity generated	(MWh)	1,76,037.70	1,63,312.96	—
CPP electricity self-consumed	(MWh)	16,160.40	96,658.24	—
Surplus electricity sold to grid	(MWh)	83,000	66,654.71	—
Equivalent economic value of CPP generation	(Rs. crores)	149.63	138.82	—
Renewable electricity attributes procured (I-REC)	(MWh)	0	5,300	—
Retail green (low-carbon/solar) electricity procured	(MWh)	0	0	
On-site solar capacity installed	(kW)	0	5	—
Diesel saved through logistics route/dispatch optimisation	(litres)	—	86,890	—
Distance reduction via high-capacity vehicle deployment	(km)	—	260,670	—

Metric	Unit	FY24-25	FY25-26	Target
Biodiesel deployed in logistics fleet	(litres)	0	167,330	
Biodiesel deployed (CBD/CTP process)	(litres)	0	85,115	
Estimated CO2e avoided via logistics optimisation	(tCO_2e)	—	495.36	—
Cumulative energy-efficiency/decarbonisation investment to date (Rs.crores)		10	25-30	~10/year (Rs. 100cr over 2024-2034)

Energy consumption by source (fuel mix)

Fuel / energy source	Quantity	Unit	Energy (GJ)	% of total
Diesel (stationary + mobile combustion)	6,84,558.80	Litres	24,464.21	5.65%
Petrol (mobile combustion)	28,782.30	Litres	953.25	0.22%
LPG (carbon black manufacturing process fuel)	1,126.98	MT	50,714.01	11.71%
Purchased grid electricity	53,52,319.73	KWh	19,268.35	4.45%
Recovered process waste gas (CPP fuel)	9,38,27,860.00	KWh	3,37,780.30	77.97%
Total			**4,33,180.12**	**100%**

Captive Power Generation:
converting a waste stream into clean energy

GRI 302-1

Circularity at Himadri extends beyond our end-of-life waste streams into how we power our operations. Process-generated waste gas from carbon black production is recovered and utilised as fuel for our 28 MW in-house Captive Power Plant (CPP) at our flagship Mahistikry (MTK) facility, converting a by-product into a productive, near-zero-marginal-cost energy resource and supporting resource efficiency across operations (see Circular Economy & Waste Management, Section 3g)

In FY 2025-26, the CPP generated 1,63,312.96 MWh of electricity from this recovered waste gas. Of this, 96,658.24 MWh was consumed internally at the MTK plant, while 66,654.71 MWh was sold as surplus power to the grid — satisfying our GRI 302-1(d) disclosure of energy consumed from self-generation and electricity sold.

This circular energy model delivers a direct financial return alongside its environmental benefit. At an estimated electricity tariff of Rs. 8.50/KWh (Rs. 8,500/MWh), the electricity consumed internally represents an estimated avoided grid-purchase cost of approximately Rs. 82.16 crores, while the surplus electricity sold represents an indicative value of approximately Rs. 56.66 crores. Together, an equivalent economic value of approximately Rs. 138.82 crores during FY 2025-26. The CPP also reduces exposure to grid-tariff volatility, strengthens energy security, and demonstrates how circular economy principles extend from material recovery into energy recovery.

The actual revenue realised from electricity exported to the grid: **Rs. 138.82 crores**

FLAGSHIP CASE STUDY

From By-Product to Power: Closing the Energy Loop*

At Himadri, circularity goes beyond material recovery. It powers our operations. The process-generated waste gas from carbon black production, which would otherwise be flared or vented, is recovered and used as fuel in our 28 MW Captive Power Plant (CPP) at our Mahistikry (MTK) facility. This transformation is a by-product into a valuable, low-carbon energy resource that drives our journey towards Net-Zero 2050.

28MW
Captive Power Plant (MTK) Facility

THE ENERGY LOOP: FROM WASTE TO VALUE

1. PROCESS WASTE GAS (GENERATED)
By–product from carbon black production that would otherwise be flared or vented.

→

2. CAPTIVE POWER GENERATION
Waste gas is captured through a closed system and directed to the captive power plant.

→

3. INTERNAL CONSUMPTION
Electricity power our operations, reducing dependency on grid electricity.

→

4. GRID EXPORT
Excess clean power is exported to the gird, creating value beyond our operations.

FY 2025-26 PERFORMANCE HIGHLIGHTS

1,63,313 MWh
ELECTRICITY GENERATED
From recovered process waste gas

96,658 MWh
SELF-CONSUMED
Powering our MTK operations

66,655 MWh
EXPORTED TO GRID
Contributing clean energy to the nation

CIRCULAR ENERGY: LOWER EMISSIONS, HIGHER VALUE

- A by–product is converted into renewable energy, reducing the need for fossil fuels.
- Eliminates flaring of process waste gas.
- Reduces reliance on fossil fuel based grid power.
- Lower carbon emissions and air pollutants.
- Strengthens resource efficiency and circularity.

FINANCIAL VALUE CREATED (FY 2025–26)

AVOIDED GRID PURCHASE	POWER SOLD TO GRID
Rs. 82.16 Crores	Rs. 56.66 Crores
Value of electricity self–consumed	Revenue value of power exported

TOTAL EQUIPMENT ECONOMIC VALUE
Rs. 138.82 Crore

ENVIRONMENTAL IMPACT

- Reduces exposure to grid tariff volatility.
- Strengthens energy security at our highest manufacturing site.
- Demonstrates circular economy leadership from material recovery to energy recovery.

"Our Creative Power Plant is a powerful example of our belief that nothing should go to waste. By converting process waste gas into clean energy, we reduce emissions, save resources and create long-term value — for our business and for the planet."
Mr. Avijit Sasmal Chief Sustainability Officer

THE ROAD AHEAD

We will continue to enhance energy recovery, improve efficiency and expand clean energy from waste gas across our operations, reinforcing our commitment to a low–carbon, resource–efficient and circular future.

Reduction Of Energy Consumption

During FY 2025-26, energy and emissions performance improved through engineering-led optimisation initiatives across logistics operations, utility systems, thermal integration and manufacturing infrastructure, spanning the following representative initiatives:

INITIATIVE	DESCRIPTION	IMPACT
High-efficiency Air Pre-heater, Line-4 reactors	Increases hot air temperature from 760°C to 850°C, improving heat recovery.	Estimated 1.5–3% reduction in fuel energy consumption.
Deaerated hot water in Waste Heat Recovery Boilers	Uses deaerated hot water (>100°C) instead of 30°C feedwater for 11 TPH steam generation.	~730 TPA fuel reduction; ~2,260 tCO_2e avoided annually; 28,221.92 GJ energy saving.
Thermal Desorption Unit operated in CBO mode	Reduces fuel and Naphthalene Oil consumption in TDU operation.	4.5 TPD fuel and 1.8 TPD Naphthalene Oil saved; ~4,600 tCO_2e avoided annually; 535 t/yr VOC reduction; 95,180.25 GJ saving; 45-day payback.
CD-1 heat conversion	Improves fuel oil utilisation in the CD-1 process.	~5.6 kg fuel oil saved per tonne of production (~1.35 TPD at 240 TPD throughput); reduces associated CO_2 and air pollutant emissions.
Hot-air distribution optimisation, Boilers 1 & 2	Improved thermal-energy utilisation and combustion efficiency, reducing auxiliary fuel consumption.	~15 KL Light Diesel Oil saved per boiler; improved gas-to-steam ratio; reduced auxiliary power demand during Boiler 3 shutdown condition.
Flexible operation of Boilers 1 & 2	Enabled improved steam-to-power allocation based on operational demand and CO gas availability.	CO gas consumption reduced by ~9 Nm_2/hr, equivalent to energy savings of ~2.5 MWh/hr; improved operational flexibility and power-generation performance.
Fuel Oil system modification, Line-4	Additional heating coils and supplementary heating improved feedstock utilisation, combustion stability and thermal efficiency.	Enabled 100% IFS utilisation at 250–270°C; ~1% yield improvement; improved atomisation, product consistency and carbon intensity performance.

Manufacturing and Utility Efficiency

INITIATIVE	DESCRIPTION	IMPACT
Energy-efficient milling machine (Falta, Treated Black Division / Pigment Black expansion)	Upgraded milling equipment increasing production efficiency and reducing processing time.	Specific power consumption reduced from 573 to 507 KWh/MT (11.52% improvement).
Borewell pumping system optimisation, Coal Tar operations	15 kW pump replaced with a right-sized 5.5 kW system aligned to ~250 m3/day requirement.	Reduced electricity consumption for pumping operations; improved suction efficiency and utility-system performance.
LED lighting upgrade, Korba unit	20 conventional 400 W halogen lamps replaced with energy-efficient LED flood lights.	~4,000 W lighting load reduction; ~40 units/day, ~1,200 units/month, ~14,400 units/year saved (based on ~10 hrs/day operation).

Logistics and Freight Optimisation

INITIATIVE	DESCRIPTION	IMPACT
Diesel consumption optimisation in logistics	Route remapping, optimised dispatch scheduling and fuel-efficient driving practices across finished goods and raw material transportation.	~43,604 litres diesel saved, April–December 2025 (21,917 litres finished goods; 21,687 litres raw materials).
High-capacity vehicle deployment for dispatches	Higher-capacity trucks deployed for finished goods dispatch, improving load consolidation.	Transportation distance reduced by ~1,38,800 km; ~123.14 tCO2e avoided (DEFRA emission factors) resulting 1,653.62 GJ of energy saving.
Bio-diesel pilot, Nagpur logistics	One heavy commercial vehicle converted for bio-diesel operation.	~150 litres bio-diesel deployed during the pilot phase.
Solar power pilot, Nagpur warehouse	5 kW on-grid solar system meeting the facility's full electricity requirement.	~500 units/month generated (see Renewable energy and market-based instruments, below).

Reduction In Energy Requirements Of Products And Services

GRI 302-5

Our ENERGEX, COLORX and BARONX product innovations reduce customer-side energy consumption during dispersion and milling process. COLORX's optimised particle size distribution shortens grinding cycles and lowers energy consumption during dispersion; BARONX's functional surface groups improve wetting and dispersion, reducing mixing time and dispersing-additive requirements. Quantified, product-level energy-reduction data for these grades in customer-side use is 15-20%.

Renewable Energy And Market-Based Instruments

GRI 302-1

We complement our operational decarbonisation initiatives with market-based renewable energy instruments and on-site renewable generation. During FY 2025-26, we redeemed 5,300 International Renewable Energy Certificates (I-RECs), representing 5,300 MWh of renewable electricity attributes, supporting Scope 2 decarbonisation efforts.

As part of our renewable energy transition strategy, we also installed a 5 kW on-grid solar power system at our leased Nagpur warehouse during FY 2025-26, designed to meet the facility's complete electricity requirement. The system generates approximately 500 units of electricity per month, contributing to lower operational emissions, reduced dependence on grid electricity and improved energy sustainability across our logistics infrastructure. We are continuously investing in innovation and research to decrease use of non-renewable energy consumption.

On-site renewable energy generation from the Nagpur solar installation totalled 7,628.5 KWh in FY 2025-26.

Building An Energy-Conscious Workforce

Periodic energy-efficiency awareness and training programmes reinforce responsible energy use across our operations. Himadrians are encouraged to switch off lighting and equipment when not in use and actively identify opportunities to reduce energy consumption.

Periodic energy audits help identify energy-intensive hotspots and improvement opportunities. Identified energy-saving measures are evaluated and implemented to improve operational efficiency and reduce energy consumption.

Internal Carbon Pricing

Putting A Value On Carbon In Every Capital Decision

At Himadri, carbon considerations are integrated into capital allocation decisions to strengthen the alignment between business growth and decarbonisation priorities. Our internal carbon pricing (ICP) mechanism applies a shadow price to Scope 1 and Scope 2 emissions when evaluating capital expenditure projects requiring CMD-CEO approval. By assigning a financial value to associated emissions, the framework enables carbon considerations to be incorporated into project evaluation, payback assessment and investment decision making.

Integrating Carbon Into Investment Decisions

Our ICP framework brings environmental considerations into the investment decision-making process through four stages:

Internal Carbon Pricing Methodology

INTERNAL CARBON PRICE

Rs. 6,220/tCO_2e

Internal shadow price applied to Scope 1 and Scope 2 emissions in applicable capital investment evaluations.

ABOUT OUR APPROACH

We integrate the cost of carbon into investment decisions to support decarbonisation, strengthen resilience and future-proof our business.

How We Apply The Internal Carbon Price

QUANTIFY EMISSIONS

Estimate Scope 1 & Scope 2 emissions associated with the proposed investment.

APPLY THE CARBON PRICE

Translate potential emissions into an internal carbon cost using our shadow price (Rs. 6,220/ tCO2e).

EVALUATE INVESTMENT OPTIONS

Incorporate carbon cost into payback and cost-benefit analysis alongside financial considerations.

APPROVE AND REVIEW

Use the combined financial and environmental assessment to inform investment decisions and periodically review the price.

How We Set And Review Our Shadow Price

SCENARIO BENCHMARKING
Use global carbon price scenarios (e.g. IEA NZE pathway, IPCC scenarios) as reference points.

MARKET & PEER BENCHMARKING
Assess industry-leading practices and market signals.

PERIODIC REVIEW
The internal carbon price is reviewed periodically to reflect evolving market, regulatory and policy conditions.

REGULATORY & POLICY OUTLOOK
Consider carbon pricing mechanisms and regulatory developments.

BUSINESS CONTEXT
Reflect our sector, operational realities and strategic priorities.

SCOPE 1 & SCOPE 2 EMISSIONS

Quantified in tCO_2e for the proposed project

GLOBAL CARBON PRICE SCENARIOS

Considered as reference points for future carbon costs

PEER BENCHMARKING

Used to assess the competitiveness and relevance of the internal price

REGULATORY OUTLOOK

Considers emerging carbon-market and compliance requirements

PERIODIC REVIEW

Enables the shadow price to evolve with market and policy developments

Supporting low-carbon investment decisions

The ICP mechanism helps identify investment options that combine financial viability with lower carbon intensity. It strengthens our ability to evaluate energy efficiency measures, fuel diversification, renewable energy adoption, process improvements and other decarbonisation opportunities through a common financial lens.

Carbon considerations are therefore incorporated alongside capital cost, operating performance, expected returns and other project parameters. This approach supports our 2030 target to reduce Scope 1 and Scope 2 emissions by 30% and our longer-term Net-Zero ambition.

Climate ambition → **Carbon price** → **Investment decision** → **Decarbonisation**

During FY 2025–26, the internal carbon price was applied to 44 capital projects representing Rs. 297.83 crores of proposed investment and 6,482.27 tCO_2e of associated emissions.

Incentivise emission reductions:
Encourage lower-carbon alternatives in capital investment decisions.

Future-proof investment decisions:
Anticipate the financial implications of evolving carbon regulations and markets.

Internalise environmental costs:
Translate potential carbon impacts into a financial consideration.

Identify low-carbon opportunities:
Highlight projects where emissions reduction can strengthen long-term value creation.

Strengthen accountability:
Embed carbon considerations into investment evaluation and capital allocation.

Looking Ahead

As carbon markets, climate regulations and customer expectations continue to evolve, our ICP framework provides a mechanism to strengthen the resilience of long-term investment decisions. We periodically review and refine the internal carbon price to align with emerging market signals, regulatory developments and the Company's decarbonisation pathway.

Water Stewardship

Securing Water Resilience Through Efficiency, Circularity And Responsible Use

Water is an important resource for Himadri's manufacturing operations, and responsible water management is integral to operational resilience and environmental stewardship. Our approach combines water efficiency, recycling and reuse, rainwater harvesting, wastewater treatment and Zero Liquid Discharge (ZLD), supported by site-level monitoring, water-risk assessment and continuous process optimisation. During FY 2025–26, these initiatives continued to strengthen water security across our manufacturing footprint while supporting efficient use of freshwater resources.

A Circular Approach To Water Management

Himadri's water management framework is designed around the principles of reduce, recover, reuse and replenish. Process optimisation and water-efficient technologies help reduce freshwater requirements, while treated wastewater and recovered water are returned to appropriate processes wherever technically feasible. Rainwater harvesting and surface-runoff capture further diversify water sources and support groundwater recharge.

Our manufacturing operations have achieved 100% Zero Liquid Discharge (ZLD), reinforcing our commitment to responsible wastewater management and minimising the discharge of treated industrial effluents

Reduce > Recover > Treat > Reuse > Replenish

We manage water as a shared resource across our value chain — from the river basins and groundwater sources that support our operations, surrounding communities and ecosystems, and relevant suppliers operating in different geographies. Guided by our Water Efficiency & Preservation Policy, the ZLD Task Force oversees the implementation under our Environmental Governance Structure, and covers water withdrawal, consumption, discharge, reuse and stakeholder engagement across all facilities within the same operational-control boundary used for our GHG and energy reporting.

WATER BALANCE

FY 2025-26

Every drop accounted for. Every drop reused.

Himadri follows a closed-loop water management system with Zero Liquid Discharge (ZLD) across all manufacturing facilities. Advanced ETP and WRP technologies ensure that every drop of water is treated, recovered and reused within our operations.

WITHDRAWAL
10,58,710 KL Total water withdrawn

PROCESS USE
10,58,710 KL Total water used in operations

PRIMARY TREATMENT (ETP)
1,82,571 KL Treated through ETP (primary)

SECONDARY TREATMENT (WRP)
4,39,999 KL Treated through WRP (secondary)

WATER RECOVERY & REUSE
6,22,570 KL Water recovered & reused

ZLD
0 KL Liquid discharge to environment

DISTRIBUTION & TREATMENT

Water used across our operations undergoes appropriate treatment and recovery, with reuse embedded into our closed-loop water management approach.

Water Treated (ETP + WRP) **6,22,570 KL**

Description	Volume (KL)
Total water withdrawal	10,58,710 KL
Treated via ETP (primary) + WRP (secondary)	6,22,570 KL
Cooling tower make-up (direct evaporative consumption, off-gas CPP)	4,06,230 KL
Office / corporate premises consumption	2,064 KL
Remaining unaccounted losses (evaporation / minor leaks at manufacturing sites, non-metered usage)	27,836 KL
Total (reconciles to total withdrawal)	**10,58,700 – 10,58,710 KL**

Process Legend

- **ETP** – Effluent Treatment Plant (Primary)
- **WRP** – Water Reclamation Plant (Secondary)
- **Reuse** – Recovered water returned to appropriate operations
- **CPP** – Captive Power Plant (off-gas based)

Key Highlights

- **100% ZLD** – Across all manufacturing facilities
- **Advanced ETP & WRP** – Ensure high recovery and reuse
- **Minimising Fresh Water Intake** – Maximising reuse
- **Strengthens water security,** regulatory compliance and operational resilience

Water Efficiency And Reuse

Water efficiency is pursued through regular assessment and monitoring across our manufacturing locations. We conduct water-use assessments and mapping to identify significant consumption activities, monitor consumption and identify opportunities to improve efficiency. Insights from this assessment inform process optimisation and technology-led interventions, including rainwater harvesting, condensate recovery, optimisation of cooling systems and reuse of treated water. Together, these measures are implemented to reduce freshwater withdrawal and overall water consumption across our operations.

Wastewater quality is managed through treatment, monitoring and process controls designed to ensure effective reuse and responsible water management. Our manufacturing operations have achieved 100% Zero Liquid Discharge (ZLD), supporting responsible wastewater management. Water recycling and reuse are prioritised wherever technically feasible, with treated wastewater, recovered process water and harvested rainwater reused for appropriate operational applications. During FY 2025–26, water reuse initiatives included the reuse of flushing water within the SNF-PCE process, while rainwater harvesting systems recovered and reused 1,055.60 KL of water across facilities. At Korba, rainwater harvesting infrastructure also supports groundwater recharge through rooftop catchments and percolation systems.

At the SNF-PCE division, flushing water is redirected to the neutraliser and reused within the process, resulting in 100% reuse of this stream and contributing approximately 72 KL of annual water conservation.

We provide periodic awareness and training programmes to team members and relevant site personnel on water efficiency and conservation including opportunities to reduce water consumption, identify water losses and improve the reuse and recycling of water in their respective operations.

We have also established quantitative, time-bound targets to reduce water consumption across our operations, supported by site-level initiatives and periodic monitoring of progress against these targets.

72 KL/year
Water conserved through reuse of flushing water at SNF-PCE

1,055.6 KL
Rainwater recovered and reused across facilities in FY 2025–26

Water Withdrawal

GRI 303-3

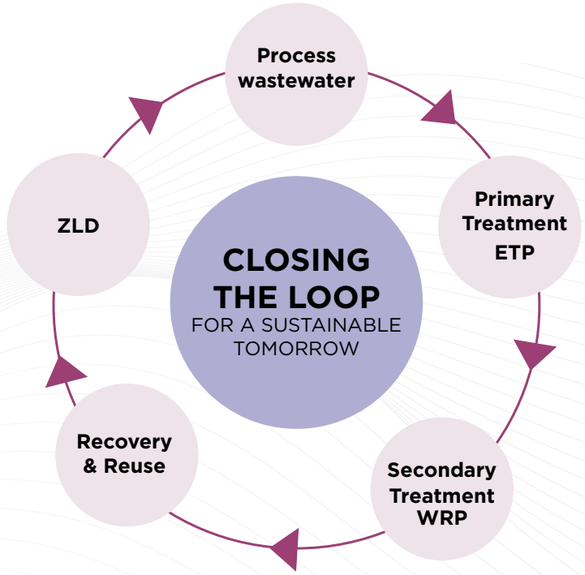
Source	FY24-25 (KL)	FY25-26 (KL)
Fresh surface water	313.00	839.00
Groundwater	10,46,506.12	10,52,976.67
Third-party sources (manufacturing sites)	28.00	2,830.54
Water withdrawal in water-stressed areas	2,864.00	1,325.20
Total water withdrawal	10,46,847.12	10,58,710.09

Water Discharge - Zero Liquid Discharge and Advanced Treatment

GRI 303-4

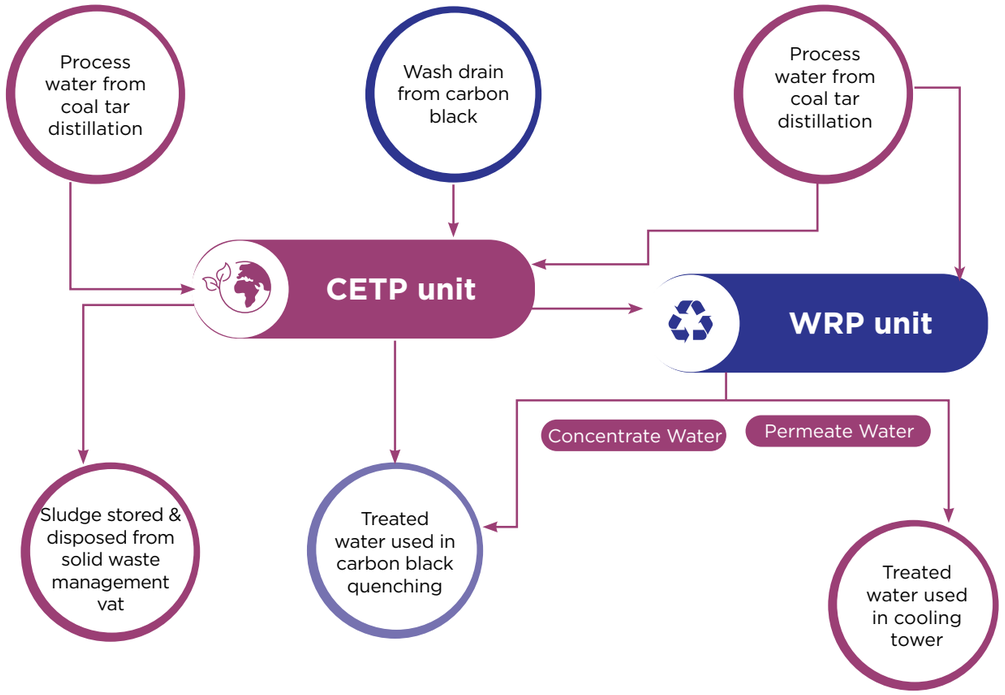
ZLD remains a cornerstone of Himadri's water stewardship approach. During FY 2025–26, the Company expanded wastewater treatment infrastructure at Mahistikry, increasing combined treatment capacity to 1,250 KLD. The expansion strengthens the site's ability to treat and recycle process water while enhancing resilience to water-related regulatory and operational risks.

The Company's water management systems incorporate primary and secondary treatment through Effluent Treatment Plants (ETPs), followed by tertiary treatment through Water Reclamation Plants (WRPs), enabling treated water to be returned to appropriate applications.



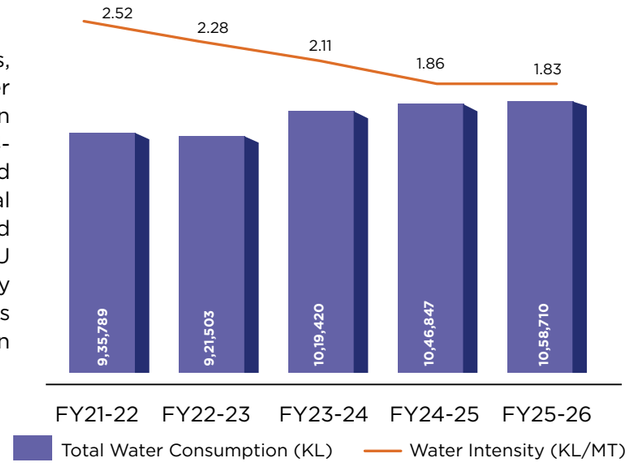
Treated volumes are tracked separately for the ETP (primary) and WRP (secondary) stages across all manufacturing sites. During FY 2025-26, 182.57 ML was treated through primary (ETP) treatment, broadly consistent with FY 2024-25, while 439.99 ML was recovered and treated through secondary (WRP) treatment, a substantial increase from 183.76 ML in FY 2024-25. This increase reflects improved operational efficiency following WRP optimisation. As all manufacturing facilities operate under ZLD, water discharge quality parameters (BOD, COD, TSS and other standard effluent parameters) are monitored to support internal reuse rather than external discharge.

COD performance	FY23–24	FY24–25	FY25–26
COD load	11.59 MT COD/year	11.41 MT COD/year	6.53 MT COD/year
Coverage of consolidated operations	100%	100%	100%
Third-party verification	Yes	Yes	Yes
COD reduction target	Baseline year	9.85 MT(15%)	8.11 MT (30%)
Total water withdrawal	1,019.42 ML	1,046.85 ML	1,058.71 ML



We recorded zero emissions of nitrates, phosphates, pesticides and other priority substances during water in FY 2025-26, consistent with FY 2024-25. Phenolic compounds generated as process intermediates during coal tar fractional distillation — identified as priority substances under the EU Water Framework Directive — are fully captured within closed process streams and routed to our ETPs for neutralisation and advanced treatment.

Total water consumption and water intensity



Water Risk Assessment And Resilience

We assess water-related dependencies, risks and potential impacts across our own operations and relevant upstream value chain. We use the WRI Aqueduct Water Risk Atlas to identify exposure to water stress and assess water availability and related risks at our facilities and relevant supplier locations. Our assessments consider risks relating to water quantity and quality, including the availability of sufficient water for our operations and potential impacts of water use and wastewater management on surrounding water resources and local stakeholders.

We engage regulators, local communities and suppliers to understand shared water dependencies and potential impacts on stakeholders. We also monitor relevant water-related regulatory and policy developments to identify potential future risks associated with water availability, water quality, abstraction, discharge and water use. The findings from our water-risk assessments inform our water management planning and actions, including water efficiency, recycling and reuse, rainwater harvesting, wastewater treatment and Zero Liquid Discharge.

Other water efficiency and reuse initiatives, FY 2025-26

GRI 303-2

Initiative	Description	Impact
Water reuse at SNF-PCE division	Flushing water previously discharged to drains is now redirected to the neutraliser and reused within the process	100% reuse of flushing water; ~72 KL/year conserved; zero discharge from this stream
Rainwater harvesting, Korba	558.52 m2 rooftop catchment area with rectangular and circular percolation pits for groundwater recharge	1,055.6 KL of rainwater was collected and reused, while 31.5 KL water was percolated to support groundwater recharge.
RO-CIP (Reverse Osmosis Clean-in-Place) optimisation	Process optimisation of RO membrane cleaning cycles	~100 KL/month water saved
Hybrid Closed-Loop Cooling Tower	See case study above	~1,26,144 m2/year saved at deployment site
Adiabatic cooling tower pilots, Sambalpur	Piloted as part of our water-stressed-basin preparedness strategy	Capable of reducing water consumption by up to 90% at pilot site
ZLD capacity expansion, Mahistikry	Combined ETP/WRP capacity expanded to meet basin-level water regulation risk ahead of mandate	1,250 KLD ZLD capacity, commissioned FY 2025-26

Targets and progress

GRI 303-5 | 3-3

Target	Base year	Target	FY25-26 Result	Status
Water withdrawal intensity	2.52 kL/MT (FY 2021-22)	2.00 kL/MT by FY 2025-26	1.83 kL/MT (133% of target)	Exceeded
Water pollution / Zero Liquid Discharge	0 ML discharge, manufacturing sites	Maintain zero discharge	0 ML	Achieved and maintained at manufacturing sites (100%)
Total actual and opportunity costs – from water related incidents	0	0	0	Maintain no incidents related to water

Water Stewardship Across The Value Chain

GRI 303-1

Our water stewardship approach extends beyond our manufacturing boundaries. Himadri engages with relevant suppliers and value chain partners on water-related practices, including water use, recycling and effluent treatment. Supplier engagement is prioritised based on business importance, water-related practices and opportunities for performance improvement.

During FY 2025–26, Himadri collaborated with key raw material suppliers and logistics locations to promote water-efficiency measures, including water recycling and improved effluent treatment practices. Suppliers and value chain partners were assessed against recognised water-risk indicators — including overall water risk, baseline water stress, water depletion, drought risk and groundwater table trend helping us better understand shared water dependencies across value chain. Stakeholder engagement with customers, team members, communities, suppliers and regulators also contributes our understanding of local water-related concerns and strengthens long-term resilience.

Assurance

Our water accounting data is independently assured (reasonable assurance) by TÜV SÜD South Asia Pvt Ltd as part of our FY 2025-26 assurance process, conducted in accordance with the ISAE 3000.

Looking Ahead

Himadri will continue to advance water stewardship through greater process efficiency, increased recovery and reuse, rainwater management, technology-led monitoring and further integration of water-risk considerations into operational and investment decisions. As part of this journey, the Company is planning to implement hybrid closed-loop cooling tower technology at two plants located in water-stressed regions. The upcoming project is designed to significantly reduce freshwater make-up requirements—from approximately 20.40 m^3/hour to 6.00 m^3/hour, with an estimated water saving of 14.40 m^3/hour, equivalent to 345.60 m^3/day. Future initiatives will focus on strengthening water resilience at priority locations, scaling water-efficient technologies and deepening collaboration across the value chain.

Circular Economy & Waste Management

Business President- Carbon Black Division

Transforming waste into sustainable value

Circular economy principles are central to our growth strategy. Through innovations such as recovered carbon black and value-added products from by-products, we are transforming waste into valuable resources. Our focus on circularity reduces environmental impact while creating sustainable value, positioning Himadri as a leader in next-generation materials.

Mr. Monojit Mukherjee

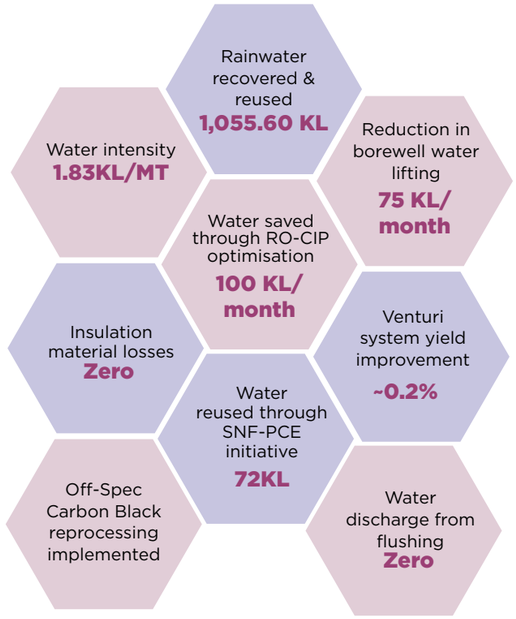
Resource Efficiency And Circular Economy

Resource efficiency and circularity are integral to Himadri's approach to sustainable manufacturing. Across our operations, we focus on reducing resource consumption, extending material value, recovering useful process streams and maximising reuse through process optimisation, engineering interventions and technology-enabled recovery systems.

During FY 2025-26, these efforts supported continued progress in resource productivity, including maintaining 100% Zero Liquid Discharge (ZLD) coverage across manufacturing sites and improving water intensity from 2.52 kL/MT in FY 2021-22 to 1.83 kL/MT in FY 2025-26. The proportion of non-virgin raw materials used in production remained above 95%, supporting reduced dependence on virgin resources.

Circularity is also demonstrated through the recovery and productive utilisation of process by-products, reprocessing of off-specification materials and reuse of process water. Together, these interventions help retain material and energy value within our operations while supporting resource efficiency and operational resilience.

Resource Efficiency Performance Snapshot



Circularity In Practice

Himadri's circularity approach is demonstrated through practical interventions that convert process by-products and materials into productive resources. During FY 2025-26, the following three initiatives illustrate how recovery and reuse create environmental and operational value across our manufacturing processes.

From Process By-product to Energy

CASE STUDY 1

Process waste gas generated during carbon black production is recovered and utilised as a fuel source for the 28 MW Captive Power Plant at Mahistikry (MTK), converting a process by-product into productive energy.

During FY 2025-26, the captive power plant generated 163,312.96 MWh of electricity from recovered process waste gas. Of this, 96,658.24 MWh was consumed internally, while 66,654.72 MWh was supplied to the grid.

This recovery model demonstrates how circularity can be extended beyond material recycling to energy recovery, supporting resource productivity, energy security and reduced dependence on externally sourced electricity.

Off-Spec Carbon Black → Reprocessing → Production

CASE STUDY 2

Himadri applies circularity principles within its manufacturing processes by reprocessing off-specification carbon black and returning the material to the production stream where it meets defined quality requirements.

The reprocessing pathway includes spraying, conveying, pelletisation, drying and quality assurance, following which the material is subject to the applicable product quality checks before being reintroduced into production.

This approach helps retain material value within the manufacturing cycle, reduce material losses and improve resource efficiency.

Process Water → Reuse

CASE STUDY 3

At the SNF-PCE facility, flushing water generated during operations is redirected to the neutraliser and reused within the process.

During FY 2025-26, this intervention enabled 100% reuse of flushing water and conserved approximately 72 KL of water annually.

This initiative demonstrates how process-level optimisation can support both water stewardship and circular resource management, retaining water within the production cycle while reducing freshwater requirements.

Additional Circularity Initiatives

Reusable insulation: we replaced conventional insulation mattresses — which required frequent replacement and disposal — with reusable ArmaGel insulation across liquid coal tar pitch logistics, piping and reactor vessels, reducing insulation-related material losses to zero.

These initiatives reflect our approach of treating resources as valuable inputs and continuously identifying opportunities to retain their value within our operations.

Waste Management Framework

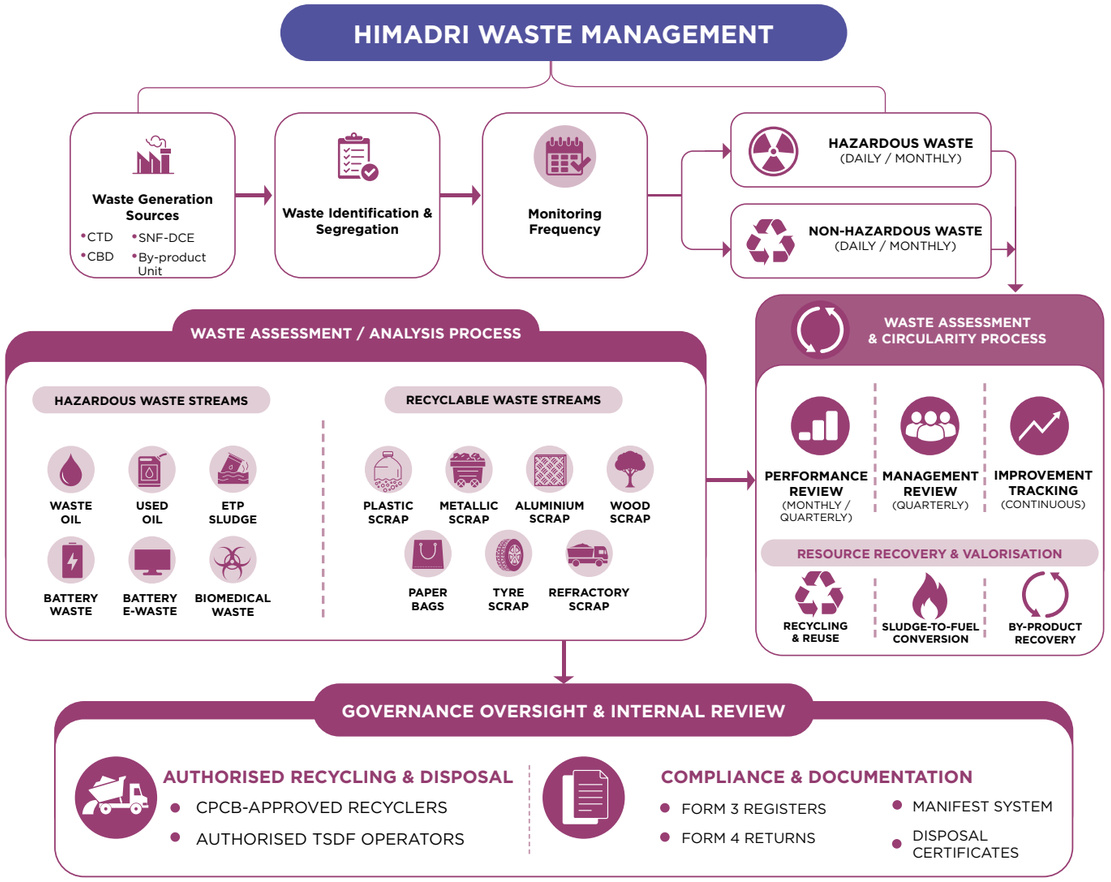
GRI 306-1 | 306-2

Himadri's waste management approach is guided by the principles of prevention, segregation, recovery, recycling and responsible disposal, with an emphasis on retaining material value wherever technically and environmentally feasible.

Our framework covers the identification and characterisation of waste streams, segregation at source, safe storage, authorised transportation, recovery and recycling, treatment and responsible disposal. Hazardous waste is managed in accordance with applicable regulatory requirements, including the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016, with waste streams characterised using applicable CPCB schedules and laboratory analysis.

A manifest-based tracking system supports traceability of hazardous waste from generation through authorised recyclers, treatment facilities and TSDF operators, as applicable. Hazardous and non-hazardous waste streams—including waste oil, used oil, ETP sludge, contaminated materials, e-waste, battery waste, biomedical waste and recyclable materials such as paper, plastic, metal, wood and tyres—are managed through material-specific and authorised recovery or disposal pathways.

The Circular Economy Task Force, supported by Environment, Safety and Accounts functions, provides oversight for resource recovery, waste management performance and continual improvement across operations.



Himadri's waste management: from generation sources through identification, assessment, resource recovery, governance oversight and authorised disposal

Himadri assesses waste performance across the waste lifecycle—from generation and characterisation to recovery, recycling and disposal. Waste streams are classified by hazardous and non-hazardous characteristics and tracked according to their subsequent management pathways.

This approach enables Himadri to monitor the quantity and nature of waste generated and assess the extent to which materials are diverted from disposal through recovery and recycling, while maintaining appropriate controls over waste that requires final disposal.

Periodic waste audits are conducted across operations to identify key sources of waste generation, assess opportunities for waste minimisation, and implement measures to improve our waste management practices.

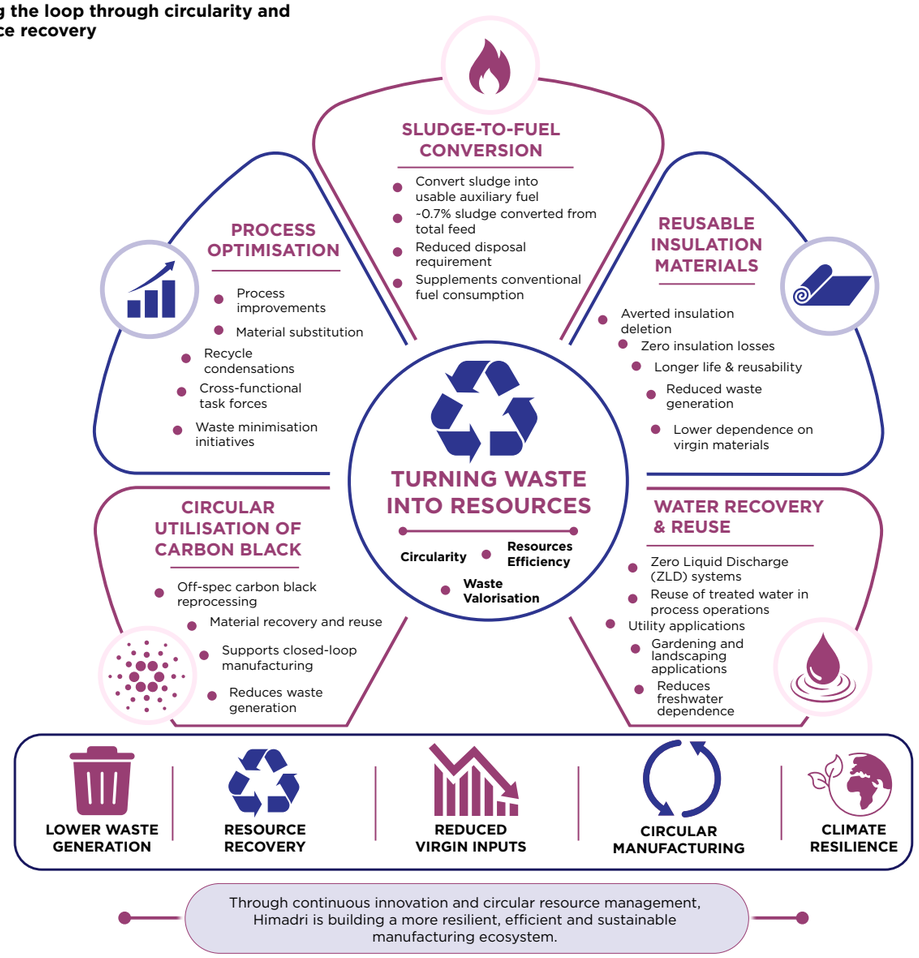
From Waste Management To Resource Recovery

Our approach to circularity extends beyond responsible waste management to maximising value recovery wherever technically feasible. By converting process by-products into energy, reprocessing materials that meet defined quality requirements and returning process water to production, Himadri continues to identify opportunities to close resource loops within its operations.

These initiatives demonstrate how circularity can simultaneously support resource efficiency, operational resilience and sustainable value creation.

Turning Waste Into Resources

Closing the loop through circularity and resource recovery



Waste Performance

Looking Ahead

Himadri will continue to strengthen circularity through higher-value recovery pathways, process-level material efficiency, increased reuse and improved traceability of waste streams. Future efforts will focus on expanding resource recovery opportunities, strengthening waste data and pathway-level monitoring, and evaluating circular alternatives that can reduce dependence on virgin resources and minimise waste directed to disposal.

Through this approach, Himadri aims to advance from waste management towards resource stewardship—retaining material, water and energy value within the production cycle wherever feasible.

Air Emissions & Pollution Prevention

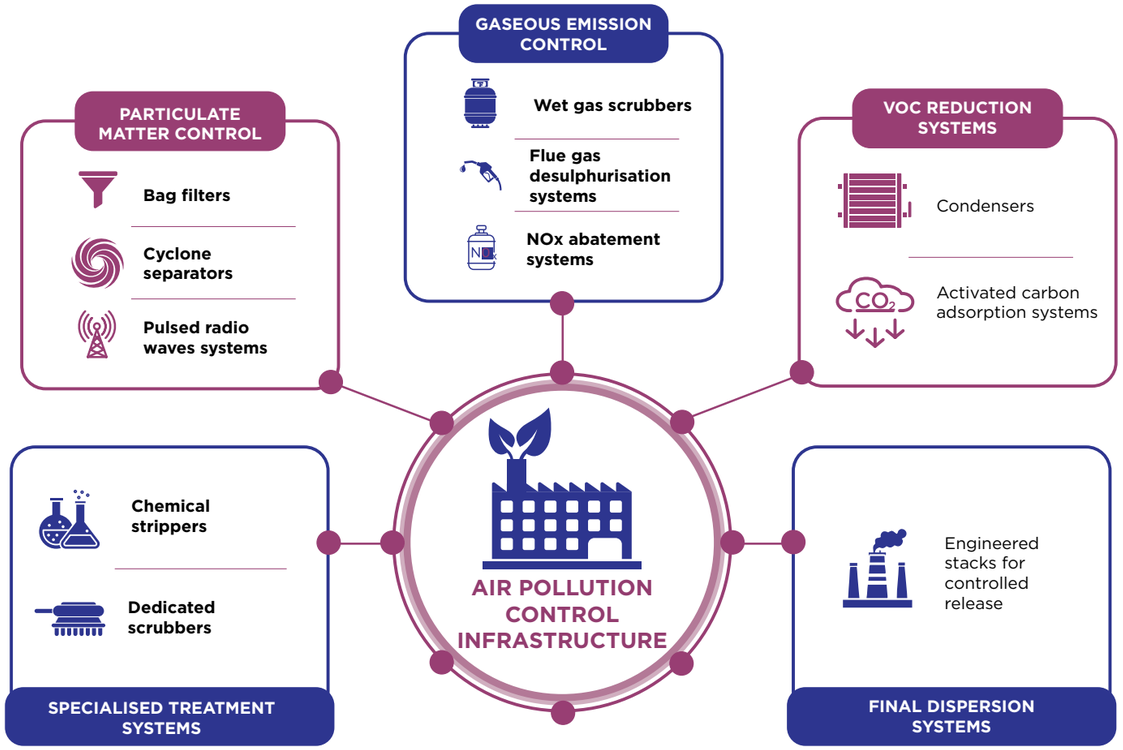
GRI 305-7

Measuring What Matters Reducing What We Measure

Environmental protection is fundamental to sustainable manufacturing and operational resilience. Our approach focuses on prevention at source, process optimisation, engineered controls, continuous monitoring and corrective action, supported by our Air Quality & Emission Control Policy and the Air Emissions Reduction Task Force.

During FY 2025–26, targeted engineering interventions strengthened the management of volatile organic compounds (VOCs), fugitive dust and operational noise, while existing pollution-control systems continued to support the management of particulate matter, sulphur oxides (SOx) and nitrogen oxides (NOx). These measures complement routine monitoring, preventive maintenance and periodic independent assessments to maintain environmental performance and regulatory compliance.

Air Quality And Environmental Emissions Management Framework



Air pollution control infrastructure: particulate matter control, gaseous emission control, VOC reduction, specialised treatment and final dispersion systems

Environmental Technology And Intervention Highlights

Technology / Intervention	Environmental objective	FY 2025-26 intervention	FY 2025-26 outcome
Enhanced VOC condensation	Reduce VOC releases and improve vapour recovery	An **additional condenser** was installed alongside the existing condensation system in the Naphthalene Distillation Unit	Improved vapour handling and condensation efficiency, reducing the potential for VOC release
Spiral transfer chute	Reduce fugitive particulate emissions	A spiral-shaped chute was introduced in the granulated pitch handling section to reduce particle collision during material transfer	Reduced dust generation and improved housekeeping conditions
Online bag-filter air purging	Reduce fugitive dust and operator exposure	An online compressed-air purging system was introduced in the SNF–PCE spray dryer bag filter to enable continuous de-choking	Reduced fugitive emissions and improved dust-control performance
SOx control systems	Control sulphur oxide emissions	Existing flue gas desulphurisation and other emission-control systems continued to operate alongside feedstock management, process optimisation and enhanced controls	SOx emissions decreased from 91.80 MT in FY 2024-25 to 65.30 MT in FY 2025-26, a 28.9% year-on-year reduction
NOx control systems	Control nitrogen oxide emissions	Feedstock management, process optimisation and enhanced emission controls continued to support NOx management	NOx emissions were 19.91 MT in FY 2025-26, compared with 18.02 MT in FY 2024-25; performance continues to be monitored through the Company's emission-control framework
Steam vent silencer	Reduce operational noise	A dedicated silencer was installed on a high-pressure steam vent in boiler operations	Reduced noise from high-velocity steam discharge and improved workplace conditions

Continuous and periodic monitoring tracks particulate matter (PM), sulphur oxides (SOx), nitrogen oxides (NOx), carbon monoxide, VOCs and ambient air quality, supported by internal assessment, third-party laboratory analysis, online monitoring and periodic audits; any deviation triggers investigation, corrective action and management review under the Air Emissions Reduction Task Force.

The Company's wider pollution-control infrastructure includes bag filters, cyclone separators, wet gas scrubbers, flue gas desulphurisation, NOx abatement systems, condensers, activated carbon adsorption systems, chemical strippers and engineered stacks. These systems form the underlying control architecture supporting the Company's air-emissions management programme.

Engineering Better Environmental Performance: FY 2025-26 Initiatives

At Himadri, environmental protection extends beyond end-of-life treatment systems and focuses on eliminating pollution at source through engineering-led interventions. Process modifications, preventive maintenance, and technological improvements continue to enhance environmental performance while improving workplace conditions and operational reliability.

Voc Abatement Through Enhanced Condensation

An additional condenser installed alongside the existing system in the Naphthalene Distillation Unit increased condensation efficiency and process vapour recovery, significantly reducing the potential for VOC release.

Reducing Fugitive Dust At Source

A spiral-shaped transfer chute reduced particle collision in the granulated pitch handling section, and an online compressed-air purging system in the SNF-PCE spray dryer bag filter eliminated powder spillage and cut cleaning frequency by nearly 60-70%.

Noise Mitigation

A dedicated steam vent silencer installed in boiler operations attenuates sound from high-velocity steam discharge, improving occupational safety and reducing noise impact on surrounding areas.

Clean Internal Logistics

Optimised traffic movement, improved gate management and treated recycled water on high-traffic roads suppress dust, reduce idling emissions and improve on-site safety.

CLEAN INTERNAL LOGISTICS MANAGEMENT

Himadri has implemented vehicle and road congestion management initiatives to minimise emissions from internal logistics, improve traffic flow and safety, and suppress dust on site.

TRAFFIC OPTIMISATION

- Optimised internal road layouts and traffic flow
- Designated routes for heavy and light vehicles
- Smooth movement of raw materials and finished goods vehicles

GATE MANAGEMENT

- Streamlined gate operations
- Dispatch scheduling to avoid peak hour build-up
- Reduced waiting time and vehicle queues

TREATED WATER SPRAYING

- Application of treated recycled water on high-traffic roads
- Effective dust suppression from vehicle movement and material handling

LOWER DUST & IDLING EMISSIONS

- Reduced fugitive dust (PM) emissions
- Lower idling time and fuel consumption
- Better air quality within the premises

SAFER OPERATIONS

- Improved on-site traffic safety
- Reduced congestion and accident risks
- Enhanced operational efficiency

KEY OUTCOMES

REDUCED CONGESTION
Smoother traffic flow and less waiting time

LOWER PM EMISSIONS
Effective dust control for cleaner air

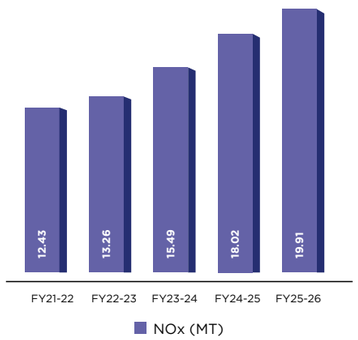
REDUCED FUEL CONSUMPTION
Lower idling time leads to fuel savings and lower emissions

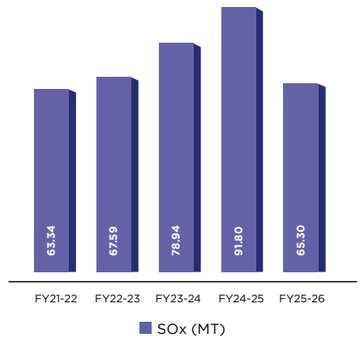
ENHANCED SAFETY
Safer roads, safer people, stronger operations

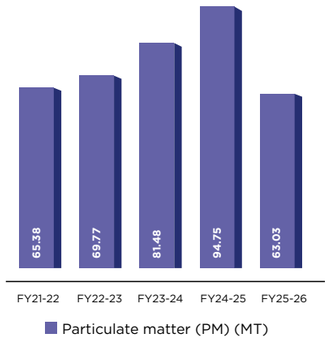
Operational Discipline And Continuous Monitoring

Environmental performance is supported by defined operating procedures, preventive maintenance and continuous and periodic monitoring. Himadri undertakes regular monitoring of key air-emission parameters, including NOx, SOx and particulate matter, supported by independent third-party assessments.

Quarterly audits are undertaken to review NOx, SOx and particulate matter, including PM2.5 and PM10, with results submitted to relevant regulatory authorities. These assessments also support evaluation against applicable standards prescribed by regulatory authorities, including the Central Pollution Control Board (CPCB).







KEY PERFORMANCE HIGHLIGHTS

33.5%
Reduction in particulate matter emissions

28.9%
Reduction in SOx emissions

0%
Reported POP, VOC and HAP emissions

The Company's air-emission management framework is further supported by the Air Emissions Reduction Task Force, which reviews environmental performance and supports corrective and improvement actions. Relevant sustainability disclosures were independently assured by TÜV SÜD South Asia Pvt. Ltd. as part of the FY 2025–26 assurance engagement.

Managing VOCs And Persistent Organic Pollutants

The management of VOCs is integrated into Himadri's pollution-prevention approach through condensation, adsorption, process controls and closed-loop handling. During FY 2025–26, the additional condenser installed in the Naphthalene Distillation Unit strengthened vapour recovery and emission containment.

Management of persistent organic pollutants is supported through source prevention, process controls, appropriate treatment systems, waste governance, monitoring and reporting. These measures are integrated into the Company's broader environmental governance framework.

HIMADRI'S POPs MANAGEMENT

Source Prevention

Cleaner technologies, safer substitutions, and stringent process controls help minimise the formation of persistent pollutants.

Advanced Treatment

Multi-stage treatment systems and Zero Liquid Discharge infrastructure prevent the release of persistent compounds into the environment.

Capacity Building

Secure handling practices and authorised disposal channels ensure cradle-to-grave traceability of wastes.

Waste Governance

Secure handling practices and authorised disposal channels ensure cradle-to-grave traceability of wastes.

Monitoring & Reporting

Periodic monitoring of emissions and wastewater, supported by transparent reporting mechanisms, strengthens environmental oversight.

Through a combination of source prevention, engineering controls, continuous monitoring and responsible governance, Himadri continues to strengthen its approach to air pollution management. By embedding environmental performance into process design and operational decision-making, the Company is working to reduce emissions at source, enhance resource and operational efficiency, and protect the health of employees, communities and the environment.

Noise and Odour Management

Himadri takes a proactive approach to managing noise and odour across its operations, with a focus on protecting our people, maintaining a comfortable workplace and being a responsible neighbour to surrounding communities. Noise is managed through source-level engineering controls, including acoustic enclosures, noise barriers and silencers for high-pressure steam vents, supported by regular monitoring and noise mapping. Odour management is supported by vapour containment and treatment measures, including nitrogen blanketing for storage tanks, secondary condensation and vapour scrubbing systems. These measures help minimise local environmental impacts while strengthening operational control, regulatory compliance and continuous improvement.

Biodiversity & Natural Capital Management

Sustaining The Natural Systems Around Our Operations

Himadri's approach to environmental stewardship extends beyond managing the direct impacts of our manufacturing operations to supporting the health and resilience of the natural environment around our facilities. We integrate responsible land management, greenbelt development, plantation, habitat preservation and environmental awareness into our broader environmental management approach, recognising the interconnected relationship between healthy ecosystems, resource security and resilient operations.

Our biodiversity-related initiatives focus on enhancing green cover, supporting local ecological balance and promoting nature-conscious practices across our operating locations. These efforts complement our wider programmes on water stewardship, emissions management, resource efficiency and pollution prevention, enabling a holistic approach to environmental performance.

Green cover and ecological stewardship

Himadri maintains substantial greenbelt areas across its manufacturing locations, with approximately 33% of total plant area developed as greenbelt. These green spaces contribute to local ecological resilience while also supporting air-quality improvement, soil stabilisation, natural noise attenuation and habitat creation around our operating sites.

During FY 2025–26, approximately 1,000 native saplings were planted in and around our operating locations, with participation from team members, local communities and other stakeholders. These plantation activities contribute to increased green cover, supporting biodiversity and strengthening the ecological value of surrounding areas.

Integrating biodiversity into environmental stewardship

Our Biodiversity Conservation Task Force supports initiatives related to ecosystem conservation, greenbelt development, plantation, habitat preservation and responsible land management. These efforts are complemented by environmental awareness and employee engagement programmes that encourage participation in nature-positive activities.

Through Mission Prakriti, team members participate in plantation activities, environmental awareness programmes and initiatives aligned with occasions such as World Environment Day, Earth Day and the International Day for Biological Diversity. These activities extend environmental stewardship beyond the factory boundary by involving employees, families, suppliers and local communities.

Responsible management of our operating landscape

As part of its environmental management approach, Himadri considers the ecological context of its operating locations and undertakes measures to maintain green cover and environmental buffers around manufacturing facilities. The Company's assessment also considers the location of operating sites in relation to protected areas and areas of high biodiversity value outside protected areas. No incidents of biodiversity loss attributable to our operations have been reported in any of the past five reporting years (FY 2021-22 to FY 2025-26).

Our Holistic Environmental Approach

ENERGY & CLIMATE	Transitioning to clean energy and reducing emissions for a low-carbon future.
WATER STEWARDSHIP	Conserving water, enhancing efficiency and ensuring responsible water management.
RESOURCE CIRCULARITY	Optimising resource use, promoting reuse and driving circular economy practices.
POLLUTION PREVENTION	Minimising pollutants at source and adopting cleaner, safer processes.
GREEN COVER & BIODIVERSITY	Expanding green cover and protecting biodiversity for a resilient and balanced ecosystem.

Together, these focus areas reflect Himadri's commitment to managing environmental performance holistically — improving resource efficiency and reducing operational impacts while contributing to the resilience of the natural environment in and around our operating locations.

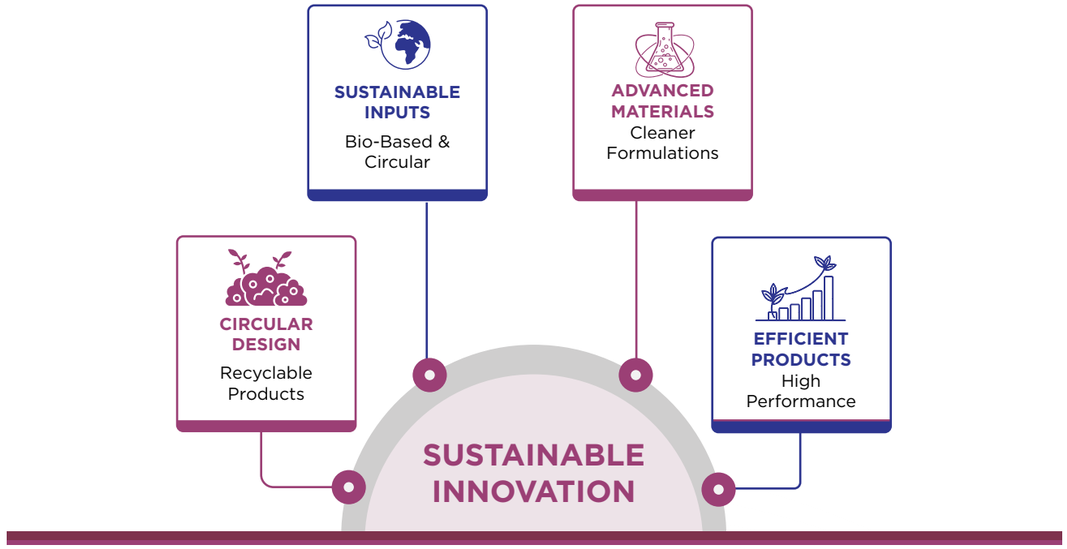
Sustainable Products & Innovation

Innovating For Efficient, Circular And Future-Ready Solutions

Innovation is central to Himadri's approach to sustainable growth. By combining advanced materials, circular feedstocks, process innovation, life cycle thinking and customer collaboration, we develop solutions that create value beyond the manufacturing process. Our innovation agenda focuses on four areas of sustainability value creation: enabling electrification, advancing circularity, improving resource efficiency and strengthening product safety.

Through continuous investment in R&D, process optimisation, digitalisation and advanced engineering, Himadri continues to improve product performance while improving resource efficiency and reducing environmental impacts across the product life cycle. This approach extends sustainability from our operations to the applications and value chains in which our products are used.

Our R&D and technical teams are encouraged to integrate scientific, environmental and circularity considerations into product innovation and process-development initiatives. We strengthen capabilities for sustainable innovation through periodic training programmes and knowledge sharing initiatives across the organisation.



Sustainability in Product Development

Environmental and resource-efficiency considerations are increasingly incorporated into product development, including material selection, circular feedstocks, recyclability, energy efficiency, product safety and life-cycle impacts.

Materials Enabling Electrification

Himadri is expanding its portfolio of advanced carbon and new energy materials to support the transition towards electric mobility, energy storage and other emerging low-carbon applications.

Our New Energy Materials portfolio includes anode materials, LFP cathode active materials, lithium mining and refining, and lithium-ion battery recycling. These capabilities support growing demand for battery materials while contributing to greater supply-chain resilience and reducing dependence on virgin, imported battery-grade minerals.

Our strategic partnership with Sicona Battery Technologies, Australia, supports the development of next-generation silicon-carbon (SiCx®) anode materials designed to enable higher energy density while remaining compatible with existing cell-manufacturing lines.

Advancing Sustainable Raw Materials And Circular Inputs

Circularity is embedded into our approach to raw materials, product design and manufacturing. We continue to use by-products, alternative feedstocks and circular inputs to reduce dependence on virgin resources while maintaining product performance. In developing and improving our products and processes, we consider relevant environmental criteria across the product lifecycle, including the selection of raw materials, resource and energy efficiency, emissions and waste generation, distribution and transportation, product use and end-of-life considerations.

Tyre-derived pyrolysis oil is blended with carbon black feedstock, creating a pathway for industrial waste valorisation while supporting reductions in value-chain emissions. Anthracene oil, a coal-tar by-product, is repurposed as a feedstock rather than being combusted. This reuse pathway is associated with approximately 45% lower emissions compared with combustion, based on the Company's assessment.

We are also evaluating renewable and alternative feedstocks. A pilot programme using Cashew Nut Shell Liquid (CNSL) is assessing its potential as a renewable feedstock oil for carbon black production, while bio-diesel from renewable agricultural feedstocks has been integrated into applicable logistics operations. Environmental impacts associated with manufacturing and distribution are considered by evaluating resource consumption, emissions, waste generation and transportation-related impacts when assessing alternative materials, processes and logistics solutions.

Our specialty carbon black portfolio is designed for compatibility with recyclable thermoplastics including PE, PP, PET and PVC. Selected grades are developed without halogenated compounds, heavy-metal catalysts and non-degradable additives that could interfere with recycling. These design considerations support recyclability and responsible end-of-life management by reducing the use of substances that may adversely affect material recovery and recycling processes. Where relevant, product performance and durability are considered to support efficient use of materials and resources throughout the product lifecycle.

Materials Enabling Electrification

Product performance can contribute to sustainability beyond the manufacturing boundary by enabling customers to use less material, energy or processing time while achieving required performance.

Our speciality carbon black portfolio includes grades designed to improve dispersion, reduce processing requirements and support lightweighting and energy-efficient applications. The BARONX series improves wetting and dispersion in paints, coatings and inks, reducing mixing time and dispersing-additive requirements. The COLORX series uses optimised particle-size distribution to shorten grinding cycles and reduce energy consumption during dispersion and milling.

In automotive and tyre applications, TYREGOLD supports improved dispersion, lower heat build-up, enhanced toughness and extended service life, while VIRTEX V460 contributes to lower rolling resistance and fuel-efficient mobility.

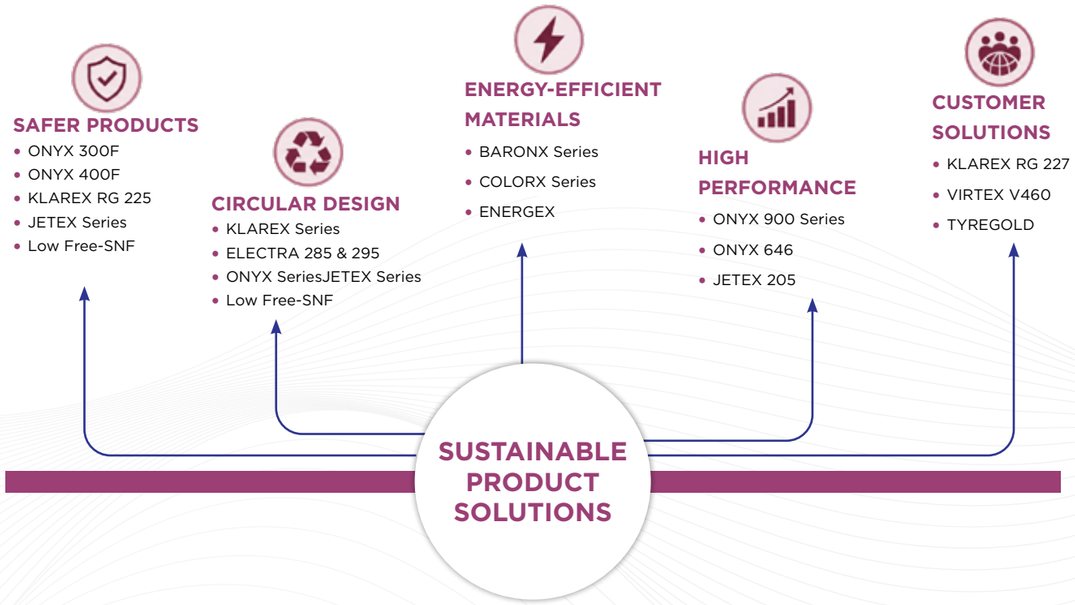
These product innovations demonstrate how material science can contribute to resource efficiency and sustainability outcomes across customer applications.

Materials improving resource efficiency

Sustainability also means designing products that meet evolving expectations for safety, regulatory compliance and responsible use.

Speciality carbon black grades such as ONYX 300F and ONYX 400F have been developed with very low PAH levels and comply with USFDA requirements. Within the Speciality Chemicals portfolio, Himadri has developed low free-formaldehyde and low free-naphthalene SNF/PCE formulations, supporting product safety and reducing potential environmental and health concerns in construction and infrastructure applications.

Product technical and safety documentation provides information on product composition, applicable regulatory requirements and environmental compatibility. Where applicable, analytical testing using techniques such as EDXRF and ICP-OES supports verification of specified product-composition requirements.



Materials Circularity Performance

Himadri's circularity approach combines the use of non-virgin raw materials, recycled and reused inputs, by-product utilisation and resource recovery. This approach reduces reliance on primary resources and supports more efficient utilisation of materials across our manufacturing operations.

The Company uses significant quantities of non-virgin inputs, including sectoral by-products such as coal tar and carbon black feedstock, as raw materials in its integrated production processes.

For FY 2025–26, the following recycled or reused input materials were used:

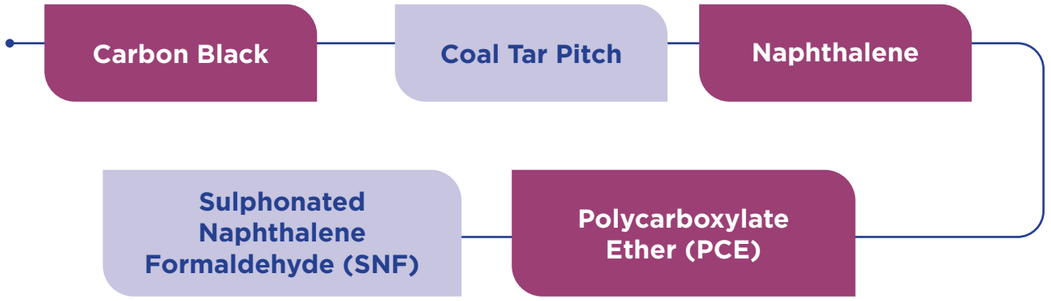
Material Stream	FY24–25	FY25–26
Pyrolysis Oil	0.10%	0.20%
Hydrocarbon Derivatives	13.44%	15.02%
Non-virgin raw material proportion	>95%	>95%

Life Cycle Assessment

GRI 301 / 3-3

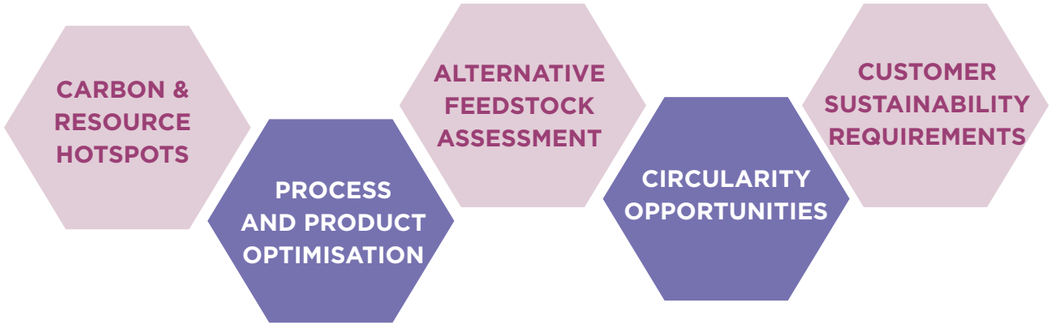
Himadri applies life-cycle thinking to understand environmental impacts beyond its manufacturing boundary and to inform product and process improvement.

We have conducted Life Cycle Assessments in accordance with ISO 14044:2018 for five key product categories:



The assessments covered a cradle-to-customer basis, including raw material sourcing, upstream transportation, manufacturing, packaging and downstream distribution. LCA insights are used to identify environmental hotspots and inform feedstock selection, process optimisation and product-development decisions. The assessment considers a comprehensive range of environmental impact categories, including abiotic depletion (fossil fuels and minerals), land use, water depletion, acidification, dust and particulate matter, ecotoxicity, eutrophication, global warming, ozone depletion, photochemical ozone formation, species richness, human toxicity, and ionizing radiation. These insights support the identification and prioritisation of opportunities to reduce environmental impacts across the product life cycle and guide continuous improvement in processes, materials and product design.

We are progressing towards a more granular product sustainability framework through grade-wise LCAs and comparative footprint studies, including product-grade-specific carbon footprint evaluation, comparative assessment of conventional and alternative feedstocks, integration of circularity indicators, and development of product environmental footprint methodologies and potential Environmental Product Declarations.



Carbon-Neutral Products

Sustainability Objective: Scaling Carbon-Neutral Products To Customers

Himadri has incorporated carbon-neutral products into its sustainability objectives to extend climate action from operational emissions to product-level solutions.

For FY 2025–26, the Company set a target of 0.2% of variants/finished goods in MT for carbon-neutral products and achieved 0.2%, meeting the stated objective. The FY 2024–25 result was 0.1%.

INDICATOR	FY25–26 TARGET	FY24–25	STATUS
Carbon-neutral products	0.2%	0.1%	Achieved

The carbon-neutral product objective complements Himadri's broader product decarbonisation approach, which combines product-level carbon assessment, operational emission reduction, renewable-energy attributes and lower-carbon feedstocks.

Responsible Management Of Hazardous Substances

Approximately 55% of Himadri's revenue is associated with products classified as hazardous under applicable Indian regulatory frameworks, primarily from the Coal Tar Distillation business. These products are subject to defined handling, storage, process-control and environmental management requirements.

Himadri continues to assess its product portfolio and raw-material streams to identify opportunities to reduce, substitute or phase out substances of concern, where technically and commercially feasible.

Regulatory Framework

Area	Applicable framework
Indian environmental requirements	CPCB / SPCB / MoEFCC requirements
Hazardous waste	Hazardous and Other Wastes Rules, 2016
Persistent organic pollutants	Stockholm Convention
International product requirements	REACH, RoHS and other applicable market requirements

Product-related chemical risks are assessed through hazard identification, hazard characterisation, exposure assessment and risk characterisation, supported by applicable regulatory requirements, product specifications and analytical testing.

Our Commitment

We are progressively strengthening assessment of hazardous substances across our product portfolio, with a focus on regulatory compliance, safer use, substitution opportunities and reduction of substances of concern.

Our Approach

Partnering With Customers To Decarbonise The Value Chain

Sustainability Objective: Customer decarbonisation

Himadri recognises that the environmental impact of its products extends beyond its own manufacturing boundaries. Customer collaboration therefore forms an important component of its product sustainability strategy. The Company's FY 2025–26 sustainability objective was to introduce a customer-side carbon-footprint reduction collaboration project.

Customer challenge
Customer seeks to reduce the carbon footprint associated with its product or process.

Himadri intervention
Product optimisation, alternative feedstock, process improvement or material substitution.

Product/process outcome
Improved resource efficiency, lower-carbon material or improved product performance.

Decarbonisation impact
Quantified CO_2e reduction: 1,410.91 tCO_2e Product footprint reduction: 12.97%

Scale-up opportunity
Replication across additional applications and customer segments.

The collaboration demonstrates Himadri's evolving role from a materials supplier to a partner in customer-side decarbonisation, supporting lower-carbon outcomes across downstream value chains.

Innovation in Action

Sustainability innovation	FY25–26 evidence
45% lower emissions	Associated with reuse of Coal tar Derivatives oil versus combustion
5 product categories	Covered through LCA
ISO 14044:2018	LCA methodology
0.20%	Pyrolysis oil as recycled/reused input material by value
0.3% sulphur	Low-sulphur fuel oil
15.02%	Hydrocarbon derivatives as recycled/reused input material by value
>95%	Non-virgin raw material proportion maintained
Cashew Nut Shell Liquid (CSNL)	Renewable feedstock pilot
0.2%	Carbon-neutral products / finished goods achieved
1 project	Customer-side carbon-footprint reduction collaboration achieved

Customer Product Stewardship

Himadri's product stewardship approach combines technical performance, regulatory compliance, product safety and sustainability information to support informed customer decision-making.

Product technical and safety documentation provides information on product composition, safe handling and applicable regulatory requirements. Where required, analytical testing such as EDXRF and ICP-OES are used to verify specified chemical parameters.

Selected carbon black grades comply with requirements including REACH, RoHS and EN 71-3, while speciality grades such as ONYX 300F and ONYX 400F offer very low PAH levels and comply with USFDA requirements.

Product development increasingly incorporates life-cycle thinking, circularity and resource efficiency considerations, enabling Himadri to respond to evolving customer expectations and emerging product sustainability requirements.

Product / grade	Sustainability-led innovation
ONYX 300F / 400F	Comply with USFDA requirements with very low PAH levels; the ONYX 900 series (high tint-strength) enables lightweight products at lower loading levels, reducing raw material consumption and life-cycle carbon footprint.
KLAREX series (incl. RG 225, RG 227)	Low PAH content suitable for weather stripping, hoses and profile applications; supports circular design (compatible with recyclable PE, PP, PET, PVC); RG 227 improves cleanliness and dispersion for tyre manufacturers, reducing defect-related scrap.
ENERGEX	Engineered conductive carbon black delivering stable, high-performance conductivity for batteries, conductive polymers, coatings and cement composites, improving charge-discharge performance and lifespan and reducing replacement frequency.

Looking Ahead

As we continue to advance product innovation, our focus remains on developing solutions that combine performance, resource efficiency and sustainability across their life cycles. Building on this, Himadri will continue to strengthen the connection between innovation, product performance and sustainability value creation. The next phase of our product sustainability journey will focus on deeper grade-level life-cycle assessments, product carbon-footprint measurement, alternative and renewable feedstocks, circular materials, safer formulations and stronger customer collaboration.

As environmental data becomes increasingly important across global value chains, we are progressing towards greater product-level transparency and more granular sustainability information. By combining scientific assessment with material innovation and customer partnerships, Himadri aims to develop solutions that contribute to a more resource-efficient, circular and lower-carbon future.

Climate Risk & Opportunity

GRI 201-2

Building resilience. Capturing opportunity.

Climate change presents both physical and transition-related implications for Himadri's operations, value chain and long-term growth. Our approach focuses on understanding how changing climate conditions, evolving policy and regulation, technology shifts, market expectations and resource availability may influence our business, while identifying opportunities arising from the transition to a lower-carbon economy.

Climate-related risks and opportunities are assessed through our enterprise risk management framework and TCFD-aligned processes. The assessment considers the potential implications across our manufacturing footprint and value chain, supporting informed decisions on resilience, technology, resource management, capital allocation and long-term business planning.

OUR CLIMATE APPROACH

DECARBONISE
- Energy efficiency
- Cleaner energy
- Heat recovery
- Value-chain action

BUILD RESILIENCE
- Physical risks
- Resource constraints
- Regulatory readiness

INNOVATE
- Sustainable materials
- Circular feedstocks
- Low-carbon technology

INTEGRATE
- Risk management
- Investment decisions
- Operational performance

ASSESSMENT DIMENSIONS

CLIMATE HAZARD → EXPOSURE → VULNERABILITY → BUSINESS IMPACT → RESILIENCE RESPONSE

ASSESSMENT COVERAGE

OPERATIONS → ASSETS → SUPPLY CHAIN → MARKETS → FINANCIAL PLANNING

Key Climate-Related Risks And Opportunities

The assessment highlights the following areas as particularly relevant to Himadri's resilience and long-term growth:

Physical Climate Risks

Short–Long term

Considerations:
Water stress • Heatwaves • Flooding • Cyclones • Droughts
Business relevance:
Operational continuity • Assets • Resources • Supply chain
Strategic response:
Water efficiency • ZLD • Diversification • Resilience planning

Policy & Regulatory Transition

Short–Long term

Considerations:
Emissions rules • Carbon pricing • Environmental requirements
Business relevance:
Compliance • Investment • Competitiveness
Strategic response:
Decarbonisation • Regulatory readiness • Climate-aligned investment

Energy Transition

Short–Medium term

Considerations:
Energy mix • Availability • Cost
Business relevance:
Operating costs • Energy security • Transition readiness
Strategic response:
Efficiency • Renewable energy • Alternative fuels • Process optimisation

Technology Transition

Medium–Long term

Considerations:
Lower-carbon technologies • Changing production systems
Business relevance:
Technology readiness • Capital • Asset competitiveness
Strategic response:
Process innovation • Digitalisation • Advanced materials • Pilots

Market Customer Transition

Medium–Long term

Considerations:
Demand for lower-carbon and sustainable materials
Business relevance:
Product demand • Customer expectations • Market positioning
Strategic response:
Sustainable products • New energy materials • Collaboration

Value Chain Transition

Medium–Long term

Considerations:
Supplier emissions • Logistics • Resource-related risks
Business relevance:
Scope 3 • Supply continuity • Customer requirements
Strategic response:
Supplier engagement • Logistics optimisation • LCA • Collaboration

Climate-Related Opportunities

Medium–Long term

Business relevance:
Revenue growth • Resource savings • New markets • Differentiated products
Strategic response:
Circular feedstocks • Renewable energy • Resource efficiency • Lower-carbon products • Next-generation materials

The assessment also identifies opportunities associated with resource efficiency, circular feedstocks, renewable energy, next-generation materials, lower-carbon products and collaboration with customers on value-chain decarbonisation. These opportunities are integrated into Himadri's innovation and business-development priorities.

Climate Risk & Framework

Identifying risks. Assessing impact. Building resilience.

Physical Risks
Extreme weather, heatwaves, flooding, water stress and rising temperatures

Transition Risks
Policy changes, carbon pricing, market shifts, technology disruption and changing stakeholder expectations

Governance Risks
Regulatory compliance, disclosure obligations, policy uncertainty and evolving reporting requirements

Technology Risks
Technology obsolescence, delayed innovation adoption and low-carbon technology readiness

Supply Chain Risks
Supply disruptions, supplier vulnerabilities, logistics constraints and value chain emissions exposure

Resource Risks
Water scarcity, raw material availability, energy security and land use pressures

MITIGATION ACTIONS

RENEWABLE ENERGY	CIRCULARITY	WATER STEWARDSHIP	SUPPLIER ENGAGEMENT	CLIMATE GOVERNANCE	CARBON REDUCTION
Increase renewable energy adoption and drive energy efficiency	Promote circular economy, waste valorisation and resource efficiency	Enhance water management, reuse and Zero Liquid Discharge	Strengthen supplier collaboration, assess risks and build resilient value chains	Embed climate considerations in governance, policies and decision making	Reduce emissions across operations and value chain towards Net-Zero

Our climate risk management approach continues to evolve through integrated governance, operational resilience planning, technology investments and stakeholder engagement. By embedding climate-related risks into enterprise-wide decision-making, we continue to strengthen our capabilities to respond to emerging environmental and market challenges while advancing toward our long-term Net-Zero ambitions.

Resilience In Action

Himadri's resilience response combines operational preparedness with resource security and technology-led adaptation.

Water resilience remains an important component of this approach, particularly at locations exposed to water stress. All manufacturing facilities operate under a Zero Liquid Discharge (ZLD) framework, supported by water recycling, reuse, rainwater harvesting and process optimisation. During FY 2025–26, water intensity reached 1.83 kL/MT, representing a 27.41% reduction from the FY 2021–22 baseline.

During the year, resilience measures included the expansion of wastewater treatment capacity at our flagship plant to 1,250 KLD, optimisation of water-recovery systems, rainwater harvesting and deployment of water-efficient cooling technologies. Water-risk assessment tools, including the WRI Aqueduct Water Risk Atlas, support identification of site-specific and value-chain water risks.

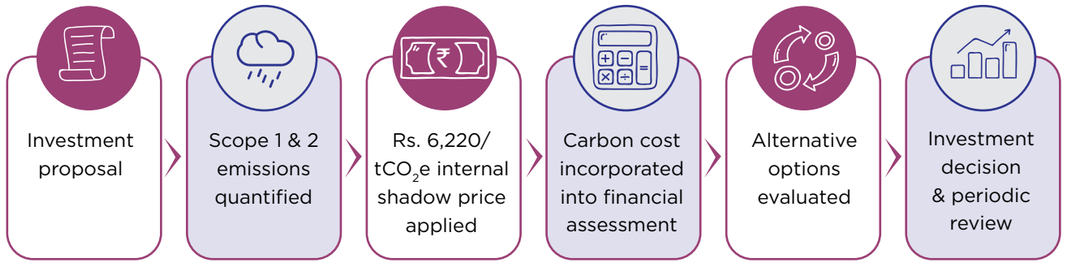
Climate resilience also extends to energy security, logistics continuity, supply-chain preparedness, employee safety and infrastructure planning, enabling the Company's ability to operate effectively under changing environmental and market conditions.

Integrating Climate Considerations Into Financial Decision-Making

GRI 201-2

Climate-related considerations are incorporated into relevant investment and capital-allocation decisions. Himadri applies an internal shadow carbon price of Rs. 6,220/tCO_2e to applicable Scope 1 and Scope 2 emissions when evaluating capital investments requiring CMD & CEO approval. The resulting carbon cost is considered alongside conventional financial parameters, including payback and cost–benefit assessments.

This approach enables investment decisions to consider both immediate financial returns and the long-term value of resilience, carbon efficiency and readiness for the evolving low-carbon economy.



Climate-Related Financial Implications

Climate-related risks may influence operating costs, capital requirements, asset utilisation, supply-chain continuity, energy expenditure, resource availability and market competitiveness. Conversely, investments in energy efficiency, resource productivity, renewable energy, circularity and lower-carbon products can create opportunities through operating-cost optimisation, improved resilience and access to emerging markets.

Further Disclosure

Detailed information on climate governance, scenario analysis, physical and transition risks, climate-related opportunities, financial implications, resilience measures is provided in the standalone TCFD Report FY 2025–26.

Looking Ahead

As climate-related risks continue to evolve, Himadri views resilience as a long-term strategic priority supporting sustainable growth and operational continuity. We aim to bolster resilience through cleaner technologies, smarter environmental systems, improved resource efficiency and climate-aligned infrastructure planning, with future initiatives focused on expanding low-carbon operations, improving water circularity, reinforcing emissions reduction programmes, piloting carbon capture technologies, and enhancing digital environmental monitoring capabilities, while deepening climate-risk integration across operational planning and long-term investment decisions.

PEOPLE & COMMUNITIES

Social Performance Dashboard

Measuring Progress | Celebrating Impact | Strengthening Our People

FY 2025–26 reflects meaningful progress across our people agenda. This scorecard brings together key year-on-year indicators across workforce, safety, learning, diversity, wellbeing, human rights and community development, highlighting our performance against defined goals and the progress shaping a stronger, more inclusive and thriving Himadri workforce.

THE HEADLINE OF THE YEAR

18.81 MILLION
Cumulative man-hours worked since the last Lost Time Injury (LTI), with LTIFR consistently maintained zero throughout the year

This single achievement anchors everything else in this pillar: a workforce that stays safe is a workforce that can meaningfully grow, learn and belong

THIS YEAR'S MAJOR ACHIEVEMENTS

Safety and Occupational Health
A safer workplace for a healthier tomorrow

18.81 million	< 1.0	1.9	100%	Zero
Injury-free working hours (man-hours) since the last injury	Lost Time Injury Frequency Rate (target)	Total Recordable Incident Rate (TRIR) (reduced from 4.42 in the previous year)	Health and safety training coverage	Occupational illness cases for five consecutive years

Employee Wellbeing and Human Rights
Caring for our people. Upholding rights.

100%	100%	100%	ZERO	100%
Employee benefits coverage	Return-to-work and retention after parental leave	Human-rights training coverage	Child and forced labour incidents for two consecutive years	Employees and workers paid at or above minimum wage

Workforce and Talent Development
Building a skilled, engaged and future-ready workforce

3,193	4.91%	100%	35,600
Total workforce (1,395 employees and 1,798 workers)	Employee turnover (reduced from 8.26%)	Workforce training coverage (for three consecutive years)	Safety training man-hours delivered (exceeding the 35,000+ target)

100%	28.40
Performance and career-development reviews coverage	We have clocked 28.40 hrs of average training per employee, considering those who are directly employed with the organization in full-time capacity

Community Impact and Social Investment
Stronger communities for a shared tomorrow

Great Place to Work®	Rs. 8.30 Crores	18,152+	Recognised with CSR Outstanding Award and Top 3 Integrated CSR Initiatives of 2025
Certified	Invested in CSR projects	Beneficiaries reached across five focus areas	

Diversity, Equity and Inclusion
A more inclusive workplace for greater possibilities

6.14%	14.29%	1.21	25%
Female representation among Management members (up from 4.12% in FY21-22)	Women on Board and among Key Management Personnel (KMP)	Women-to-men median remuneration ratio	Target for women and underrepresented groups across Board, management and workforce by 2030

Human Capital Management

GRI disclosures: 2-7 | 2-8 | 3-2 | 401-1 | 403-9 | 404-1 | 405-1

Behind every number is a person we are building the future with

Our people are the engine behind every tonne we produce, every innovation we pursue and every promise we keep to our stakeholders. As we chart our new vision to build a pioneering institution that transforms dreams into reality, our workforce strategy is designed to match that ambition by attracting the right talent, building deep capability and creating a workplace where people choose to stay and grow for the long term. This is where our CARE value of Accountability comes alive most visibly: we own the outcomes we set for our people, and we work hard to deliver on every commitment we make to them.

Human Capital As Our Strategic Differentiator

GRI 3-2

In the speciality chemicals sector, knowledge, expertise and human capital operate as a strategic differentiators, with our advantage built on scientific precision, process innovation and tailor-made formulations designed to address highly specific customer needs. Every product we bring to market is the outcome of accumulated intellectual capital that draws together chemistry, materials science, chemical engineering, application know how and a deep understanding of regulatory frameworks.

Our skilled chemists, process engineers, research scientists and application technologists form the backbone of this innovation ecosystem, converting molecular insight into market ready solutions. Human capital, for us, is a renewable, compounding asset, strengthened continuously through learning, collaboration and cross disciplinary fluency.

Vice President - Human Resource

Diversity Driving a Resilient Workforce

"Our people are at the heart of our success. We are committed to fostering an inclusive, diverse and high performance workplace that supports employee well being, engagement and growth. Through our DEI initiatives and capability development programs, we are building a resilient workforce aligned with our long term sustainability journey."

Mr. Kunal Mukherjee

Guided by our philosophy of 'Building The New World Sustainably', we believe our strength lies in the passion, innovation and dedication of our people. Our HR strategy is anchored in dignity, respect, fairness, equity and opportunity, principles that together define a safe, supportive and thriving workplace.

Strategic Pillars of HR

- Talent Acquisition
- Talent Development
- Talent Management

- Talent Engagement
- Compensation, Benefits & Rewards
- Employee Life Cycle Management

- Organizational Development
- Labour Law & Compliance
- Employee Relation

Himadri's people agenda spans the entire talent lifecycle, with a focus on equal opportunity, employee welfare and development at every level. Its talent acquisition efforts bring in technical and functional capabilities across chemistry, engineering, research, manufacturing and other specialised fields to support innovation and operational excellence. Structured learning programmes, talent reviews, career development and succession planning strengthen existing capabilities and build a pipeline of future leaders. Performance management connects individual goals with business priorities through goal setting, periodic reviews and feedback, while organisation development initiatives support leadership effectiveness, collaboration and readiness for change.

Himadri seeks to foster an engaged workplace through open communication, employee participation and regular feedback. Fair and competitive compensation, benefits and welfare provisions support employee well-being and retention, while rewards and recognition acknowledge performance, innovation and behaviours aligned with the Company's values. HR operations provide consistent support across the employee lifecycle through core systems and services. These efforts are underpinned by processes for labour law compliance, fair employment, human rights, workplace safety and ethical conduct, helping Himadri build a skilled, inclusive and future-ready workforce.

HRBP's contribution

- **Organisational Performance** Enhancing organisational performance
- **Relationships** Fostering positive employee relations
- **Compliance** Maintaining labor law compliance

A Workforce Built For Scale

GRI 2-7, 2-8

As on 31 March 2026, Himadri's total workforce stood at **1,395 employees** and **1,798 workers**, spread across our integrated manufacturing ecosystem, including our facilities at Vizag, Korba and Falta, alongside our Corporate Office. This footprint reflects the scale of operations we have built while staying rooted in a people first philosophy that treats workforce planning as a strategic exercise rather than a purely administrative one.

Workforce Gender Representation

Employees

Category	Total	Male	% Male	Female	% Female
Permanent	1,107	1,039	93.86	68	6.14
Other than permanent	288	287	99.65	1	0.35
Total employees	1,395	1,326	95.05	69	4.95

Workers

Category	Total	Male	% Male	Female	% Female
Permanent	54	54	100	-	-
Other than permanent	1,744	1,724	98.85	20	1.15
Total employees	1,798	1,778	98.88	20	1.12

Note: Permanent employee count excludes our Board of Directors. All figures are reported on a head count basis as at year end.

Our "other than permanent" worker base of 1,744 individuals is engaged largely through contracted and manpower support arrangements that give us the flexibility to scale operations across our manufacturing sites while maintaining consistent standards of training, safety and welfare for every person who works with us, regardless of contract type.

Welcoming New Talent, Built To Last

GRI 401-1

Attracting and retaining talent remains central to our long term success in a competitive global landscape. We measure our appeal as an employer through external rankings and internal surveys, staying responsive to employee feedback and market expectations.

Every new hire experiences a structured journey designed to help them settle in with real clarity, not guesswork. Pre-onboarding covers everything completed before a new joiner's first day: joining forms and documents shared in advance, along with details on accommodation, transport, reporting location and key contacts, so they arrive well prepared rather than starting cold. Himadri ensures that individuals below 18 and above 60 are not considered for employment. The age is verified with the necessary ID proofs prior to joining. Onboarding begins on day one with joining formalities, safety induction and functional induction, familiarising every new joiner with workplace practices and their specific role. A dedicated buddy is assigned to each new hire, offering guidance, answering questions and helping them settle into the team, the systems and the workplace itself. Every new employee also receives an Employee Handbook covering our policies, procedures, rights and responsibilities.

Looking ahead, we are working toward a structured 30-60-90-180 Day Onboarding Framework, built around clear milestones: the first 30 days focused on learning and connecting with our culture and people, the next 30 on building functional competency, the following 30 on independent performance with growing ownership, and the final stretch to 180 days on deeper integration and sustained development.

Our Vihaan programme, whose name means dawn or new beginnings, builds on this foundation as an end to end fresher hiring and development engine, spanning workforce planning, campus sourcing, structured onboarding and mentorship, with progress tracked through dashboards covering offer to join ratios and time to productivity.

Growing Our People, And Keeping Them

A strong pipeline reaches its full value only through strong retention, and this is an area where our numbers tell an encouraging story. Critical knowledge is protected through structured succession planning, ensuring expertise stays within the organisation as people grow into new roles rather than walking out the door with them.

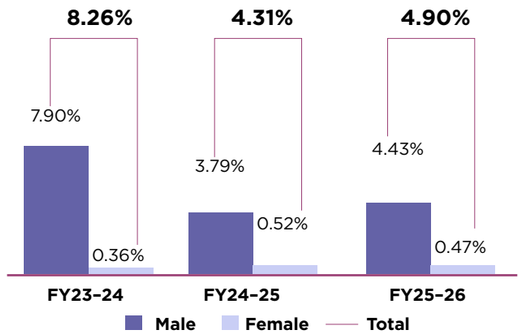
Our **NIRMAAN Role Readiness Framework** strengthens this from the ground up. It begins with a detailed analysis of every job role, identifying the technical knowledge, domain expertise, analytical capability and operational skills essential to performing it well, classified across four proficiency levels: Novice, Developing, Proficient and Expert.

Every employee's skill level is assessed through a structured, weighted methodology: 40% self-assessment and 60% manager assessment. The assessed score is then compared against a defined target score for the role, and any gap identified becomes the foundation of a personalised Individual Development Plan, focused on the specific areas where growth is needed.

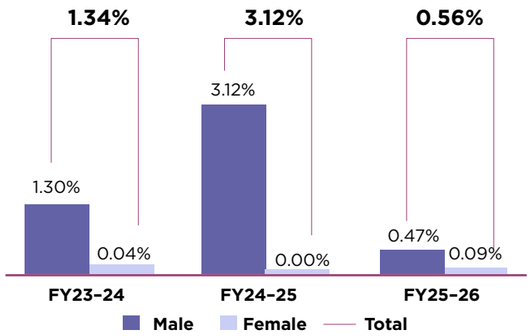
What makes NIRMAAN distinctive is how directly it connects individual skill to business performance. Every skill is mapped to one or more departmental KRAs and KPIs, so cumulative, weighted scores reflect an organisation's real capability to deliver on its objectives. This feeds into KPI Risk Zone Identification, where a minimum competency score of 70% is defined as the threshold required to effectively support a department's goals, giving leadership a clear, evidence-based read on where capability stands, and where it needs strengthening.

NIRMAAN's reach extends well beyond training alone. It strengthens Talent Acquisition by letting candidates be evaluated against the same standardised skill parameters used for existing roles, and it supports structured on-the-job training through a 30-60-90-180 day development plan, building capability systematically from an employee's very first day. It also introduces next role readiness, evaluating preparedness for greater responsibility based on skill achievement, performance consistency, behavioural attributes and continuous learning, giving us an objective, transparent basis for career progression and succession planning, well beyond past performance alone. At an organisational level, this same skill data gives leadership visibility into capability gaps, readiness for future challenges, and where capability-building investment should be prioritised next.

A strong pipeline means little without strong retention, and this is an area where our numbers tell a encouraging story.



Turnover Rate Of Permanent Employees



Turnover Rate Of Permanent Workers

Our permanent workforce turnover has fallen sharply since FY 2023-24, a direct result of the strategic retention initiatives we introduced over the past two years. We built regular feedback sessions and open, two way communication channels between employees and management into our everyday rhythm, and we backed these with structured engagement programmes that give our people a voice in shaping their own workplace experience. Our Career Advancement Policy and Nomination and Remuneration Policy work in tandem to support equitable growth and long term talent retention, while our Reward and Recognition programme, run in partnership with Advantage Club, keeps engagement visible and celebrated rather than assumed.

Investing In Capability, Every Single Day

GRI 404-1

Capable people build resilient companies, and we treat learning as a continuous investment rather than an annual formality. In FY25-26, we delivered 100% health and safety training coverage across both our employees and our workers, alongside 100% skill upgradation training coverage for employees and 68.58% skill upgradation training coverage for workers.

All of this learning is delivered through UTKARSH, our Learning Management System, which ensures training is consistent, trackable and readily accessible across every function and every site, rather than concentrated at the corporate centre.

Looking Ahead

As Himadri looks to the future, our HR function is positioned to play a pivotal role in driving organisational transformation, moving from a primarily administrative function into a strategic enabler of growth, agility and empowerment across the entire employee lifecycle. Our human capital strategy is ultimately about one thing: building an organisation our people are proud to belong to, today and in 2030. Every hire we make, every training hour we invest and every retention initiative we launch is a small but deliberate step toward the institution we have set out to build, one that is courageous in its decisions, accountable to its people, reliable in its follow through, and empathetic in how it treats every individual who chooses to be part of our journey.

Occupational Health & Safety

GRI 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8 | 403-9 | 403-10

Safety is embedded in our governance, culture, and everyday performance

At Himadri, we hold a fundamental conviction: sustainable business growth is inseparable from the protection, empowerment and wellbeing of every individual who is part of our enterprise. Rooted in our 'Building the New World Sustainably' philosophy, occupational health and safety is embedded at the very core of our business strategy, a leadership responsibility and a collective commitment, spanning every level of the organisation. This chapter reflects our CARE value of Accountability, owning outcomes and delivering on every commitment, expressed here in its most literal, human form.

In FY 2025-26, the Taskforce delivered several defining milestones: sustaining over 18.81 million man-hours with a Lost Time Injury-free record, maintaining zero LTIFR, advancing HAZOP studies in collaboration with M/s DEKRA, expanding digital safety monitoring systems, broadening occupational health surveillance, and maintaining 100% safety training coverage across employees and contractors alike. The Taskforce also progressed key sustainability-linked initiatives, including energy optimisation, continued advancement toward zero liquid discharge, and hazardous waste minimisation, positioning it as a strategic enabler of our journey toward Zero Harm and Net - Zero 2050.

18.81 M+
Man-Hours
with Zero LTI, achieved from mid-FY 2023–24 through FY 2025–26

<1.0
Lost Time Frequency Rate
Sustained below benchmark

100%
Training Coverage
All employees & contractors

ISO 45001 + SA 8000
Certifications Active
All manufacturing sites

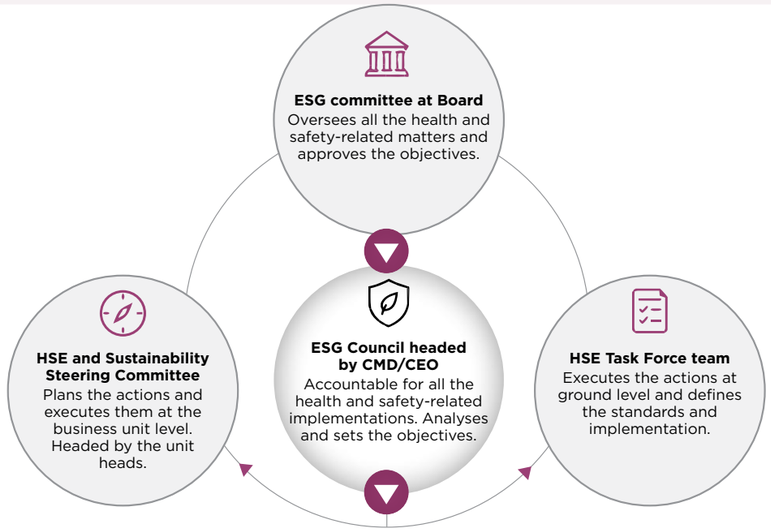
Completed
HAZOP Studies
With M/s DEKRA collaboration

Programme Active
Vision Zero
Culture-led, learning-driven

An Integrated Governance Framework

GRI 403-1

Occupational health and safety at Himadri is fully embedded into our governance and sustainability framework, following a structured, multi-tier governance model that carries safety from our Board of Directors down to every operational team.



Management System Coverage Across Every Site And Relationship

GRI 403-8

Our OH&S management system, certified to ISO 45001:2018 across all manufacturing sites, extends full coverage to every employee and contractor operating within our operations, with 100% of employees and workers covered by the OH&S management system, alongside 100% of sites assessed for H&S measures and 100% assessment of the H&S impacts of our products and services, consistently maintained across all five years of available data. We embed occupational health and safety within a broader suite of integrated management systems across our sites. Together, these frameworks support safer operations, environmental responsibility, resource efficiency, stronger governance and greater business resilience.

Integrated Management System Coverage

7 Standards & Frameworks | **7** Locations | **100%** Coverage

Information Security
- ISO/IEC 27001:2013

Environment & Energy
- ISO 14001:2015
- ISO 50001:2018

Health, Safety & Social Accountability
- ISO 45001:2018
- SA8000:2014

Risk & Business Continuity
- ISO 31000:2018
- ISO 22301:2019

Coverage across 7 locations and Corporate Office

Mahistikry | Liluah (I & II) | Korba | Sambalpur | Vizag | Falta | Corporate Office

Strong systems. Consistent standards. Resilient and responsible operations across every location.

Vision Zero: Four Foundational Pillars

Central to everything is our 'Vision Zero' Accident/Incident philosophy, our paramount objective of a workplace entirely free from accidents and injuries, built on the conviction that every incident is preventable, working in tandem with our broader Zero Harm and Net - Zero 2050 sustainability ambitions.

Learning	Continuous improvement through regular training, knowledge sharing, and diverse learning modes.
Culture	Safety embedded in organizational DNA with shared ownership across the value chain.
Commitment	Leadership commitment from CMD and Business Presidents to frontline teams.
Communication:	Transparent and open communication through Safety Alerts, Town Halls, Committee Meetings, Risk Assessments, and Toolbox Talks.

To keep this more than an aspiration, we embed **15 to 20% of health and safety objectives directly into the Key Result Areas (KRA) and Key Performance Indicators (KPI) of every employee,** including middle management and frontline staff, tailored to their specific roles, so that safety performance carries the same weight as any other business metric an individual is measured on. This toolkit includes targeted reductions in our Major Total Injury Frequency Rate and Process Safety Event Rate, same-day closure of critical unsafe acts and conditions, quarterly internal audits, monthly HSE Steering Committee meetings at every plant under Plant Head leadership, and a dedicated **HSE Reward & Recognition Programme** that incentivises frontline safety compliance directly.

Health & Safety Policy

Himadri's **Health & Safety Policy** places the safety, health and wellbeing of its people at the centre of its operations. The policy focuses on identifying and mitigating workplace hazards, promoting physical and mental wellbeing, strengthening employee resilience and productivity, and establishing safety as a shared responsibility across the organisation.

The policy is supported by a structured set of Occupational Health and Safety standards covering health and safety audits and inspections, contractor safety, two way communication, workplace risk assessment, workplace stress management, electrical safety, hazardous chemical handling, ergonomics, machine safety, PPE, Lock Tag Try, Permit to Work, vehicle management, accident and incident reporting, training, toolbox talks, management of change and Occupational Health and Safety Committee operations.

The policy is aligned with our **Vision Zero Incident/Accident philosophy**, which places safety as an integral part of business operations and promotes collective ownership, continuous learning and proactive risk management. The Company also links safety performance with leadership accountability, employee participation and open communication through safety alerts, town halls, safety committee meetings, risk assessments, audits, toolbox talks and training.

Drug & Alcohol Policy

Himadri's **Drug and Alcohol Policy** supports a safe and healthy workplace by establishing clear standards for the use, possession and influence of drugs and alcohol on Company premises. The policy is supported through awareness initiatives and confidential support resources, reinforcing a culture of responsibility and workplace safety across employees and third party contractors.

Himadri's official Health and Safety page also identifies the **Health & Safety Policy and Drug & Alcohol Policy** as key components of its workplace safety framework, alongside standards covering PPE, accident and incident reporting, contractor safety, risk assessment, hazardous chemical handling, workplace stress management, training and safety committees.

Our corporate-level Health & Safety manuals help translate Himadri's safety policies into consistent practices across our operating locations. Deployed across plants, the manuals provide guidance on occupational health and safety, contractor safety, training, emergency preparedness and other critical safety controls. Together, these measures strengthen our safety culture and support our **Vision Zero – Accident/Incident** philosophy, reinforcing our commitment to **Zero Harm** across our operations.

Enterprise-wide Deployment of HSE Manuals

100% Coverage

- **Occupational Health and Safety Manual** – Deployed across all locations
- **Health and Safety Training Manual** – Deployed across all locations
- **Contractor Safety Manual** – Deployed across all locations
- **Occupational Health Manual** – Deployed across all locations
- **HSE Project Manual** – Deployed across all locations
- **Emergency Preparedness Plan** – Deployed across all locations

Coverage across 7 locations and Corporate Office

Mahistikry | Liluah (I & II) | Korba | Sambalpur | Vizag | Falta | Corporate Office

We also apply a defined set of Non-Negotiable Standards covering our highest-risk activities:

Work At Height	Hot Work	Confined Space Entry	Electrical Safety	LTT (Lock-Tag-Try) Procedures	Lifting And Transporting Equipment
Mandatory fall arrest systems, harnesses and working platforms, with full scaffolding and elevated platform inspection required before use.	A dedicated hot work permit system with atmospheric testing for flammable gases, fire watch requirements, fire-resistant barriers and immediate fire suppression equipment.	Multi-gas atmospheric monitoring before and during entry, mandatory rescue plans, emergency retrieval equipment and buddy systems, with lone working strictly excluded under all circumstances.	Comprehensive Lock-Out Tag-Out (LOTO) procedures for all electrical isolation, with mandatory electrical isolation certificates verified by a competent authority.	A structured energy isolation protocol ensuring all sources of hazardous energy, electrical, pneumatic, hydraulic and thermal, are isolated before maintenance, with mandatory try-out verification.	Certified lifting equipment with documented load ratings, mandatory pre-lift plans for critical lifts, trained signal persons and defined exclusion zones.

These standards are embedded into daily operations through structured procedures, mandatory compliance protocols and clear accountability at every organisational level, with leadership playing an active role in reinforcing them.

Finding Risk Before It Finds Us

GRI 403-2

Our safety architecture rests on a suite of detailed operational manuals covering the full spectrum of workplace risk: our Health and Safety Manual, Training Manual, and dedicated protocols for PPE Compliance, Lock, tag and Try Permit to Work (PTW), Accident/Incident Reporting, and our Vehicle and Occupational Health Committee framework. Each manual is developed with structured input from process engineers, safety specialists and frontline workers themselves, ensuring our procedures reflect operational reality.

Enterprise-wide Deployment of HSE Manuals

100% Achievement

Governance, Risk & Assurance
- Risk Assessment Standard
- HSE Audit and Inspection
- OHS Committee Standard
- Management of Change
- Accident and Incident Reporting

Competence, Communication & Wellbeing
- HSE Stress Management
- Training Standard
- Toolbox Talk Standard
- Two-way Communication
- Ergonomics Standard

Operational Hazard Controls
- Hazardous Chemical Handling
- Machine Safety
- Lockout, Tagout and Tryout Standard
- Permit to Work Standard
- PPE Standard
- Electrical Safety Standard

Contractor & Transport Safety
- Contractor Safety Standard
- Vehicle Management Standard

Coverage across 7 locations and Corporate Office

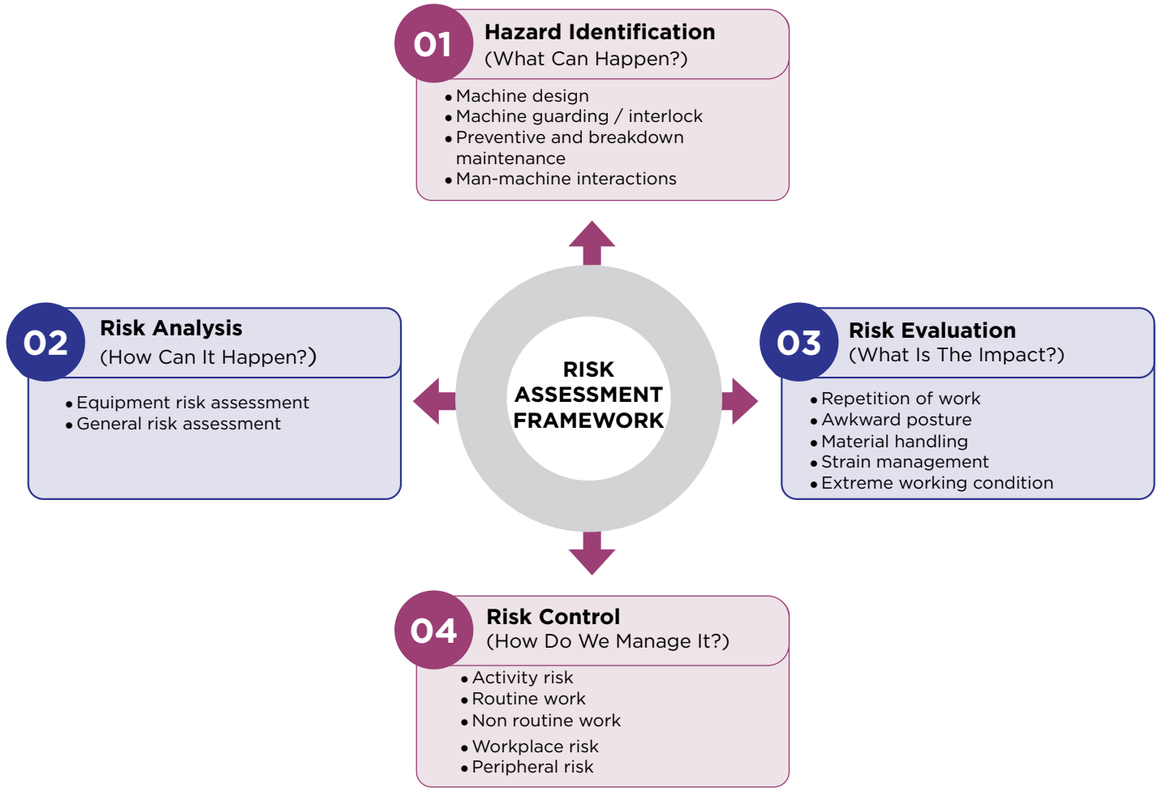
Mahistikry | Liluah (I & II) | Korba | Sambalpur | Vizag | Falta | Corporate Office

Risk assessment at Himadri is a living, growing discipline rather than a static checklist, and our trend proves it. Workplace hazards are systematically classified into high, medium and low risk categories, with high and medium risk areas subject to dedicated management reviews on a monthly basis, applying a structured hierarchy of preventive controls spanning elimination of hazards at the source, isolation of harmful agents, exposure management and appropriate PPE provision, an approach that keeps protection proactive rather than reactive.

Metric	FY23–24	FY24–25	FY25–26
Total Risks Identified	471	841	1,050+
High-Risk Cases (RPN ≥ 32)	N/A	440	520+
Overall Risk Closure Rate	~75%	83.82%	90%+
SIOPA Safety Audit Points Tracked	4,117	9,638	10,100+
Moderate Risk Closure Rate (RPN ≥ 16)	~80%	95%	97%+

The rising numbers of risks identified reflect enhanced hazard recognition and growing workforce participation in safety, while the climbing closure rates show that identification is consistently followed through to resolution. This is powered by HAZOP (Hazard and Operability) studies, conducted in collaboration with M/s DEKRA, a globally recognised safety consultancy, applying fail-safe engineering principles through a disciplined, node-by-node examination of Piping and Instrumentation Diagrams. The methodology proceeds through five defined steps: defining nodes and design intent, identifying deviations using guidewords aligned with BS-IEC 61882, assessing causes and consequences, ranking hazards by impact, and recommending controls with clearly assigned ownership.

To date, over 139 P&IDs have been comprehensively reviewed, covering critical process units, interconnected systems and operational interfaces, with a further 40 P&IDs scheduled for the next phase. Looking ahead to FY 2026-27, approximately 11 P&IDs from the CTP side and 20 from the CBD side are already planned for review, a forward-looking cadence that keeps our process safety programme continuously advancing rather than treating any single review cycle as complete.



We also monitor workplace conditions systematically, tracking noise levels, particulate matter and workplace illumination through internal and external audits, with findings driving targeted corrective action. Looking ahead, we plan to introduce **personal exposure sampling** across our operations, measuring individual employee contact with dust, fumes, noise and chemical agents, strengthening our ability to identify and address exposure risks at the individual level.

Process Safety Management Element

GRI 403-2, 403-7

Safe and secure chemical handling sits at the centre of our risk profile as a speciality chemicals manufacturer, governed by stringent, systematically developed protocols.

Our Standard Operating Procedures (SOPs) cover chemical receipt, storage, usage and disposal, including emergency response for spills, leaks or exposure, developed jointly by process engineers, safety specialists and frontline workers. Chemicals are stored in ventilated, designated areas with proper segregation and containment, every container clearly labelled under the Globally Harmonized System (GHS), with incompatible chemicals held in separate, dedicated containment infrastructure.

Our comprehensive PPE Matrix guides employees toward the correct protective equipment for every task, with availability monitored directly at point-of-use locations and compliance strengthened continuously based on worker feedback. Every facility is equipped with spill kits, eyewash stations, emergency showers and fire control measures, reinforced through regular drills, while dedicated spill response teams are trained in containment, cleanup, decontamination and compliant disposal.

Technology plays an active role here: automated systems track storage conditions and chemical inventories, with real time access to Safety Data Sheets reducing human error, while digital monitoring of atmospheric conditions in storage areas provides early warning of abnormal releases. Dyke wall systems surrounding every major storage tank contain the full volume of the largest tank plus a safety margin, complemented by impermeable flooring and bunded areas that prevent contamination spread. Steam purging serves as our primary decontamination method, and our Liquid Emergency Tool Kit includes absorbent pads, neutralising agents, leak sealing devices and chemical-resistant PPE.

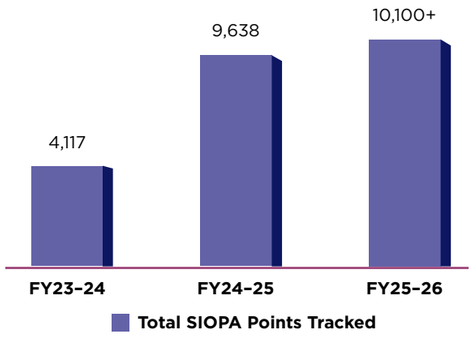
A culture owned from the ground up

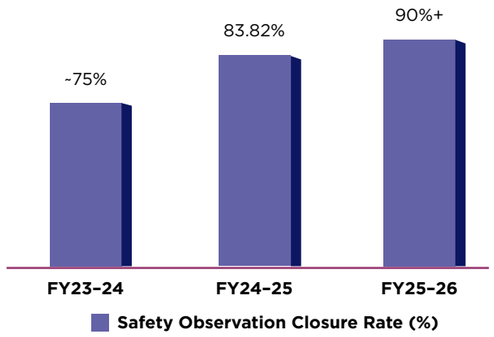
GRI 403-4

Safety at Himadri is built from the ground up, owned collectively by our people rather than handed down as a directive from above, and our numbers reflect that belief in action: **over 80% of our employees actively contribute** to safety audits, observations and discussions, a remarkable level of engagement in any industrial context. Our **"Culture of Care and Protection"** initiative integrates safety directly into our core values, empowering every employee to actively promote a secure workplace through personal responsibility, vigilance and collective accountability.

Reporting Made Effortless

This participation runs through our Digital Safety Observation System, which lets employees at every level report hazardous act or condition requiring attention using QR code technology at workstations, enabling instant mobile reporting. Observations are automatically filtered and routed by departmental responsibility, with open points circulated across cross-functional teams for timely resolution. Reported observations climbed from over 9,600 in FY 2024-25 to over 10,100 in FY 2025-26, strong evidence of steadily deepening participation.





Himadri's 10 Core Safety Rules

Our Blueprint for a Zero-Harm Culture

At Himadri, safety is more than a metric it is the foundation of our operational excellence. Our 10 Core Safety Rules serve as the standardized benchmark for workplace safety, establishing clear, consistent, and safe practices across all areas of critical risk.

This comprehensive framework mandates strict adherence to a range of life-saving protocols. It ensures that every team member is fully equipped through Wear Mandated Personal Protective Equipment (PPE) and that high-risk maintenance is handled via rigorous Lock, tag and Try procedures. The rules proactively manage environmental hazards, from enforcing Machine Guarding on equipment to mandating oxygen and gas checks for Confined Space Entry. For non-routine or complex activities, the framework shifts toward formal authorization and preparation, requiring both a detailed Risk Assessment and a formal Work Permit before any work begins.

Two Layers Of Audit Assurance

Our audit framework operates on two levels. Internal HSE Audits run quarterly, using standardised checklists covering H&S standard implementation, PPE compliance, PTW and LTT adherence, machine guarding, emergency preparedness, chemical handling and contractor safety. Third-party audits conducted by internationally accredited agencies including TÜV SÜD and the British Safety Council, provide objective, external benchmarking against global best practice.

Equipment Care And Digital Assurance

We also maintain a dedicated Equipment Safety Inspection and Condition Monitoring Framework, with routine joint inspections by Maintenance and EHS teams assessing temperature, vibration, noise, coupling condition, lubrication and mechanical integrity across critical rotating machinery, complemented by a Digital Safety Audit Management System that replaces paper-based inspection with mobile-enabled, real time data collection covering mechanical integrity, machine guarding, electrical safety, ergonomics and emergency readiness. This feeds into a Preventive Maintenance (PM) Scorecard, which has consistently recorded compliance levels between 85% and 100% across our manufacturing units, reinforcing our proactive maintenance culture and our ambition of fully uninterrupted equipment reliability.

A Voice For Every Worker, Through Every Channel

We give our workforce a wide range of ways to raise concerns, share ideas and shape safety outcomes, not just a single formal route.

Safety Committee Meetings
Quarterly meetings with equal representation from management and worker representatives. Every issue is documented, assigned and tracked through to closure.

Hazard Identification and Risk Assessment
Workers contribute directly to identifying hazards and evaluating risks, bringing on-ground insight to our mitigation process.

Canteen Committee
A jointly represented committee of workers and management oversees hygiene and food quality, extending welfare beyond the workplace itself.

Speak-Up and Grievance Committee
A confidential channel lets every employee raise workplace or safety concerns, backed by strong protection against reprisal.

Toolbox Talks
Regular, shift-wise safety discussions covering daily issues, updates and awareness reinforcement.

Town Hall Sessions
Quarterly open forums with senior management, giving workers a transparent platform to raise concerns and agree corrective actions together.

Workers' Committee Meetings
Dedicated sessions that give the workforce a meaningful voice in safety-related decisions.

Safety Audits and Inspections
Bi-monthly audits with active worker involvement, identifying hazards and enabling prompt resolution.

Accident and Incident Reporting
A structured alert system requiring every incident to be reported within 24 hours, analysed through our 8D Practical Problem-Solving Framework.

Health and Safety Training
Annual classroom and on-site training calendars, shaped by worker feedback to stay relevant.

Steering Committee and Task Forces
Dedicated teams overseeing specific HSE initiatives, enabling focused attention and rapid resolution.

Suggestion Box
An anonymous mechanism for submitting safety ideas or concerns, welcoming those who prefer a confidential route.

Promotional Events
Safety awareness campaigns and competitions that build a proactive safety culture.

Aap Ki Awaaz Protocol
A dedicated internal channel capturing and acting on employee ideas for safety improvement.

EVERY VOICE MATTERS
EVERY ACTION COUNTS
TOGETHER WE CREATE A SAFER TOMORROW.

Enterprise-wide Employee Engagement Platforms

13 Engagement Platforms — **7** Locations — **100%** Coverage

Safety Participation & Risk
- Safety Committee Meetings
- Hazard Identification & Risk Assessment
- Toolbox Talk Sessions
- Health & Safety Training

Employee Voice & Grievance
- Speak-up & Grievance
- Committee Suggestion Box
- Aapka Awaaz Protocol

Workforce Dialogue & Welfare
- Canteen Committee
- Town Hall Sessions
- Workers' Committee Meetings
- Promotional Events

Problem-solving & Governance
- Participation in Line PPS & 8D PPS
- Steering Committee & Task Force

Employees and workers: 12 platforms

Employees only: Steering Committee & Task Force

Coverage across 7 locations and Corporate Office

Mahistikry | Liluah (I & II) | Korba | Sambalpur | Vizag | Falta | Corporate Office

Building Competency, Deliberately

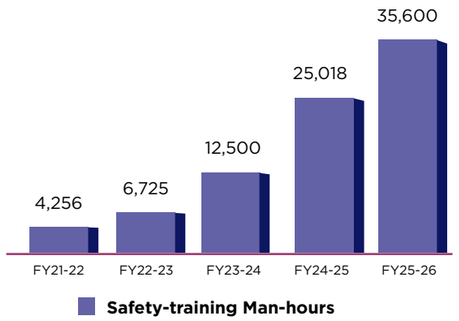
GRI 403-5

Setting an ambitious training bar

Sustainable safety outcomes are built on deep, applied competency, reaching well beyond rules alone, which is why we set an ambitious target of 35,000+ safety training man-hours, and achieved 35,600, alongside sustained 100% training coverage across employees and workers, for the third consecutive year.

Equal Access, Equal Capability

A meaningful highlight this year: equal participation of female employees was ensured across all safety training programmes, reinforcing that safety capability at Himadri is built consistently, across every part of our workforce.



SAFTY TRAINING FRAMEWORK

Five Levels of Capability Building

A progressive framework to strengthen safety competence and build a culture of prevention.

01 — LEVEL 1 — Build Awareness
Basic safety awareness and safe equipment use.

02 — LEVEL 2 — Identify & Mitigate
Conducting safety audits to identify and mitigate risks.

03 — LEVEL 3 — Assess & Control
Risk assessment techniques and hazard mitigation.

04 — LEVEL 4 — Operate Safely
Machine-specific risk and operational safety.

05 — LEVEL 5 — Expert-led Training
Ergonomic safety training led by external experts to prevent musculoskeletal issues.

From awareness to expertise – building safer behaviors, stronger systems, and a healthier workforce.

Preparing For The Moments That Matter Most

GRI 403-2, GRI 403-9

Emergency preparedness training runs as a dedicated stream within this: our fire safety modules achieved full workforce participation and accumulated over 2,200 training hours in FY 2025-26 alone, covering fire prevention, correct firefighting equipment use and evacuation drills. Disaster preparedness training covers earthquakes, floods and storms, equipping employees with safe evacuation and shelter-in-place skills, while forty employees hold annual first aid certification in CPR, wound care and emergency response, delivered in partnership with St. John Ambulance and the Red Cross, building a strong capable cadre of first responders across our sites. We also maintain regular inspection of emergency infrastructure, alarms, emergency lighting, exit routes and first-aid kits, keeping every facility in a constant state of readiness.

Health Infrastructure That's Always On

GRI 403-3

Round-The-Clock Care At Every Site

Every one of our manufacturing locations maintains a **fully operational, round-the-clock Occupational Health Centre (OHC)**, staffed by a qualified plant doctor and trained paramedic personnel, supported by two ambulances equipped with Basic Life Support facilities, and established ties with super-speciality hospitals for advanced care and swift evacuation when needed. Standard Operating Procedures for our OHCs bring consistency and standardisation to every facet of occupational health, from pre-employment evaluation through ongoing surveillance.

Our OHCs deliver comprehensive health evaluations at the pre-employment stage and periodically throughout tenure, continuous health surveillance complemented by stress counselling, dedicated physiotherapy and ergonomic support for injury prevention, and personalised dietary and lifestyle guidance, treating occupational health as preventive care that stays well ahead of reactive treatment.

Designing work around the body

We have also introduced a robust Ergonomic Safety Standard, designed specifically to prevent repetitive strain injuries and cumulative trauma disorders for employees engaged in manual handling or physically demanding roles. This combines engineering redesign, mechanical aids, adjustable platforms and reconfigured workstations with administrative measures like job rotation, scheduled rest breaks and awareness training, supported by periodic ergonomic risk assessments and structured employee feedback. Since introducing this standard, we have observed an encouraging decline in musculoskeletal complaints, alongside real improvements in postural comfort and operational productivity.

Hygiene as a daily discipline

Our commitment to workplace hygiene runs through a structured WASH programme, built on the 5S methodology alongside UNGC WASH principles and SA 8000:2014 standards. Every employee has uninterrupted access to safe drinking water, backed by periodic water quality testing, modern and well-maintained sanitation facilities across all sites, and regular hygiene awareness campaigns promoting preventive health practices, alongside regular training on first aid, ergonomics, noise protection and hazardous material handling.

Safety, Body And Mind

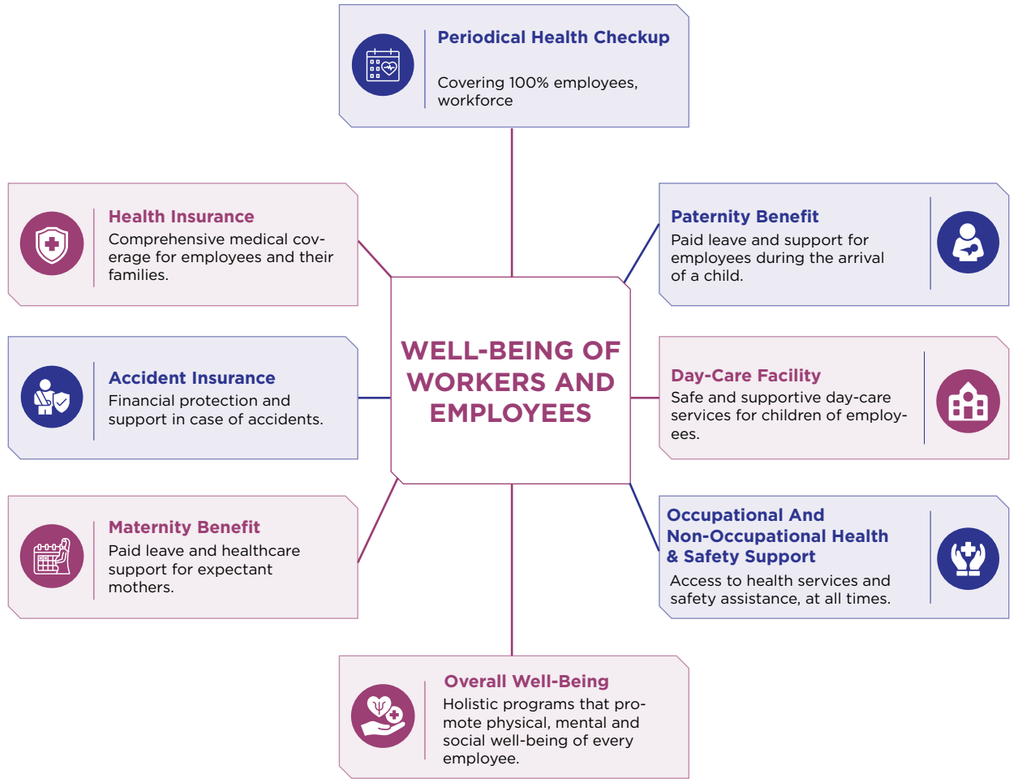
GRI 403-6

A model built for the whole person

We treat worker health as both physical and psychological, aligned formally with **ISO 45003:2021**, through our **Three-Tier Safety Leadership Model**: a Human Error tier that prioritises a just culture of learning over blame while addressing fatigue and psychological safety, a Safety Ladder tier that balances performance with wellbeing through leading and lagging indicators, and a Task Management tier that enforces structured permits and checks for fatigue, communication clarity and adequate staffing, recognising that mental fitness matters as much as physical safety.

Wellbeing Woven Into Everyday Culture

This extends into our everyday culture through an annual calendar of wellness and engagement activities, including International Yoga Day, alongside our confidential counselling sessions through the Occupational Health Centre, Tele-MANAS mental health support and health surveillance programmes that promote physical and psychological well-being. These initiatives, together with MOMAZING, which celebrates individual milestones and achievements on a personal level, and flexible working arrangements, help our people sustain a healthy work-life balance.



One Safety Culture, Every Workforce

GRI 403-7

A defined lifecycle for contractor safety

Our commitment to safety extends fully to every contractor, sub-contractor and partner operating within our premises, governed by a Structured Contractor Safety Management framework built on accountability, diligent oversight and rigorous risk management. This runs across a defined lifecycle: contractor selection and pre-qualification, where a cross-functional team assesses safety track records, certifications and guideline adherence before onboarding; work execution and monitoring, enforcing mandatory site inductions, job-specific safety plans, PPE compliance and on-site supervision, with high-risk equipment and firefighting readiness treated as an absolute requirement; audits and inspections, through periodic audits and daily site inspections for high-risk activities; post-contract review, structurally assessing performance and incidents to inform future collaboration; and consequence management, where any breach triggers immediate investigation and a proportionate response, ranging from formal warnings through to contract suspension or termination for serious violations.

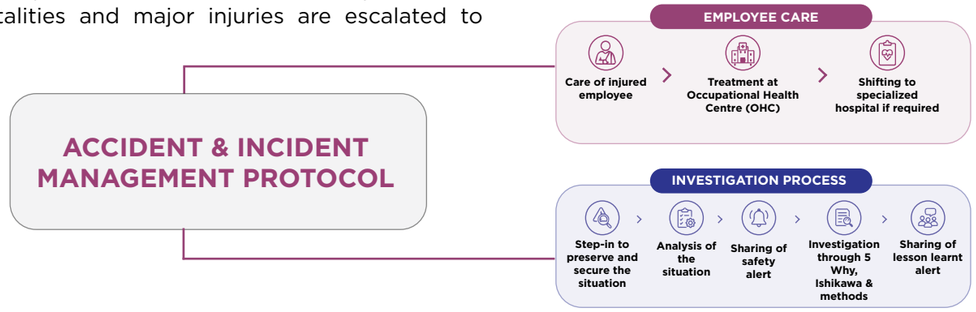
Accident and Incident Reporting Standard

Himadri has established a comprehensive Accident and Incident Reporting Standard to ensure structured, transparent and accountable reporting, investigation and prevention of workplace incidents across its units, offices and subsidiaries. The framework reflects a strong duty of care towards employees, contractors and stakeholders, with immediate medical attention, psychological support and legal compliance prioritised in incident situations.

All incidents, including fatalities, lost time injuries, medically treated injuries, dangerous occurrences, near misses and environmental incidents, are promptly reported through the Company's HSE database. The Stop at Incident policy requires immediate cessation of work in the affected area until a thorough investigation is completed by the Area Manager and HSE Manager, root causes are identified and appropriate corrective actions are implemented. Fatalities and major injuries are escalated to senior leadership and HSE heads, with formal reporting completed within 24 hours.

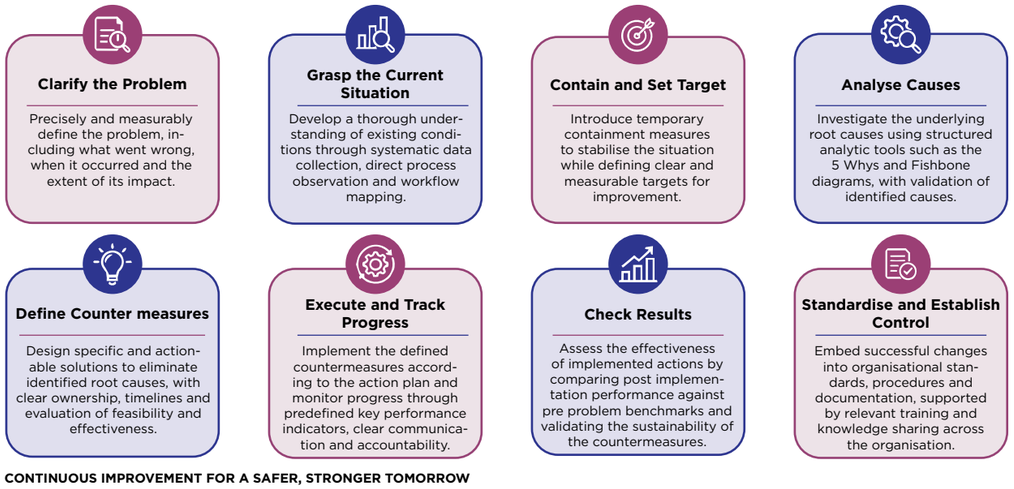
Investigations follow the 8D methodology, supporting systematic root cause analysis, effective containment and robust preventive measures. A Safety Alert is circulated within 48 hours, followed by a detailed Lessons Learned Sheet within 60 to 90 days for horizontal deployment across departments, enabling shared learning and strengthening preventive practices across the organisation.

The standard also supports statutory reporting requirements and provides a non-retaliation approach for employees who report incidents in good faith. Internal and external communications are governed through defined protocols, with authority for public or media statements reserved exclusively for the CEO.



8D Practical Problem Solving And Quality Improvement Framework

Himadri employs the 8 Disciplines methodology, a structured problem solving framework, to systematically identify, address and permanently resolve recurring operational issues and strengthen workplace safety.



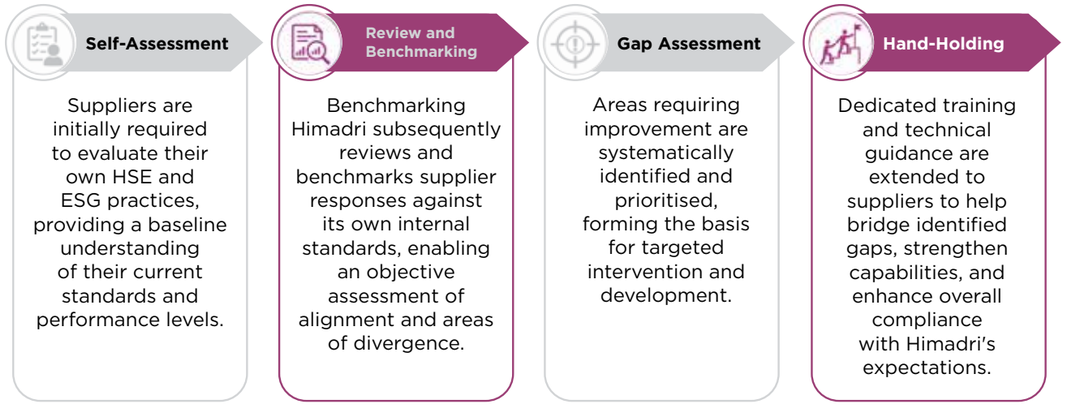
Safety Travels Through Our Supply Chain

Our supply chain safety commitment reaches further still, through a formal Supplier Code of Conduct requiring every supplier to maintain OHS policies aligned with applicable law, conduct regular H&S audits at their own facilities, install hazard signage, emergency stops and fire safety systems, provide PPE to all workers, maintain safety committees and emergency response mechanisms, offer insurance coverage for work-related injuries, and implement continuous safety metric monitoring with incident-reduction targets.

Our Sustainable Supply Chain Audit Framework evaluates suppliers across four weighted pillars: Governance (30%), covering safety policy and compliance adherence; Certification (10%), covering adoption of standards such as ISO 45001; Social (30%), covering worker welfare, training and awareness; and Environment (30%), covering emissions, waste and resource management risk. High-risk suppliers face mandatory third-party audits, focused training and enhanced monitoring, with persistent gaps in compliance leading to phased disengagement from our supply chain, tracked transparently through our Supplier Sustainability Report programme.

Supplier Assessment Framework

Himadri employs a structured four-step process to ensure that its supply chain partners are fully aligned with its HSE and ESG commitments, fostering a responsible and sustainable value chain.



Innovation in safety: from pilot to practice

Several of our technology-led safety innovations have matured meaningfully since they were first introduced, evidence that these were never one-off announcements, but initiatives we have followed through on.

Case Study -1

Human Body Electrostatic Discharge (ESD) system

In our propane storage area (Zone 0), where flammable gases are present, electrostatic discharge from the human body poses a genuine ignition risk, with static buildup during movement capable of generating sparks near grounded equipment and potentially causing fire or explosion. To address this, we introduced a Human Body ESD System, ensuring every person entering the propane storage zone is discharged of residual static charge before entry. The system measures body resistance to ground, keeping it below 1 Mega Ohm, the recognised safety threshold for hazardous zones, using stainless steel plates, grounding cords, LED pass/open indicators and access interlocks. It remains fully operational and unchanged in its core design today, functioning as a genuinely business-as-usual control at every propane storage entry point, a system that has moved cleanly from installation to sustained, reliable operation.

Case Study -2

Comprehensive Forklift Anti-Collision & Pedestrian Safety

Challenge

Forklift movement in busy industrial areas creates significant collision risk. Blind spots make it difficult for operators to see pedestrians, while conventional mirrors and alarms depend heavily on operator alertness. Shared warehouse pathways increase the probability of near misses, unsafe reversals and object impact.

What we built

We implemented an AI-powered forklift anti-collision and pedestrian safety system on warehouse FLTS. The solution uses 2 x IP69K cameras with 140° field of view, an IP66 HDMI display for real-time monitoring, and visual and audio alerts that warn operators when a person enters the danger zone. Initial trials began in September 2025 and, after successful performance, the system was commissioned in March 2026.

A more comprehensive expansion

The safety architecture now combines 180° / 360° coverage, AI-based human detection, automatic deceleration and braking logic, and a standalone sensor-based layer for rear blind spots. Four cameras or four rear sensors provide continuous coverage, while proximity alerts trigger a low-frequency warning at 2.5 m and a critical high-frequency alert at 1.5 m. A centralized dashboard supports real-time alerts, reports, trend analysis and scalable monitoring across multiple forklifts.

What comes next

The implementation has been extended across 13 warehouse forklifts, creating a stronger, technology-led safety standard for internal logistics. Going forward, the focus is on wider fleet integration, continued analytics-led improvement, and proactive intervention to reduce collisions, protect operators and pedestrians, and strengthen compliance with industrial safety expectations.

Case Study -3

AI-Powered Safety Monitoring: From Violation Detection To A Full Safety Intelligence Platform

Challenge

Manual supervision alone could not ensure consistent compliance across large operational areas, resulting in delayed detection of PPE non-compliance and unsafe acts, and limited accountability for repeated violations.

What we built

We implemented an AI-Powered Violation Detection System using computer vision, piloted across our SNF and project zones. The system automatically identified PPE non-compliance and unsafe behaviours, linked repeated violations to individual records for accountability, and generated instant alerts, with an expansion roadmap targeting 200+ cameras for full-site coverage.

A broader platform, built on that foundation

This capability has since evolved into a considerably larger initiative: a fully digitalised, AI-powered safety audit ecosystem, reinforcing our Vision Zero commitment. Auditors now conduct inspections entirely through mobile and tablet interfaces, capturing observations, photographs and videos in real time rather than relying on paper checklists. Embedded AI algorithms analyse audit observations alongside historical incident data to identify patterns and high-risk areas that manual review alone would likely miss, assigning risk scores by severity, frequency and potential consequence so corrective action can be prioritised with precision.

A dynamic risk benchmarking engine now compares safety performance in real time across plants, units and departments, and against external industry standards, giving leadership a clear, data-driven view of where focused attention is really needed.

Our Proudest Number: An Injury-Free Record

GRI 403-9

A Milestone Built Over Years

If one achievement defines our safety culture this year, it is this: 18.81 million cumulative safe man-hours achieved since the last injury in mid-FY 2023–24 through FY 2025–26, sustaining a Zero Lost Time Injury (LTI) record and maintaining an LTIFR of zero throughout the period, independently validated through both internal monitoring and external certification surveillance audits.

Injury & Illness Details (Regulatory)

Particulars	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Man-hours worked (employees)	52,53,080	61,55,360	59,27,600	72,47,440	93,23,560
Fatality cases – Employees & Contractors	0.00	0.00	0.00	0.00	0.00
LTI cases	22	14	7	0	0
Man-days lost	665	401	277	0	0
LTI severity rate	126.59	65.15	46.73	0.00	0.00
LTIFR	4.19	2.27	1.18	0.00	0.00
TRIR	12.60	10.10	4.70	4.42	1.93

A Record Equally Clean On Health

GRI 403-10

Our health surveillance and occupational health centre programme has maintained a fully clean occupational illness record across all five years shown, FY 2021-22 through FY 2025-26, a reflection of the same preventive, people-first approach that underpins our injury performance.

Vision Zero is a standing commitment we keep raising the bar against, far more than a slogan attached to a single milestone. With our risk closure rates climbing past 90%, our training investment growing from 4,256 to 35,600 training man-hours in five years, our HAZOP programme advancing through 139 P&IDs and counting, and a safety culture that over 80% of our workforce actively participates in, we remain focused on sustaining this momentum, deepening our cultural integration of safety leadership, and extending the same rigour to every corner of our value chain, in service of our journey toward Zero Harm and Net - Zero 2050.

Way Forward

In the next phase, Himadri will further integrate its Dynamic Plant Training Programme (DPTP) with evolving operational and regulatory requirements, strengthening awareness among employees and contractors on safety, compliance and performance expectations. Through modular learning and practical simulations, DPTP will reinforce safe work practices, adaptability and continuous learning, supporting the vision of a resilient, safe and future ready workplace.

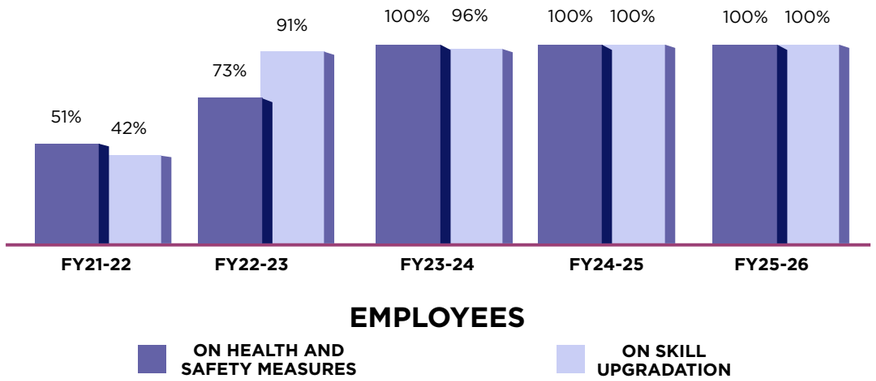
Learning & Capability Development

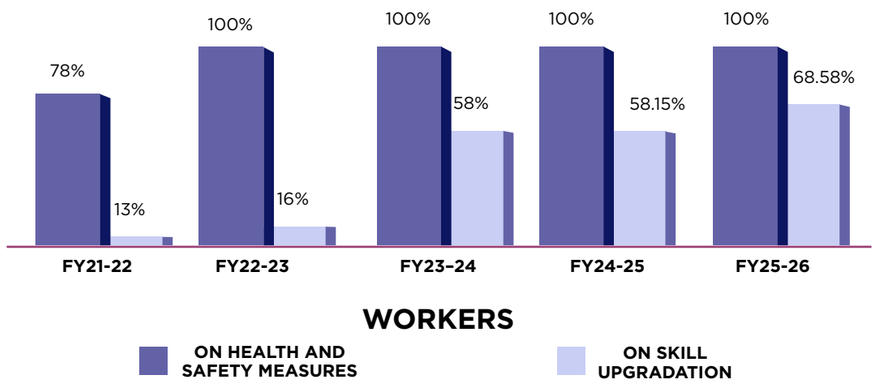
GRI disclosures: 404-2 | 404-3

Training, Leadership Development And Future Skills

At Himadri, we view capability building as a strategic investment in our people and our future. Innovation, one of the pillars of our new vision, thrives through continuous learning, skill development and the confidence to turn ideas into meaningful outcomes. It needs people who are equipped, encouraged and motivated to grow. We are committed to attracting, developing and retaining top talent through structured career progression plans, because we believe investing in our people is a strategic and crucial move that serves as a catalyst for meeting both our short- and long-term business objectives. This chapter reflects our CARE value of Courage to Act, the fearless pursuit of innovation, expressed through the way we invest in the people who drive it.

% of employees & workers covered on health & safety & on skill upgradation training

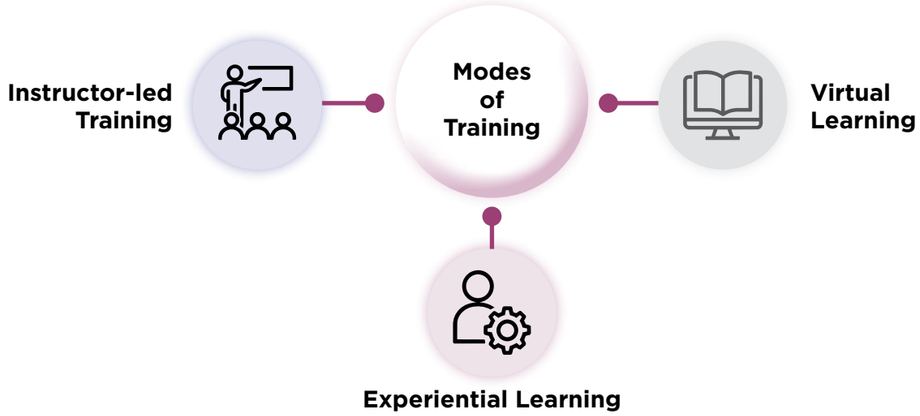




Many Ways To Learn

GRI 404-2

Learning at Himadri is never a single format stretched thin across a diverse workforce. We treat it as a continuous process that blends on the job experience with structured training.



Instructor-led Training
Instructor led training are conducted by our Subject Matter Experts (SMEs) and external industry professionals. These sessions provide in-depth knowledge and hands-on experience thereby enhancing the learning process.

Experiential Learning
Experiential learning includes outbound training and On-the-job training. Outbound trainings focus on the behavioural aspect while On-the-job training focusses on the technical aspect.

Virtual Learning
Our Learning Management System named 'UTKARSH' enables Himadrians to take the learning at their own pace to internalise and implement the take-aways in their work. The platform comprises of video modules each of which is followed by an assessment.

We achieved **100% training coverage** across our workforce

We achieved 100% training coverage across our workforce from senior leadership to frontline workers including contractual and part-time employees, in FY 2025-26, through this inclusive and systematic training framework. The backbone of our digital learning experience is **UTKARSH**, our online Learning Management System, which offers video based modules that employees can access at their own pace, each followed by an assessment to check real understanding rather than mere completion

Learning Management System – Utkarsh

Continuous learning is fundamental to individual growth and organisational success. Training enhances knowledge, skills and capabilities, enabling them to perform their roles effectively, adapt to changing business requirements and contribute meaningfully to organisational performance. It also strengthens staff engagement and retention. As training generates significant volumes of data, an efficient system is essential for managing, analysing and tracking learning outcomes.

To support this, Himadri has implemented UTKARSH, its Learning Management System (LMS), designed to efficiently manage learning and development activities across the organisation.

THE PLATFORM OFFERS SEVERAL BENEFITS:

- Provides a centralised platform to organise, access and track training content and learning records.
- Enables individuals to complete training programmes anytime and from anywhere, allowing learning at their own pace and convenience.
- Delivers consistent learning experiences by ensuring uniform training content across the organisation.

UTKARSH is seamlessly integrated with HORIZON. The platform hosts video-based learning modules, each followed by an assessment to evaluate knowledge acquisition. Every individual receives a unique login credential to access a personalised learning dashboard. The system also generates comprehensive reports on training hours, participant information and training effectiveness by analysing pre-assessment and post-assessment results.

Building Skills That Matter For Our Sector

GRI 404-2

Speciality chemicals is a sector where technical depth separates the leaders from the rest. Our skills based training is designed to enhance technical and functional expertise across areas critical to our business, ensuring our people remain competitive and industry ready as the sector evolves. We also encourage role mobility and cross functional assignments that give employees versatility rather than a narrow, single track career.

Beyond technical capability, we have partnered with respected global learning institutions to broaden how our people think and lead. Through our association with the **EcoVadis Learning Academy**, our employees gain access to interactive courses and toolkits on responsible sourcing, climate action, labour and human rights, and sustainable procurement.

Our engagement with the UNGC Academy equips our business leaders with practical tools to advance initiatives aligned with the UN Sustainable Development Goals and the Ten Principles of the UN Global Compact. We have also partnered with Franklin Covey Academy, a globally respected leadership and personal effectiveness institution, to train our people on the principles of 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.

Growing Our Future Leaders

GRI 404-2

Leadership, in our view, should be grown deliberately rather than left to chance. Our leadership development is designed to prepare future leaders to inspire teams, drive innovation and make effective strategic decisions, delivered through a structured architecture of coaching, mentorship and personalised career development pathways.

At the centre of this architecture is **PRAGATI**, our flagship programme for identifying high performers and high potential individuals across the Company. PRAGATI does more than enhance individual morale; it builds a strong leadership pipeline aligned with our long-term vision, reflecting our belief that investing in our people is, at its core, an investment in our own sustainable success. Employees selected through a fast-track learning journey that combines academic rigour with real world business application, led by experienced business leaders, and preparing them for future-ready roles in line with our growth plans. Beyond structured learning, it builds a peer network of professionals across similar domains, creating cross-industry relationships and exposure to seasoned consultant expertise.

This year, we successfully delivered The 7 Habits of Highly Effective People with Franklin Covey Training and Consulting, and Executive Presence with Dale Carnegie, both met with strong participation and engagement, and both will continue next year. We are also expanding this portfolio with globally recognised certifications: PMP training through PMI-authorised organisations, and Six Sigma certification in collaboration with the Indian Statistical Institute, further strengthening professional and leadership capability across our workforce.

On the question of transition assistance for employees approaching retirement or facing involuntary separation, we want to be transparent: we do not currently offer a formal, structured transition assistance programme for these situations. That said, our continued investment in contemporary skills and capabilities is designed to keep our people professionally relevant and competitive well beyond their time with us. We also operate a Long Service Award Policy that recognises and celebrates the loyalty and contribution of our long serving employees, an acknowledgement of careers well built even where a formal transition framework is not yet in place.

Individual Career Development Plan (ICDP)

Career growth at Himadri is something our people actively shape, not something that simply happens to them. Our Individual Career Development Plan (ICDP) enables every employee to identify and pursue their own professional goals, supported by structured learning, feedback and leadership guidance. This is underpinned by regular employee dialogues, where open conversations between employee and leader set clear expectations and align personal aspirations with organisational goals.

IGNITE – Himadri's R&R Platform

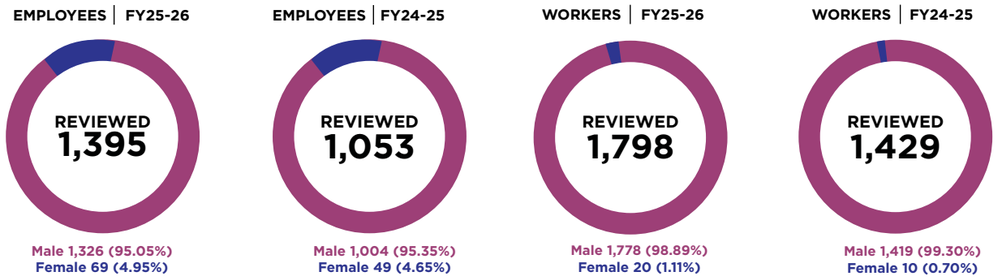
IGNITE plays an important role in fostering a positive workplace culture and motivating Himadrians. Recognising individual contributions and achievements enhances morale, improves job satisfaction and encourages sustained high performance. It also reinforces behaviours aligned with organisational goals while strengthening staff engagement, productivity and retention. The key benefits of the programme include: 1. Encouraging individuals to consistently deliver high-quality performance through timely recognition. 2. Improving staff retention by fostering a sense of appreciation and belonging, thereby reducing recruitment and onboarding costs. 3. Reinforcing positive workplace behaviours that contribute to improved productivity and organisational performance. 4. Promoting a collaborative, positive and engaging work environment that encourages teamwork. Himadrians recognised through the Rewards & Recognition programme are featured as the "Marvels of Himadri," reinforcing a culture of appreciation and inspiring others to excel. Award Categories under IGNITE are Safety Ambassador of the Month, Mountain Mover – Level 1, Mountain Mover Level 2, Champion Team of the Month Ignitor of the Month. Beyond recognition, IGNITE also promotes staff engagement through a QR code-enabled Quiz Contest, allowing Himadrians to participate by simply scanning the code published in the newsletter. Winners of the quiz are acknowledged through a dedicated digital flyer titled "Masterminds," celebrating their knowledge and encouraging active participation.

Measuring What Matters

GRI 404-3

We believe growth should never happen by chance, which is why every single member of our workforce receives a regular performance and career development review.

Performance & Career Development Reviews



We follow Management by Objectives, with predefined and measurable goals set collaboratively by employees and their line managers and routinely followed up. We conduct performance appraisals yearly, including a multidimensional performance appraisal that considers achievement against objectives, organisational values and relevant feedback. These formal reviews are complemented by agile conversations throughout the year, enabling regular discussions, continuous feedback and reassessment of objectives, development needs and barriers to effective performance. These conversations support Individual Career Development Plans and our employees' ongoing professional development.

We offer a long-term incentive programme in the form of **Employee Stock Options Plan** (ESOPs) to eligible employees below the senior management level. The Himadri **Employee Stock Option Plan (ESOP)** 2016 enables eligible employees of the Company and its subsidiaries to participate in the Company's long-term value creation. Granting of stock options is governed by the Nomination and Remuneration Committee and is based on defined eligibility criteria, including employees' roles, performance and contribution to the organisation.

The ESOPs vest over a period ranging from one to five years, subject to continued employment and applicable Company-level and individual performance conditions. The average payout/ vesting period of the long-term incentive programme is longer than three years. The programme covers approximately 100% of our workforce below the senior management level.

Sustainability performance is incorporated into our employee performance management framework. Where applicable, employees have safety and sustainability objectives as part of their overall performance management system (PMS), and these performance considerations contribute to the assessment of overall employee performance. Accordingly, sustainability-related performance considerations are incorporated into the broader performance framework applicable to the long-term incentive programme.

Looking ahead

As industries move toward greener, safer and more efficient ways of working, the capabilities of our people are becoming as important as the products we manufacture. Recognition strengthens this momentum through our IGNITE portal, where valuable contributions are celebrated through SPOT Awards, fostering a culture that appreciates and amplifies excellence.

We remain committed to building a workforce that is future-ready, courageous in learning and capable of leading change, equipped with the skills and confidence to create lasting value for Himadri.

Diversity, Equity & Inclusion

GRI disclosures: 405-1 | 405-2

Sustainable growth begins with an inclusive workplace, where diversity is embraced, equity is practiced, and every voice contributes to a stronger future

Diversity is a strength we actively cultivate at Himadri, recognising that our best thinking emerges when diverse perspectives come together. This chapter reflects our **Empathy value of CARE,** fostering an inclusive culture that respects every individual and values every perspective, while advancing our vision of building a pioneering institution that creates happiness for everyone who is part of it. Our mission of creating sustainable value for all stakeholders begins within our own organisation, where every person has the opportunity to experience, contribute to and share in that value.

Executive Director

Diversity Driving Customer-Centric Growth

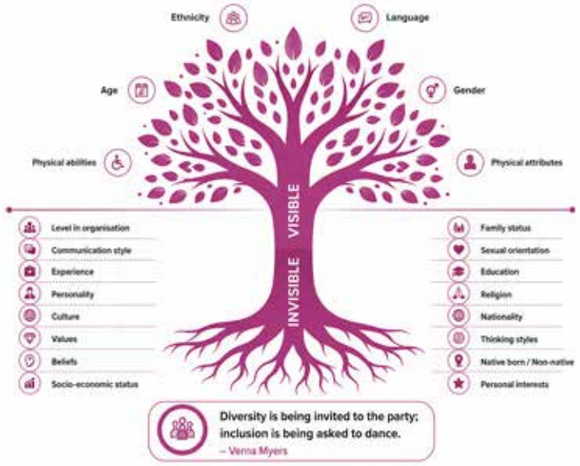
The diversity of our people is a strength in how we engage with the markets we serve. Different perspectives and experiences help us understand customers better, challenge conventional thinking and shape a more responsive and collaborative go-to-market approach.

Mr. Amit Choudhary

The Foundation: Our DEI Policy

GRI 405-1

Our commitment to inclusion is formalised through our **Diversity, Equity and Inclusion (DEI) Policy,** aligned with the Rights of Persons with Disabilities Act, 2016, which commits us to equal opportunity across recruitment, training, promotion and remuneration. The policy is publicly available on our website, a deliberate choice that reflects our belief that inclusion commitments should stand up to scrutiny, not sit quietly in a drawer.



To make this commitment real rather than aspirational, our hiring practices include standardised evaluations, blind resume screening and diverse interview panels, all designed to reduce unconscious bias and enhance objectivity at the point of entry into our organisation. We assess ourselves honestly too: on the inclusive business maturity curve, we currently place ourselves as an **"initiator,"** an acknowledgement that this is a journey we are early in, not one we have completed, and one we intend to keep climbing deliberately, year after year. Our DEI Policy also mandates regular wage and pay equity audits, reported annually to our Board, with root cause analysis and time bound corrective actions wherever disparities are found. Our facilities are accessible to differently abled colleagues, and we are continuously upgrading our infrastructure to remove remaining barriers as quickly as feasible, treating accessibility as an ongoing programme of improvement rather than a one time exercise. Our **Prevention of Sexual Harassment (POSH) Policy** works alongside our DEI Policy to ensure our workplace remains safe and respectful for everyone, at every level. 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.

Enterprise-wide POSH Governance & Coverage

4 Governance Mechanisms | **7** Locations | **100%** Coverage · 28/28

Prevention & Inclusive Culture

- Prevention & Inclusive Culture
- Inclusive Workplace

Grievance & Resolution

- Internal Committee Mechanism
- Dispute Resolution

A consistent framework for prevention, reporting and resolution across every location.

Coverage across 7 locations and Corporate Office

Mahistikry | Liluah (I & II) | Korba | Sambalpur | Vizag | Falta | Corporate Office

Building An Inclusive Culture Through Continuous Learning

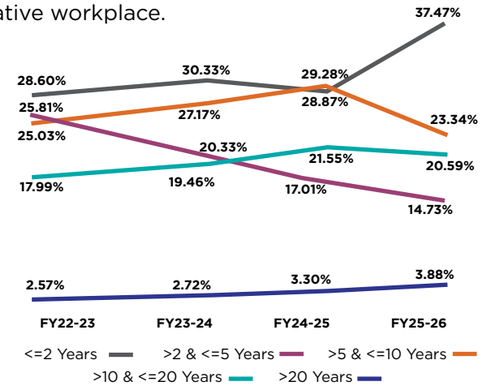
Our DEI framework is supported by structured capability building covering unconscious bias, cultural sensitivity and workplace inclusion. We have achieved **100%** DEI training coverage, strengthening awareness, respect and inclusive behaviours across the organisation. Regular DEI surveys and audits further provide insights into employee experiences and help shape the continued evolution of our inclusion initiatives. We also place emphasis on educating our people in terms of equal cultral practices, fostering awareness, understanding and respect for diverse backgrounds, perspectives and practices to strengthen an inclusive and collaborative workplace.

A Workforce That Is Changing, By Design

GRI 405-1

Numbers rarely tell the whole story, but ours tell a nencouraging one. Women's representation among our employees has climbed steadily across five consecutive years:

That is **close to a 50% improvement in five years,** and we have witnessed a noticeable increase in the hiring of women employees compared to FY 2024-25 specifically, a positive shift that reflects our deliberate, sustained effort rather than chance.



Tenure Diversity

At the leadership level, women held 14.29% of seats on both our Board of Directors and among our Key Management Personnel (1 of 7 in each category) as on 31 March, 2026. To engage more women in leadership specifically, we run sponsorship programmes offering comprehensive training, mentorship and professional courses designed to equip women with the skills needed for leadership positions, because we believe empowering women to lead is central to our organisation's long term success and sustainability. By 2030, we have set ourselves a clear and public marker: **25% representation of women and underrepresented groups across our Board, management and workforce.**

We currently have **1 differently abled employee** on our rolls (100% of our reported differently abled workforce category), and we continue working to widen participation from this community across our operations. We also leverage our **Global DEI Alliance** membership to benchmark our practices against global standards and continuously sharpen our approach, ensuring we are learning from outside our own walls.

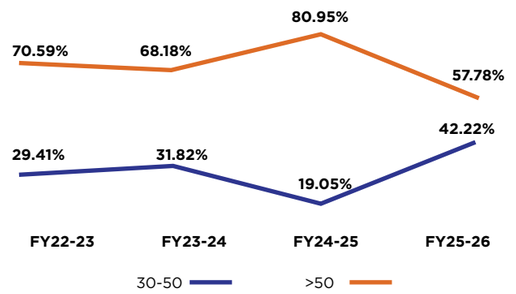
Creating Pathways For Diverse Talent

Our inclusive recruitment and career development approach combines standardised evaluation methods, blind résumé screening and diverse interview panels to support equitable hiring outcomes. Career advancement opportunities are available across the workforce, while Employee Resource Groups, including women's networks and LGBTQIA+ support networks, provide dedicated platforms for participation, dialogue and belonging.

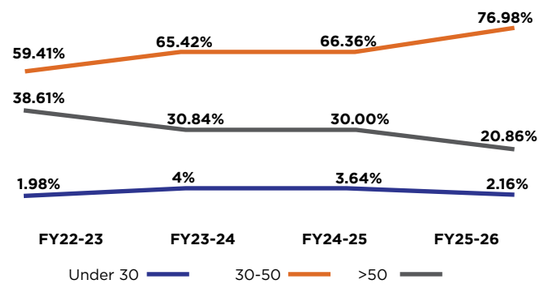
A Workforce Shaped By Experience And Fresh Perspectives

Our workforce brings together a rich blend of experience, energy and emerging talent, creating a multigenerational workplace where different perspectives contribute to our collective strength. 100% of our workforce are Indian nationals, with 100% of management-level positions held by them.

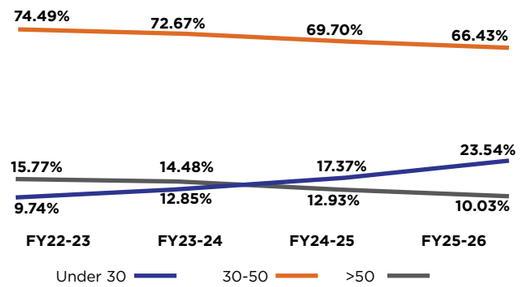
Employee Generational Diversity



Senior Management - Generational Diversity



Mid - Management - Generational Diversity



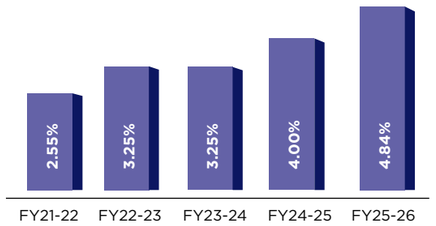
Junior Management - Generational Diversity

Equal Work, Equal Pay

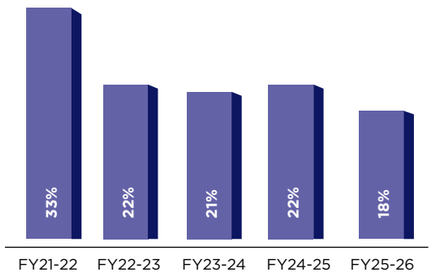
We operate a structured, non-discriminatory remuneration framework designed to ensure equal pay for equal work across every employee category, irrespective of gender. Compensation decisions rest on objective criteria, role, qualifications, experience, performance and market benchmarks, in compliance with the Equal Remuneration Act, 1976, now folded into the Code on Wages, 2019.

Category	Male (median, ₹ lakh)	Female (median, ₹ lakh)	Ratio (M: F)
Board of Directors	350.00	NA	NA
Key Managerial Personnel	220.00	53.00	4.15: 1
Employees (other than Board & KMP)	5.95	7.21	1: 1.21
Workers	2.25	NA	NA

Gross wages paid to female as % of total wages paid



Average unadjusted gender pay gap



These figures provide a focused view of the reported indicators. Where variations exist elsewhere in the table, these are driven primarily by differences in role seniority, responsibilities, experience and representation across grades, particularly the lower female representation we currently see in senior leadership and shop floor roles, rather than by gender based pay disparity. In categories with low or no current female representation, such as Board positions and our worker category, we are actively working to improve diversity through targeted hiring and inclusion initiatives.

Gross wages paid to our female workforce as a percentage of total wages paid stood at **4.84%** in FY 2025-26, up from **4.00%** in FY 2024-25, a steady and progressive increase that mirrors the broader trend in our female workforce representation.

Beyond compliance, we hold ourselves to the **SA 8000:2014 Management Standard,** which requires not just adherence to minimum wage laws but a commitment to fair, adequate wages sufficient to meet basic needs, applied across all our workers, including third party and contractual personnel. We are committed to the principle of living wages, continuously assessing wage adequacy, particularly for economically vulnerable groups, because we recognise that fair pay is fundamental to human dignity and social equity, not simply a compliance checkbox.

Fair and equitable reward practices are reinforced through regular assessments. Annual pay equity audits are conducted to ensure fair compensation across demographic groups, with findings reported to the Board to strengthen transparency in line with the DE&I Policy.

Reaching Beyond Our Own Walls

Our commitment to diversity extends across our value chain. We actively identify and collaborate with **women-led businesses and enterprises owned by marginalised and vulnerable groups** for the procurement of consumables, services and operational needs, extending our inclusion philosophy into our supply chain and surrounding communities. We believe an inclusive Himadri creates opportunities across the wider ecosystem, strengthening shared value and inclusive growth.

General & Vulnerable Percentage In Workforce

Particulars	FY22-23	FY23-24	FY24-25	FY25-26
Employees from a minority and/or vulnerable group in the whole (%)	-	51	46	46
Employees from general group in the whole organisation (%)	-	49	54	54

Diversity, equity and inclusion at Himadri are embedded in how we hire, reward, develop and listen every day. At present, the percentage of employees from minority or vulnerable groups at the top management level is 0%. We remain focused on our 2030 ambition, with every audit, sponsorship programme and accessibility initiative contributing to an organisation that increasingly reflects, embraces and celebrates the diversity of the world around us..

Workforce Well-being & Engagement

GRI disclosures: 401-2 | 401-3

Wellbeing at Himadri is rooted in the belief that people thrive when they feel supported both at work and in their lives beyond the workplace. This commitment reflects our **CARE values of Empathy,** through an inclusive mindset that respects everyone, and **Reliability,** through consistent and dependable commitments to our people. Our vision of creating happiness through innovation, courage and sustainability comes to life through the way we support the wellbeing of every Himadrian, both at work and beyond.

Particulars	FY22-23	FY23-24	FY24-25	FY25-26
Expenditure on well being of employees & worker on total revenue (%)	0.22	0.30	0.32	0.37

A Benefits Package Built Around Real Life

GRI 401-2

Every employee and worker at Himadri, whether permanent or other than permanent, is covered by a comprehensive benefits package that includes health insurance, accident insurance, maternity and paternity benefits, childcare facilities and other occupational health benefits. We do not treat this as a tiered privilege reserved for certain categories of our workforce.

Comprehensive Benefits for a Safer, Stronger Workforce

We are committed to the health, safety and well-being of every member of our team. Our benefit programs ensure complete coverage across all employee and worker categories.

100% Coverage
Across all employee and worker categories

EMPLOYEES

Benefits	FY22-23	FY23-24	FY24-25	FY25-26
Health Insurance	100%	100%	100%	100%
Accident Insurance	100%	100%	100%	100%
Maternity Benefits	4.43%	4.55%	5.56%	6.14%
Paternity Benefits	95.57%	95.45%	94.44%	93.86%
Day Care Facilities	100%	100%	100%	100%
Other OHS Benefits	100%	100%	100%	100%

WORKERS

Benefits	FY22-23	FY23-24	FY24-25	FY25-26
Health Insurance	100%	100%	100%	100%
Accident Insurance	100%	100%	100%	100%
Maternity Benefits	3.08%	0.78%	2.25%	NA
Paternity Benefits	96.92%	99.22%	97.75%	100%
Day Care Facilities	100%	100%	100%	100%
Other OHS Benefits	100%	100%	100%	100%

Supporting Our People at Every Step

GRI 403-6

Himadri practices a performance linked incentive scheme (PLI) which is paid on an annual basis. All statutory payments are disbursed in accordance with applicable guidelines.

CTC structures are shared on a periodic basis whenever it undergoes a change or modification. To keep the process of joining transparent, detailed component level CTC structure is shared with the potential candidate prior to joining.

Maternity benefits are fully covered for our eligible female workforce, encompassing both permanent and non-permanent members, and we extend equally complete support to our male workforce through **paternity benefits,** applied consistently regardless of employment category. It is a baseline we hold for everyone.

We provide 26 weeks of paid maternity leave in accordance with applicable statutory requirements in India, along with 0.5 weeks of paid paternity leave to support employees during significant family milestones.

We also provide flexible working arrangements to support our employees in balancing their professional and personal responsibilities. For our corporate employees, these arrangements include work-from-home options, flexible working hours and part-time working arrangements, where appropriate. We also provide crèche facilities to support employees with childcare responsibilities. In addition, paid family or care leave may be granted on a case-by-case basis, where required, enabling our employees to attend to important family and caregiving responsibilities while maintaining the support and security they need at work.

Beyond statutory coverage, we extend life insurance and compensatory support to our entire workforce in the event of death, in line with statutory provisions and Company policy. We further strengthen this support through "Each One Reach One," a compassionate initiative where voluntary contributions from fellow employees provide additional financial assistance to the family of a deceased colleague during a difficult time, reflecting our belief that care for our people extends beyond policies and into meaningful support when it matters most.

Retirement planning forms an equally important pillar of our welfare strategy, giving every Himadrian a stable and predictable path toward financial security and dignity at the end of their career with us.

We manage this entire lifecycle of employee data, from onboarding through to retirement planning, through **HORIZON**, our dedicated platform for team member lifecycle management, ensuring nothing about a person's journey with us gets lost in administrative gaps.

Digital HR Initiatives

Himadri leverages a range of digital HR platforms and tools to streamline key human resource processes and enhance accessibility for its workforce.

- **HORIZON** – Employee Self-Service Portal
- **UTKARSH** – Learning Management System
- **IGNITE** - Rewards and Recognition Platform
- Recruitment Management System
- Reimbursement And Loan And Advance Portals
- Contract Labour Management System
- **PMS -** Performance Management System
- Exit Management Module
- Digital Employee Data Locker
- **ORG Vision** - Organisational Chart Portal
- **Visit Vision**: Visitor Management System

HORIZON

Talent lifecycle data forms the backbone of effective human resource management. Managing this information efficiently requires an integrated ERP platform that brings together diverse HR functions within a single system. To address this need, Himadri has developed HORIZON, a customised ERP platform that manages the complete talent lifecycle—from pre-employment through to separation.

HORIZON serves as a unified platform for people management, enabling streamlined HR operations, efficient data management and improved process integration. With access to real-time information and analytics, the platform supports faster, informed decision-making while enhancing operational efficiency. Its user-friendly self-service interface also empowers individuals to access HR services independently, while enabling managers and business leaders to efficiently oversee people-related activities and performance.

The platform comprises multiple integrated modules, including recruitment, loans, leave and attendance, payroll, income tax, performance management and policies and forms. Each module offers easy access to relevant services based on their requirements. In addition, a dedicated administrative portal enables the HR team to manage staff records and perform administrative activities efficiently, making HORIZON the central repository for workforce data.

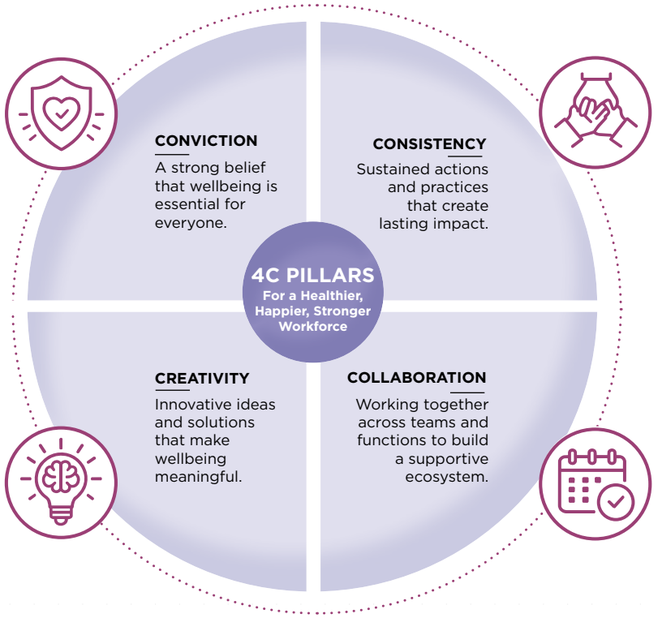
Wellness By Design: Our 4C Philosophy

GRI 401-2

Wellbeing at Himadri is embedded in our culture and integrated into the way we support, engage and care for our people. It is embedded in our culture, guided by what we call our **4C pillars: Conviction, Consistency, Creativity and Collaboration,** covering physical health, mental wellbeing and workplace engagement so that every Himadrian can perform safely and sustainably.

Wellbeing. Built Into Who We Are.

Wellbeing at Himadri is not an afterthought bolted onto our HR calendar. It is embedded in our culture, guided by what we call our 4C pillars: Conviction, Consistency, Creativity and Collaboration, covering physical health, mental wellbeing and workplace engagement so that every Himadrian can perform safely and sustainably.



Physical Health
Building a safer, fitter and healthier workforce.

Mental Wellbeing
Nurturing minds and emotional resilience.

Workplace Engagement
Creating an inclusive, connected and motivated workplace.

Initiatives for Workforce Health Medical Test for Tanker Drivers

To support safe and responsible tanker operations, Himadri ensures that all tanker drivers undergo medical assessments. conducted in partnership with renowned super-speciality hospital, these examinations cover CBC, LFT, HIV, blood group, HBsAG, vision, audiometry, ECG and chest X-ray. These assessments helps to ensure that drivers remain medically fit to carry out their responsibilities safely and effectively, strengthening Himadri's focus on road safety and overall well-being.

We support **work-life balance** through flexible work arrangements wherever feasible, backed by a structured **Compensatory Off (C-Off) policy** that ensures work done on weekly offs, holidays, extended shifts or official assignments is properly recognised and repaid in time. Throughout the year, our **Annual Wellness Calendar** brings this philosophy to life through activities such as International Yoga Day and dedicated health awareness campaigns.

Strengthening Minds, Supporting Wellbeing

Our approach to wellbeing extends across physical and psychological health. Himadrians have access to confidential counselling sessions with qualified professionals at the Occupational Health Centre, providing dedicated support for work related and personal challenges. We also actively promote the Government of India's Tele MANAS initiative, led by the Ministry of Health and Family Welfare, providing access to tele counselling and mental health support. Together, these avenues strengthen stress management, resilience and psychological wellbeing across our workforce.

In FY 2025-26, our spend on wellbeing measures for employees and workers stood at **0.37% of total revenue,** up from **0.32% in FY 2024-25,** a modest but rising commitment that mirrors our growing focus on this area.

Parental Leave: Returning, And Staying

GRI 401-3

We believe support for new parents should not end the moment leave begins. It should extend fully into the return, and beyond it.

Return to work and Retention rates of permanent workforce that took parental leave:

Category	Permanent Employees		Permanent Workers	
	Return to Work %	Retention %	Return to Work %	Retention %
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

Every single parent who took parental leave in FY 2025-26 returned to work, and stayed. It is supported directly by our Career Advancement and Nomination & Remuneration Policies, which underpin equitable growth and long-term talent retention, and reinforced by our Reward & Recognition programme, run in partnership with Advantage Club, which keeps engagement visible well after someone returns from leave rather than treating their comeback as a quiet formality

A Culture Of Engagement And Recognition

Wellbeing and engagement are reinforced through an annual calendar of activities including International Yoga Day, Family Picnic and Umang Awards, alongside the MOMAZING initiative that recognises individual milestones and achievements. Flexible working arrangements, wherever feasible, further support work life balance and an engaging employee experience.

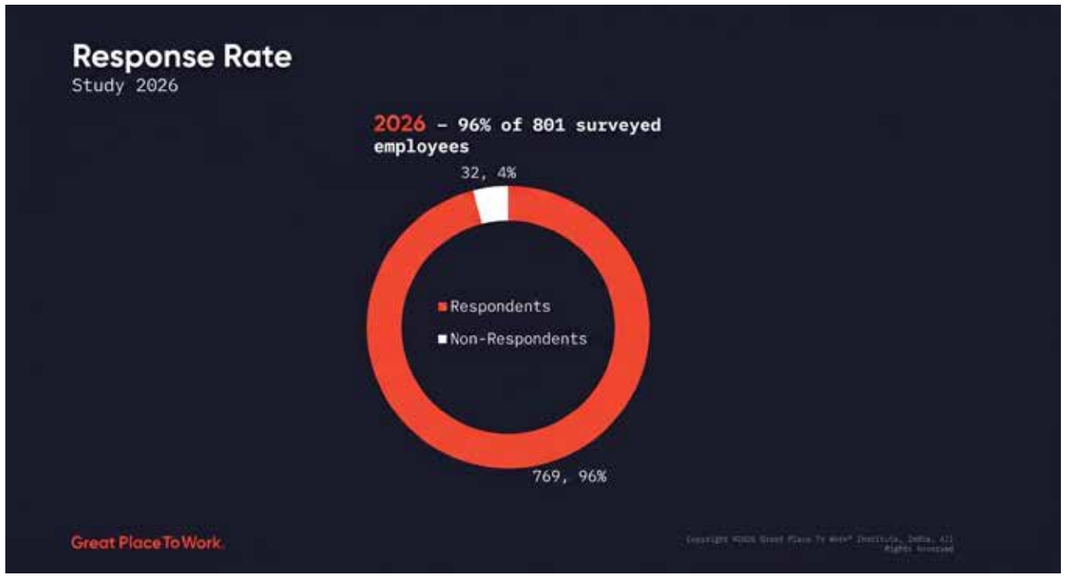
Wellbeing and engagement at Himadri extend beyond the benefits we provide, reflecting how supported our people feel throughout every stage of their working journey, from joining and growing to becoming parents and eventually moving forward in their careers. We remain committed to strengthening the areas identified and building a workplace that Himadrians **value, feel connected to and look forward to being part of every day.**

A Great Place To Work, Proven Rather Than Claimed

Creating an exceptional workplace never happens by chance. It emerges from decisions, principled leadership and systems that put people first. At Himadri, we prove that our workforce is our greatest strength through everyday action, consistent practices, well-considered policies and meaningful initiatives that inspire, empower and engage Himadrians, forming the true foundation of our culture.

A strong debut, well above threshold

96% of our workforce participated in the Great Place to Work Trust Index Survey, reflecting high engagement and confidence in the process. In our maiden participation, we achieved a **Trust Index score of 81%,** significantly exceeding the Great Place to Work certification threshold of 51%, a strong debut that reflects a positive workplace experience and real trust among colleagues. We are also closing in on the **Best Workplaces in Chemicals 2025 benchmark of 83%,** already performing at par with leading organisations in the industry.



Where We Scored Highest

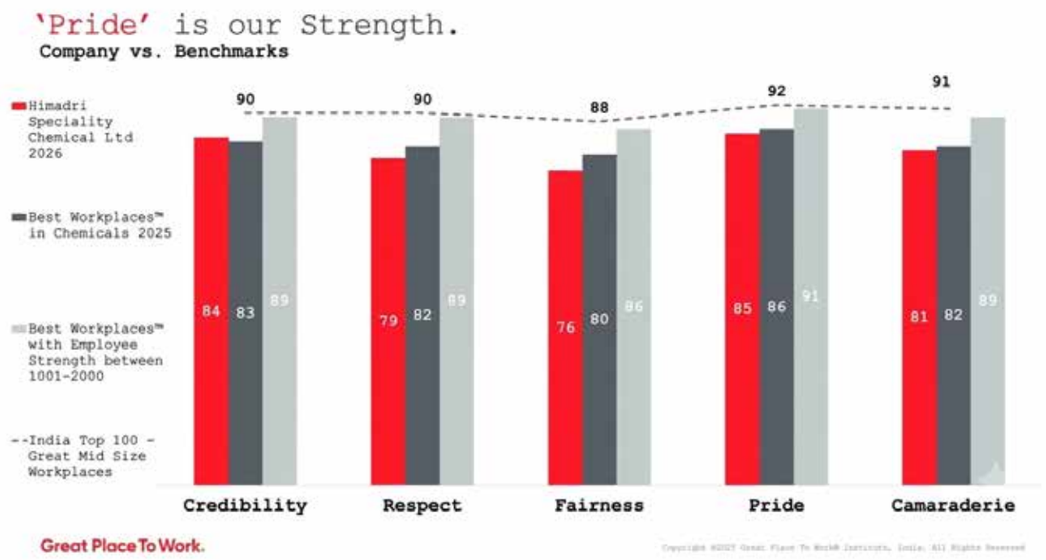
Our strongest scores came on statements including "Management is competent at running the business," "Management is honest and ethical in its business practices," "Management has a clear view of where the organisation is going and how to get there," "People here are treated fairly regardless of their sexual orientation," and "People celebrate special events here."

Turning Lower Scores Into Action

For areas where scores came in lower, we conducted focused group discussions covering 50% of the population across heterogeneous groups, giving us deeper clarity on the specific areas requiring attention. These insights fed directly into an action plan formulated by a committee of senior leadership members, with execution now underway under a dedicated cross-functional team formed to support implementation.

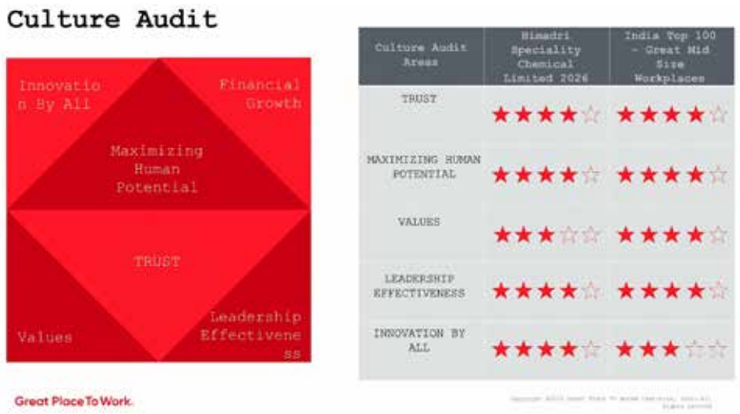
Five Dimensions Of Trust

The Trust Index Survey measures workforce experience across five dimensions that collectively define a high-trust workplace: leadership credibility, the respect employees experience at work, fairness in organisational policies and practices, pride in being associated with the organisation, and the camaraderie shared among colleagues.



Beyond the survey: A full culture audit

Our Culture Audit provides a comprehensive assessment of workplace culture, evaluating the dimensions that shape workforce experience, organisational effectiveness and long term business success. It measures critical cultural drivers including **Trust, Maximising Human Potential, Values, Leadership Effectiveness and Innovation by All**, giving us clear insight into our cultural strengths and the areas where we still have room to grow.



Additionally, we conduct regular employee surveys to understand and track employee engagement and well-being. Our surveys capture key aspects including job satisfaction, purpose, happiness and stress, enabling us to identify areas for improvement and strengthen our employee experience and well-being initiatives. We monitor survey results and use the insights to inform relevant actions and interventions.

Human Rights & Labour Practices

GRI disclosures: 407-1 | 408-1 | 409-1 | 410-1 | 2-23 | 2-24 | 2-25 | 2-26 | 3-3

Human rights due diligence, labour standards and grievance mechanisms

Some commitments are fundamental to who we are, and respect for human rights stands firmly among them. This chapter reflects our **CARE values of Accountability**, through ownership of the outcomes we promise, and **Empathy**, through an inclusive mindset that upholds the dignity and rights of every individual, including employees, workers and value chain partners. Our mission of empowering people to make bold, ethically grounded decisions finds a powerful expression in our approach to human rights.

The Policy Foundation

GRI 2-23, 2-24, 3-3

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: Himadri is committed to respecting and upholding internationally recognised human rights across its operations. The policy promotes dignity, fairness and equality while preventing and addressing potential adverse human rights impacts.

Anti-Discrimination and Harassment Policy: Himadri strives to provide a workplace where every individual is treated with dignity and respect. The policy seeks to prevent discrimination, bullying and harassment while providing appropriate channels for reporting and addressing concerns.

Prevention of Child and Forced Labour Policy: Himadri is dedicated to preventing child labour, forced labour, bonded labour and other forms of involuntary employment. The policy promotes lawful, voluntary and responsible employment practices across relevant operations and business relationships.

Diversity, Equity, and Inclusion (DE&I) Policy: Building a diverse, equitable and inclusive workplace enables people from different backgrounds and perspectives to participate and grow. The policy promotes fair opportunities, inclusion and a sense of belonging across the organization.

Working Conditions and Working Hours Policy

Maintaining safe, healthy and humane working conditions is essential for protecting employee and worker well-being. The policy establishes expectations regarding working hours, rest periods, leave, overtime and compliance with applicable requirements.

Freedom of Association & Collective Bargaining Policy

Respecting employees' lawful rights to freedom of association and collective bargaining supports constructive workplace relations. The policy encourages open dialogue between employees, their representatives and management without discrimination or retaliation.

Fair Wages / Minimum Wages & Living Wage Policy

Ensuring fair and responsible remuneration supports the economic well-being of employees and workers. The policy promotes compliance with applicable minimum-wage requirements while supporting appropriate fair and living-wage principles.

Human Resource Policies

Our policy framework is supported by a range of additional policies that provide guidance on specific operational and organisational matters and support the smooth and effective functioning of our business.

- Code of Business Conduct (CoBC)
- Corporate Social Responsibility (CSR) Policy
- Leave Policy
- Recruitment Policy
- Career Progression Policy
- Compensation Policy
- Performance Linked Incentive (PLI) Guidelines
- Long Service Award Policy
- Referral Policy
- Reward and Recognition Policy
- Each one reach one initiative
- Exit Policy
- Migrant / Contract Labour Policy
- Human Rights Due Diligence Policy
- POSH Policy

Freedom Of Association And Collective Bargaining

GRI 407-1

Our Collective Bargaining Policy upholds freedom of association and the right to collective bargaining for our entire workforce, in line with the SA8000:2014 standard. In FY 2025-26, no team members were members of trade unions/collective bargaining agreements or associations, though we want to be clear that this reflects current workforce choice, not restriction: **we respect the right of every individual to form, join, or choose not to join, associations, without discrimination, retaliation or interference.**

A Social Performance Team (SPT), comprising both worker and management representatives, monitors our SA8000:2014 compliance, supports open dialogue and safeguards these rights on an ongoing basis, rather than leaving them as an abstract policy commitment.

Meaningful dialogue between the workforce and management fosters a collaborative workplace. Himadri promotes open communication and active participation, ensuring that staff perspectives are considered in workplace decisions. While the Company does not have any Trade union, however it upholds the principles of collective bargaining, ensuring that everyone, including contractual workers, has a voice in matters affecting their work and well-being. Its important to note that The organisation does not prohibit the formation of trade union. At Himadri, the need of trade union has never emerged as due to proactive People Practices and Organizational environment which created a harmonious relationship between the employer and staff members across all hierarchy.

Structured engagement platforms enable active staff participation with focused approach on each area. Dedicated committees bring together staff representatives and management to discuss workplace health and safety, working conditions, welfare initiatives and professional development. These forums facilitate the integration of staff perspectives into organisational planning and decision-making.

Health and Safety Committee

Staff well-being remains central to workplace decision-making. The committee ensures that individual feedback is considered in shaping safety initiatives, enhancing policies and strengthening implementation practices.

Workplace Improvement Committee

Continuous improvement is strengthened through collaborative problem-solving. In collaboration with staff representatives, the committee identifies opportunities to improve workplace conditions, ergonomics, staff comfort and work-life balance.

Training and Development Committee

Learning and capability development are supported through structured planning. The committee identifies skill gaps, training priorities and career development opportunities to support individual's professional growth.

Canteen Committee

Staff participation also extends to workplace amenities. Female representatives actively contribute to canteen operations, supporting healthy food choices, promoting workplace hygiene through continuous audit and promoting women's leadership through direct involvement.

Anti-discrimination and Anti-Harassment Committee

A respectful workplace is supported through dedicated oversight mechanisms. The committee comprises representatives from both permanent & temporary payrolls, including third-party contractual workers, to address anti-discrimination and anti-harassment practices.

Employee Core Committee

Constructive engagement is fostered through open dialogue and equitable representation. In the absence of formal labour unions, Himadri's Employee Core Committee provides a structured platform for discussions on employment terms, workplace conditions, grievance resolution and staff welfare. The committee includes staff representatives from different worker categories and hierarchical levels, with decisions reached through consensus or equal voting rights.

Committee Names	Composition	Frequency of Meeting	No. Meeting held in FY25-26
Health and Safety Committee	Permanent - 50%, Other than permanent - 50%, Total no. of members - 30	Once a Quarter	4
Workplace Improvemnet Committee	Permanent - 70%, Other than permanent - 30%, Total no. of members - 12	Once a Quarter	4
Training and Development Committee	Permanent - 80%, Other than permanent - 20%, Total no. of members- 8	Half Yearly	2
Canteen Committee	Permanent - 90%, Other than permanent - 10%, Total no. of members- 9	Once a Quarter	4
Anti-discrimination and Anti-harassment Committee	Permanent - 70%, Other than permanent - 30%, Total no. of members - 6	Half Yearly	2
Employee Core Committee	Permanent - 80%, Other than permanent - 20%, Total no. of members- 8	Half Yearly	2
Workers' Committee	Permanent -50%, Other than permanent - 50%, Total no. of members- 10	Once a Quarter	4

Management of Change Protocol

GRI 402-1

Himadri has implemented a Management of Change protocol that governs how operational changes are communicated across the organisation. Under this protocol, any significant change to operations is notified to all relevant teams in advance, within the minimum notice period stipulated in the protocol, ensuring employees and their representatives have adequate time to review, respond to, and prepare for the change before it takes effect.

Zero Tolerance For Child And Forced Labour

GRI 2-23, 2-24, 3-3

We hold an unambiguous, zero tolerance position on both child labour and forced or involuntary labour, and our members track this position up rather than merely asserting it.

Zero Tolerance. Zero Compromise.

Category	FY24-25	FY25-26
Child Labour	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil

Design ideas present both rows as a clear "Zero Incidents, Two years running" badge or statement, reflecting our commitment to ethical practices and a safe, respectful workplace.

Non-Governmental Organisation (NGO) collaboration

Himadri is committed to advancing its anti-child and forced labour initiatives, while also supporting 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.

Training That Protects Rights

GRI 2-24

A policy is strengthened through awareness and understanding, making human rights training a key strategic priority for us and an integral part of our commitment to responsible business practices.

We achieved **full human rights training coverage across 100% of our sites,** spanning Mahistikry, Liluah (I and II), Sambalpur, Vizag, Korba, Falta and our Corporate Office. Training covers child and forced labour, fair wages, anti-discrimination, freedom of association, anti-harassment, health and safety as a human right, diversity and inclusion, working conditions and ethical labour practices, delivered through UTKARSH LMS modules, classroom and practical sessions, outbound training, our EcoVadis Learning Academy and UNGC Academy resources, and multilingual posters designed to reach every employee in a language they are comfortable with.

We extend our commitment beyond our own operations by providing human rights training to our value chain partners. We raise awareness among suppliers and contractors regarding their legal and ethical responsibilities, recognising that responsible business extends across the entire value chain and continues beyond our factory boundaries.

TRAINING COVERS

- Child & Forced Labour
- Fair Wages
- Anti-Discrimination
- Freedom of Association
- Anti-Harassment
- Health & Safety as a Human Right
- Diversity & Inclusion
- Working Conditions
- Ethical Labour Practices

DELIVERED THROUGH

- UTKARSH LMS Modules
- Classroom & Practical Sessions
- Outbound Training
- EcoVadis Learning Academy
- UNGC Academy Resources
- Multilingual Posters (Reach in Every Language)

HUMAN RIGHTS TRAINING 100% COVERAGE.

We achieved full human rights training coverage across 100% of our sites, ensuring every employee is aware, informed and empowered to uphold human rights in the workplace and beyond.

Security Personnel And Human Rights

GRI 410-1

All security personnel operating at our facilities function under strict human rights standards. They are **explicitly prohibited from carrying any weapon, including non-lethal ones**, and their role is deliberately limited to managing internal traffic movement. This is a small but telling detail, it reflects a conscious choice to keep our security presence protective rather than intimidating, in line with the same human rights principles we ask of everyone else in our organisation.

Extending Human Rights Across Our Value Chain

GRI 2-24

Our commitment to human rights extends across our workforce and throughout our broader value chain. Our **Supplier Code of Conduct** forms the contractual and ethical foundation of every value chain relationship, requiring mandatory self-declaration and detailed self-assessment covering ESG, quality, delivery and pricing. Where non-compliance is identified, such as underpayment, denial of rights, or unsafe conditions, it triggers **structured labour improvement plans** with defined corrective actions, implementation timelines and independent verification.

Our **Sustainable Supply Chain Framework** governs this process using defined KPIs to assess environmental impact, human rights practices and ethical conduct, enabling early risk identification and targeted improvement support, including for smaller partners who may lack the resources to build these systems alone. We are pleased to report that **no significant risks or concerns were identified** in our value chain partners' human rights practices or working conditions during the reporting period, and the scope of this assessment has recently expanded to include downstream partners as well, ensuring coverage across the full supply chain.

Strengthening Human Rights Due Diligence

During FY 2025 26, Himadri commissioned TÜV SÜD to conduct an external Human Rights Due Diligence assessment covering all operating locations in West Bengal along with the Visakhapatnam, Sambalpur and Korba plants. The assessment reviewed governance arrangements, statutory and plant level records and implementation of controls with reference to the Universal Declaration of Human Rights, ISO 26000 and the OECD due diligence approach.

We approach human rights due diligence as an ongoing process, conducted periodically across our own operations and value chain. Findings are reviewed by Senior Management and our Board-level Sustainability Committee, ensuring human rights performance remains an integral part of governance oversight and receives continuous attention. We also promote an open-door culture across every level of management, where every team member, regardless of role, seniority or employment status, is empowered to report grievances or misconduct, including human rights concerns, with confidence and appropriate support

The assessment covered Himadri's own operations and relevant business relationships and value-chain activities, with human rights considerations integrated into the evaluation of existing and prospective business relationships, including mergers, acquisitions, and other significant business relationships, where applicable. Human rights risks are assessed as part of the decision-making and due diligence process before establishing or materially changing such relationships.

The assessment confirmed a strong human rights foundation covering non discrimination, prevention of child and forced labour, freedom of association, fair working conditions, occupational health and safety, human trafficking, dignity at work, social security and access to remedy. The risk identification process considers potential impacts on own employees, women, children, migrant workers, third-party/contracted workers and local communities, with relevant risks identified through document review, stakeholder engagement and site-level assessment. Indigenous people are also considered as a potentially vulnerable stakeholder group where relevant to the operating context.

Himadri has established a time-bound Corrective and Preventive Action roadmap, supported by a Human Rights Due Diligence dashboard and management oversight. The identified human rights risks and controls are reviewed periodically through the dashboard and management review process, enabling Himadri to reassess the risk mapping, track corrective actions, identify emerging risks and update mitigation measures across its operations and relevant value chain. This establishes an ongoing, systematic and evidence-based human rights due diligence process rather than a one-time assessment.

Mitigation & Corrective Action

We translate findings from our Human Rights Due Diligence assessment into site-specific corrective and preventive actions, with clear responsibilities, defined timelines and management oversight. We track the implementation and closure of these actions through our Human Rights Due Diligence dashboard, while strengthening relevant controls to address identified and potential risks relating to child and forced labour, human trafficking, discrimination, freedom of association, fair working conditions, occupational health and safety and dignity at work. We also incorporate human rights considerations into the monitoring of employees and third-party workers across the assessed locations.

Grievance, Remediation And Prevention Of Recurrence

We maintain grievance and escalation mechanisms through which employees, contract workers and other relevant stakeholders can raise concerns relating to human rights. We investigate reported concerns and implement corrective actions, with appropriate remedy determined based on the nature and severity of any substantiated impact. Where an adverse human rights impact is identified, we may provide corrective measures, restoration of affected rights, appropriate disciplinary action and measures to prevent recurrence. During FY 2025–26, our external assessment did not identify any confirmed human rights violation requiring individual-level remediation; accordingly, no compensation or restitution was required during the reporting period.

A Mechanism People Can Use

GRI 2-25, 2-26

Rights are strengthened when supported by accessible and effective mechanisms for raising concerns and addressing them with care and accountability. Our **Grievance Mechanism**, along with **Human Rights**, offers confidential reporting through multiple channels, a dedicated email (speakup@himadri.com), a toll free telephone helpline, an anonymous online reporting portal, and direct access to HR or Senior Management. Every concern is protected by a **formally embedded zero retaliation policy** within our Code of Conduct, and complex or sensitive cases are handled by a dedicated cross-functional committee, including external specialists where required.

Complaints relating to sexual harassment are handled by our **Internal Complaints Committee (ICC)**, constituted under the POSH Act, 2013, which meets regularly and reports its compliance annually to our Audit Committee and Board.

HUMAN RIGHTS COMPLAINTS
ZERO COMPLAINTS. ZERO TOLERANCE. ALWAYS.

We remain unwavering in our commitment to uphold human rights and ensure a safe, fair and respectful workplace for all.

ZERO COMPLAINTS
ACROSS ALL CATEGORIES

COMPLAINT CATEGORY	FY24-25 Filed / Pending	FY25-26 Filed / Pending
Sexual Harassment	Nil	Nil
Discrimination at Workplace	Nil	Nil
Child Labour	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil
Wages	Nil	Nil
Other Human Rights Related Issues	Nil	Nil

We view a clean complaint register as one indicator within our ongoing commitment to strengthening grievance management, listening to our people, and continuously enhancing our practices. It tells us our systems are working today, and it strengthens our resolve to keep them working tomorrow, through continued due diligence, continued training and a grievance mechanism that people truly trust enough to use when something does go wrong.

CSR & Community Development

GRI disclosures: 203-1 | 203-2 | 201-1 | 413-1 | 413-2

If our vision is to build an institution that creates happiness, that ambition extends beyond our factory gates, inspiring us to create a positive impact across the communities we serve. It has to reach the villages, towns and families that live alongside our operations. We view Corporate Social Responsibility as a meaningful opportunity to create positive change, and for over three decades, we have remained committed to generating meaningful and lasting impact across communities, with a particular focus on rural and underserved areas. This chapter is where our CARE values of **Accountability**, owning the outcomes we promise our communities, and **Empathy**, valuing the perspective and needs of people outside our own workforce, come together most visibly.

CMD & CEO

Our Commitment to Social Responsibility and Shared Progress

"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."

Mr. Anurag Choudhary

How We Govern And Focus Our CSR Strategy

GRI 201-1

Our approach to Community Development and CSR is guided by the belief that inclusive growth and shared value creation are integral to long term business sustainability. Our CSR strategy focuses on addressing local community needs while contributing to national development priorities, particularly in the regions surrounding our manufacturing operations.

Our CSR governance is anchored through a structured framework comprising a **Board level CSR Committee** and defined implementation mechanisms. Programmes are identified based on community needs assessments, stakeholder consultations and alignment with **Schedule VII of the Companies Act, 2013,** ensuring our initiatives are targeted, relevant and outcome oriented rather than scattered or symbolic. The corporate CSR team drives overall programme coordination, while plant level CSR teams play an essential role in community interface, implementation support and timely issue resolution.

Community Development & CSR Governance

Inclusive Growth. Shared Value. Sustainable Future.

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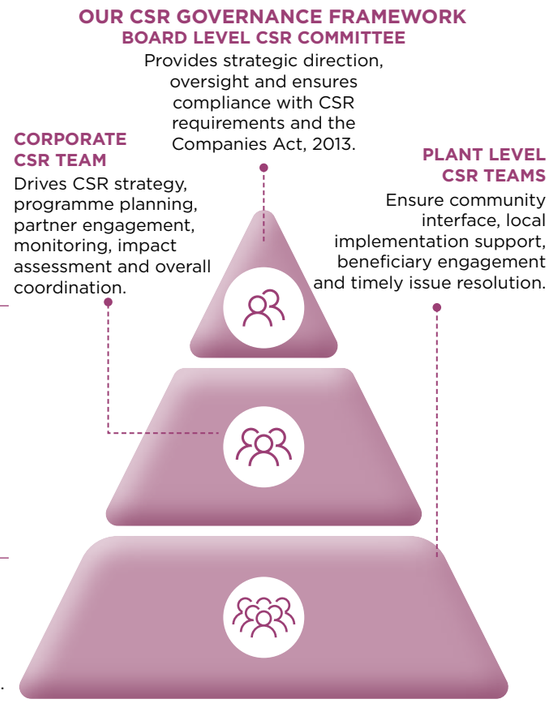


GUIDED BY PRINCIPLES. DELIVERED WITH PURPOSE.

- Community First
- Need Based & Relevant
- Aligned with National Development Priorities
- Outcome Oriented
- Inclusive Participation
- Transparent & Accountable

We follow an **impact focused CSR approach**, moving beyond activity based implementation toward outcome measurement wherever feasible. Partnerships with credible implementation agencies, local institutions and non-governmental organisations enhance programme effectiveness, transparency and scalability, because we believe resilient communities are built through a combination of good intentions and disciplined execution. This commitment continues to earn recognition and appreciation from the communities we serve: we were recognised with the **Global CSR Excellence Award for the best Corporate Social Responsibility practices**, an external validation of an approach we have been building for decades.

CSR Spend Previous Year And Carry Forward Into FY 2025-26

In FY 2024-25, Himadri's CSR obligation was met in full, with the entire amount utilised within the year, leaving a fully clear balance carried into FY 2025-26. This year, against a total CSR obligation of Rs. 1,037.77 lakh, calculated as 2% of our average net profit under Section 135(5), we deployed Rs. 790.66 lakh directly on CSR projects, both ongoing and completed within the period. The remaining Rs. 247.11 lakh was transferred to our Unspent CSR Account on 20 April 2026, fully in line with statutory timelines, and stands earmarked for continued deployment on our ongoing, approved projects in the years ahead.

OUR CSR FOCUS AREAS

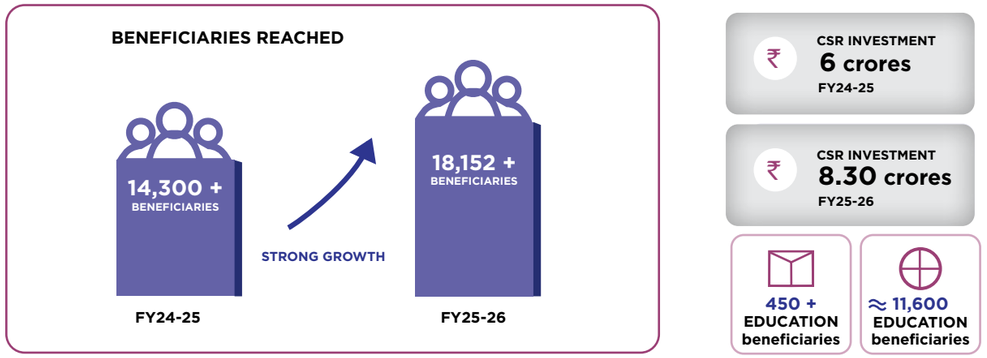
During the reporting period, our CSR interventions were primarily focused on **education**, **healthcare, water and sanitation, skill development and livelihood enhancement**, alongside **rural transformation, women's empowerment, sports for development and disaster management**.

01	02	03	04	05	06	07
EDUCATION	HEALTHCARE	WATER & SANITATION	SKILL DEVELOPMENT & LIVELIHOOD ENHANCEMENT	WOMEN'S EMPOWERMENT	RURAL TRANSFORMATION	DISASTER MANAGEMENT
Promoting access to quality education and holistic learning.	Improving healthcare access, quality and awareness.	Ensuring access to safe water and sanitation for all.	Building skills and creating sustainable livelihood opportunities.	Empowering women to be self-reliant and leaders of change.	Driving inclusive development and stronger communities.	Enhancing resilience and preparedness in communities.

From the outset, STEM education, particularly for the girl child, has remained a defining priority for us, reflecting our conviction that talent should never be limited by economic circumstance.

CSR IMPACT GROWTH TRAJECTORY

Two-year comparison of beneficiaries reached, supported by increased CSR investment



FY 2024-25 beneficiary figure is reported as "over 14,300". Education and healthcare highlights relate to FY 2024-25.

"Building Futures, Empowering Communities" CSR Outstanding Award

Recognising Himadri's community-focused CSR programmes for their long-term, transformative impact on underprivileged communities.

Best 3 Integrated CSR Initiative of the Year 2025

Recognising Himadri's CSR approach for effectively integrating education, healthcare, livelihood and infrastructure initiatives into a single, coordinated community development strategy.

What We Build, Healthcare, Education And Beyond

GRI 203-1, 203-2

In education, our initiatives support access to quality learning infrastructure, digital education and scholarships for underprivileged students, alongside book distribution and the upgrading of facilities such as schools and libraries, ensuring every child can pursue education with access to the financial support and infrastructure needed to thrive.

1,738 beneficiaries	Educational aid and special child care campaign
1,075 beneficiaries	School infrastructure development and scholarships
43+ students	Scholarships funded

Social and economic empowerment: Our livelihood and inclusive growth programmes reached 2,813 persons, supporting job creation, skill building and targeted assistance for marginalised groups across our operating communities.

In healthcare, we improve accessibility and outcomes through a mix of preventive and curative initiatives. Our village medical centre offers free Ayurveda, Naturopathic and Homeopathy treatment services to local residents, addressing both immediate health concerns and prevention, and has become a trusted institution that significantly reduces health disparities in the communities it serves. We also organise eye health camps, screening numerous individuals, providing glasses and facilitating surgeries that have restored vision, alongside preventive health screenings that prioritise early detection of chronic conditions such as diabetes.

Healthcare Impact Area	FY25-26
Homoeopathy consultations	6,892
Eye check-ups	4,232
Spectacles distributed	1,757
Eye operations facilitated	283
Sugar (diabetes) check-ups	152
Comprehensive healthcare treatments	2,000+
Total healthcare beneficiaries	**15,316+**

Rural housing, our Awas Yojna initiative: This flagship programme improves quality of life in rural communities by expanding access to essential services and supporting critical infrastructure upgrades, including converting kutcha houses into pucca (concrete) homes, and providing kitchens, safe drinking water and sanitation facilities to families who need them most.

Water and sanitation: We continued expanding access to safe drinking water and sanitation facilities through water purification systems and rainwater harvesting initiatives, addressing a foundational need in the communities we serve.

Key Initiatives	Relevant SDGs
STEM education for girls, scholarships, digital education, school & library infrastructure, book distribution	4, 5, 10
Village Medical Centre, Ayurveda, Naturopathy, Homeopathy, eye camps, diabetes screening, preventive healthcare	3
Drinking water systems, sanitation facilities, hygiene initiatives	6
Concrete housing, village infrastructure, sanitation, drinking water	1, 6, 11
STEM education for girls, livelihood support, community participation	5
Vocational training, livelihood enhancement	1, 8

A Story Worth Telling: Pali Mahotsav

GRI 203-2, 413-1

Numbers describe scale, but stories describe meaning, and one from this year stands out. In **Korba, Chhattisgarh,** an aspirational district, we directed Rs. **5,00,000** in targeted CSR expenditure toward the organisation of the **"Pali Mahotsav,"** a festival dedicated to preserving and revitalising Korba's traditional arts and handicrafts.

The festival gave local artisans a platform to showcase indigenous skills and traditions, contributing directly to the socio-economic upliftment of Chhattisgarh's rural and semi-urban populations. It revitalised cultural heritage, opened real market access between traditional craftsmanship and modern consumers, and generated tangible livelihood value for local artisans.

Local Value, Close To Home

GRI 203-2, 413-1

We are guided by the philosophy of **"Rooted Locally, Aligned Globally."** While the specialised nature of certain raw materials requires broader sourcing networks, we continue to prioritise local procurement of consumables and operational requirements wherever feasible, supporting local enterprises, enhancing livelihood opportunities and contributing to greater financial resilience within our host communities.

83.30% Direct Purchase from Indian Market on overall Spend

58.15% Job Creation at Rural Area

In FY 2025-26, **83.30% of our direct purchases by overall spend** came from the Indian market, and **58.15% of job creation occurred in rural areas,** tangible evidence that our growth is translating into local opportunity.

Our **Sustainable Procurement Policy** also gives preference to suppliers comprising marginalised and vulnerable groups wherever feasible and operationally appropriate, extending our inclusion philosophy directly into our supply chain. A significant share of our contractual workforce is drawn from economically disadvantaged communities in and around our operational areas, supported through structured occupational health and safety training and awareness building initiatives, including programmes aligned with the Government of India's **"Mission LiFE."**

The company's procurement from suppliers belonging to marginalised or vulnerable groups accounted for **3.76% of the total procurement value** during the reporting period.

Listening, And Staying Accountable

GRI 413-1

Community trust must be continuously earned and strengthened by providing meaningful channels for people to speak up and raise concerns when something goes wrong.

Particulars	FY24–25	FY25–26
Stakeholder Group	Communities	Communities
Grievance Mechanism in Place	Yes	Yes
Grievances Filed	Nil	Nil
Grievances Pending	Nil	Nil

Our CSR governance model extends directly into grievance handling: the Board level CSR Committee provides strategic direction, the corporate CSR team coordinates implementation and compliance, and dedicated plant level CSR teams maintain regular engagement with local communities, either directly or through implementing partners, to identify needs, assess relevance and resolve concerns in a timely, structured manner.

CSR GOVERNANCE TO GRIEVANCE HANDLING PROCESS

A Structured, Transparent and Responsive Approach

BOARD LEVEL CSR COMMITTEE — Grievances received through multiple channels – meetings, helplines, suggestion boxes, partners or direct outreach.

CORPORATE CSR TEAM — Coordinates implementation, ensures compliance with CSR policy and legal requirements, allocates resources and monitors performance.

PLANT LEVEL CSR TEAMS — Engages regularly with local communities (directly or through partners) to identify needs, assess relevance and address concerns promptly.

COMMUNITY ENGAGEMENT

- Direct interaction or through implementation part
- Community needs identification
- Relevance assessment
- Grievance identification and feedback

GRIEVANCE HANDLING PROCESS

01 RECIVE
Grievances received through multiple channels – meetings, helplines, suggestion boxes, partners or direct outreach.

02 RECORD & ACKNOWLEDGE
Grievances are logged and acknowledged promptly to the community.

03 ASSESS
Evaluate the grievance for relevance, impact and priority.

04 RECIVE
Address the issue through appropriate actions, in consultation with the community.

05 FOLLOW UP
Verify resolution effectiveness and ensure community satisfaction.

06 REPORT & IMPROVE
Report to corporate CSR team and use insights to strengthen programs and processes.

Transparent. Timely. Inclusive. Accountable. | Building trust. Creating shared value.

We also want to be transparent about where we still have work to do. Formal Social Impact Assessment (SIA) studies have not yet been undertaken for our CSR projects, even though those projects are conceptualised and implemented with a strong emphasis on relevance, responsible execution and long term value creation. As an SA 8000:2014 certified organisation, we continue to strengthen our CSR approach in alignment with our broader sustainability vision, and we see formal impact assessment as a natural next step in that maturity journey rather than a box we are avoiding.

Looking Ahead

We will continue to strengthen our CSR strategy by deepening community engagement, enhancing impact assessment, and aligning our initiatives more closely with our broader sustainability goals and the United Nations Sustainable Development Goals. Through sustained and responsible community investment spanning more than three decades, we remain committed to creating meaningful contributions to societal well-being and inclusive development, integrating these efforts as an integral part of our business and long-term growth.

GOVERNANCE & RESPONSIBLE BUSINESS

Governance Dashboard

GRI 2-9 | 2-12 | 2-15 | 2-18 | 2-26 | 2-27 | 205 | 206

Governance at a glance

Good governance is fundamental to Himadri's long-term sustainability and responsible growth. In an advanced materials business, strong governance supports ethical decision-making, regulatory compliance, risk management and operational accountability across the organisation and its value chain.

At Himadri, the Board and senior leadership oversee ESG priorities, risk, compliance and long-term value creation, supported by dedicated governance committees and management-level mechanisms. Sustainability performance is monitored through defined objectives, periodic reviews and accountability mechanisms, with material matters escalated through the appropriate governance forums.

THIS YEAR'S MAJOR ACHIEVEMENTS

Board Composition and Diversity

7 Directors
Board strength

4
Independent Directors

1
Women on the Board

Board Oversight and Effectiveness

ESG Governance
Board-level oversight of ESG matters

2 Meetings
Independent Director meetings

Completed
Board and Committee performance evaluation

Ethics, Integrity and Compliance

99.90%
Anti-bribery and anti-corruption training

100%
Code of Conduct coverage

100% of
Operating locations
Whistle-blower mechanism coverage

0
Bribery/corruption disciplinary actions

0
Anti-competitive conduct incidents

Stakeholder Protection and Accountability

0
Restrictive/unfair trade complaints

100%
Resolution of all investor complaints received

0
Reported data breach/ privacy/cybersecurity complaints

0
Personnel denied access to the Audit Committee

Board Governance & ESG Oversight

GRI disclosures: 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-14 | 2-15 | 2-16 | 2-17 | 2-18 | 2-19 | 2-20 | 2-21

Governance Framework, Board Committees And ESG Governance

Good governance is the true foundation beneath every promise we make in this report. In an advanced materials business, governance carries genuine weight, it shapes safety, compliance, operational discipline and ethical decision making across complex manufacturing processes and value chains. This chapter reflects our CARE value of Reliability, being consistent, dependable and building trust through transparent action, expressed here in the structures that hold our entire organisation accountable.

Board Size And Composition

GRI 2-9

As on 31 March, 2026, our Board comprised seven Directors, three Executive Directors and four Independent Directors, including one Independent Woman Director. Independent Directors represented 57.14% of the Board, giving us strong, objective oversight and balanced decision making at the highest level of the organisation.

Mr. Anurag Choudhary
Chairman, Managing Director & CEO

Mr. Shyam Sundar Choudhary
Executive Director

Mr. Amit Choudhary
Executive Director

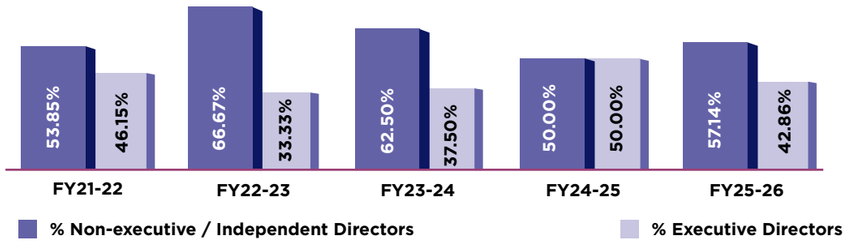
Mr. Girish Paman Vanvari
Non-executive Independent Director

Mr. Gopal Ajay Malpani
Non-executive Independent Director

Mrs. Rita Bhattacharya
Non-executive Independent Director

Mr. Amitabh Srivastava
Non-executive Independent Director

Board Composition



Our Board composition has shifted meaningfully across the past five years, reflecting a deliberate commitment to strengthening independent oversight over time.

Board Competency Matrix

Competency	Anurag Choudhary	Shyam Sundar Choudhary	Amit Choudhary	Rita Bhattacharya	Girish Paman Varvari	Gopal Ajay Malpani	Amitabh Srivastava
Understanding of business/industry	✓	✓	✓	–	✓	✓	✓
Strategy and strategic planning	✓	–	✓	✓	✓	–	✓
Critical and innovative thoughts	✓	–	✓	–	✓	–	✓
Financial understanding	✓	✓	✓	✓	✓	✓	✓
Market understanding	✓	✓	✓	–	–	–	✓
Risk and compliance oversight	✓	✓	✓	✓	✓	✓	✓

Age And Gender Diversity On The Board

Age band	Male	Female
30–50 years	1	0
Over 50 years	5	1
Total	**7**	

Our Chairman, Anurag Choudhary, holds the Managing Director and CEO role concurrently. This leadership structure is balanced by our majority Independent committee chairs, who lead every key Board Committee and ensuring balanced review of strategic matters, policy implementation and critical oversight areas.

What The Board Is Accountable For

GRI 2-12

The Board of Directors carries ultimate responsibility for our strategic direction, performance, risk management and long term sustainable success. It integrates sustainability considerations into business strategy, capital allocation, operational oversight and stakeholder engagement, while monitoring material ESG risks and opportunities and ensuring compliance with the Companies Act, 2013, SEBI Listing Regulations and our internal governance policies.

SUSTAINABILITY GOVERNANCE

FUNCTIONARIES

- Holds accountability and oversight for all sustainability matters
- Oversees sustainability strategies and initiatives
- Outlines the main targets, reviews performance and progress
- Approves Group sustainability related policies
- Receives reports from CSO on sustainability initiatives
- Monitors Group progress against sustainability objectives
- Communicates with regulatory bodies, internal and external stakeholders with transparency

ESG Committee At Board

Mr. Anurag Choudhary
Chairman-cum-Managing Director and CEO

Mr. Amit Choudhary
Executive Director

Mr. Amitabh Srivastava
Independent Director

OVERSIGHT AND ACCOUNTABILITY

- Culture and values
- Human rights
- Health & safety
- Climate change
- Product quality and quality performance
- Gender diversity
- Anti-bribery and Anti-corruption
- Environmental matters
- Biodiversity
- Talent management
- Supply chain / responsible sourcing

Chairman-cum-Managing Director and Chief Executive Officer

FUNCTIONARIES

- Oversees major elements of sustainability matters
- Deploys initiatives to further the Company's sustainability aspirations
- Monitors sustainability activities and operations
- Preparation and publication of the Company's sustainability reports
- Reports to the Sustainability Committee at Board
- Issues disclosures in accordance with global and national practices

ESG COUNCIL

- CMD & CEO
- Executive Director
- Chief Financial Officer (CFO)
- Chief Sustainability Officer (CSO)
- Business President, New Energy Materials Division
- Business President, Carbon Black Division
- Business President, Coal Tar Division
- Business President, Treated Black Division
- Executive Vice President, Tyre & Strategy
- Sr. Vice President, Sales & Marketing
- Vice President, Human Resource
- Company Secretary and Compliance Officer

OVERSIGHT AND ACCOUNTABILITY

- Oversees the Sustainability (ESG) Steering Committee
- Monitors the overall progress on the Company's sustainability metrics and targets
- Assists the Sustainability Committee at Board in assessing the implications of long-term climate-related risks and opportunities
- Assists the Sustainability Committee at Board in elaborating strategies and setting priorities

Chief Sustainability Officer (CSO)

FUNCTIONARIES

- Executes strategies, setting priorities
- Oversees the plants' sustainability activities
- Monitors progress against the targets
- Ensures compliance

SUSTAINABILITY STEERING COMMITTEE

- Unit Head – Chairman
- Process Head – Member
- Engineering Head – Member
- Purchase Head – Member
- HR Head – Member
- HSE Head – Member
- CPP In-charge – Member
- Logistics Head – Member

OVERSIGHT AND ACCOUNTABILITY

- Monitors sustainability targets and progress
- Supports the Council on climate risks and opportunities
- Assists in sustainability strategy and priority setting steering committee

FUNCTIONARIES

- Implements ESG initiatives and action plans
- Coordinates cross-functional ESG activities
- Identifies gaps and recommends corrective actions

ESG TASK FORCES

- Labour and Human Rights Task Force
- Value Chain Partner Engagement Task Force
- Greenhouse Gas Reduction Task Force
- Energy Optimisation Task Force
- Zero Liquid Discharge Task Force
- Circular Economy Task Force
- Corporate Social Responsibility (CSR) Task Force
- Sustainability (ESG) Steering Committee
- Diversity, Equity and Inclusion (DE&I) Task Force
- Health and Safety Task Force

ACCOUNTABILITY

- Executes assigned ESG initiatives
- Tracks actions, KPIs and timelines
- Reports progress to the Sustainability Steering Committee
- Escalates key risks and delays

Figure 3 - Sustainability Governance Structure

Audit Committee

GRI 2-9

Chaired by **Mr. Girish Paman Vanvari,** with Mr. Gopal Ajay Malpani and Mr. Amitabh Srivastava as members. This Committee serves as the principal link between the Board, statutory auditors, internal auditors and management. It reviews quarterly and annual financial statements, internal financial controls, risk management systems, related-party transactions, auditor independence and internal audit effectiveness. Every recommendation the Committee made during FY 2025-26 was accepted by the Board.

Environment, Social and Governance Committee

Chaired by **Mr. Anurag Choudhary,** with Mr. Amit Choudhary and Mr. Amitabh Srivastava as members. This Committee provides focused oversight of environmental, social and governance matters across Himadri and its subsidiaries, reviewing ESG policies, standards, action plans, material risks, performance targets, progress and disclosures.

Nomination and Remuneration Committee

Chaired by **Mr. Gopal Ajay Malpani,** with Mr. Girish Paman Vanvari and Mr. Amitabh Srivastava as members. This Committee evaluates the balance of skills, knowledge, experience, independence and diversity required on the Board, oversees succession planning, formulates evaluation criteria and recommends remuneration policies. It conducted four meetings during FY 2025-26 with full attendance.

Risk Management Committee

Chaired by **Mr. Shyam Sundar Choudhary,** with Mr. Anurag Choudhary, Mr. Kamlesh Kumar Agarwal, Mr. Somesh Satnalika and Mr. Amitabh Srivastava as members. This Committee oversees our enterprise risk management framework and Risk Management Policy, covering financial, operational, sectoral, sustainability and ESG risks, information and cyber security, internal controls and business continuity.

Stakeholders' Relationship Committee

Chaired by **Mr. Amitabh Srivastava**, with Ms. Monika Saraswat, Company Secretary and Compliance Officer, acts as Secretary of the Committee. During FY 2025-26, the Committee met three times and reviewed 445 investor complaints, every one of which reached satisfactory resolution.

Corporate Social Responsibility Committee

Chaired by **Mr. Amitabh Srivastava**, with Mr. Anurag Choudhary and Mr. Shyam Sundar Choudhary as members. This Committee formulates and recommends the CSR Policy, Annual Action Plan and budgets to the Board.

How Board Performance Gets Evaluated

GRI 2-18

During FY 2025-26, the performance of the Board, its Committees, individual Directors and the Chairman was evaluated through a structured process aligned with SEBI guidance, covering Board composition, diversity and culture, meeting effectiveness and decision making, strategic and sustainability oversight, attendance and preparedness, independent judgement, and the quality and timeliness of information provided to Directors. Independent Directors held two separate meetings during the year, held apart from management, providing opportunity for independent discussion. Every Board and Committee members met the prescribed evaluation criteria, and Directors expressed confidence in the overall effectiveness of the Board and its governance processes.

Managing Conflicts Of Interest

GRI 2-15

Himadri's Code of Conduct and governance policies require Directors and senior leaders to disclose actual or potential conflicts of interest, reviewed by the Audit Committee, Nomination and Remuneration Committee and other relevant committees across related-party transactions, executive remuneration, Board appointments and personal or financial interests that could affect independent judgement. Integrity, confidentiality, independence and conflict-of-interest disclosure form part of the formal evaluation criteria for Independent Directors.

Ethics, Compliance & Integrity

GRI disclosures: 2-15 | 2-16 | 2-23 | 2-24 | 2-26 | 2-27 | 205-1 | 205-2 | 205-3 | 206-1

Code of conduct, anti-corruption, whistle-blower and compliance

Leadership by example is central to Himadri's ethical culture. The Board and senior management set clear expectations for integrity, accountability and responsible business conduct, ensuring ethics remain embedded in strategic decisions and everyday operations alike.

During FY 2025–26, no critical concerns requiring communication to the highest governance body were reported through our Speak Up and whistle-blower mechanisms.

The Policy Suite Behind Our Integrity

GRI 2-23, 2-24

Our business integrity framework translates sustainability commitments into clear policies, codes and operating controls. It is anchored in our Code of Conduct, Anti-Bribery and Anti-Corruption Policy, Fair Competition Policy, Vigil Mechanism and Whistle-blower Policy, Human Rights Policy, Data Management and Information Security Policy, Sustainable Procurement Policy and Supplier Code of Conduct. Together, these frameworks address bribery, fraud, conflicts of interest, insider trading, fair competition, confidentiality, human rights, workplace dignity, responsible sourcing and environmental stewardship.

01

Code of Conduct

Sets the baseline standard of ethical behaviour expected from Directors, workforce members and relevant business partners. It covers integrity, fair dealing, conflicts of interest and respectful conduct, and forms the reference point of our governance framework.

02

Anti-Bribery and Anti-Corruption Policy

Establishes a firm stance against bribery, facilitation payments and corrupt practices in any form, aligned with **ISO 37001:2016**. It applies to third parties and business party representatives as well as our own workforce, closing off indirect routes to unethical conduct.

03

Fair Competition Policy

Guides independent and responsible commercial decision making, prohibiting price fixing, bid rigging, market allocation and collusion with competitors. It keeps market conduct fair, transparent and protects the integrity of the industry.

04

Vigil Mechanism and Whistle-blower Policy

Gives team members, workers and stakeholders confidential channels to report suspected misconduct, backed by strong protection against retaliation. It underpins Speak Up mechanism and supports effective actions based on the investigation.

05

Human Rights Policy

Commits to respect the fundamental rights of everyone associated by our operations, team members, workers and value chain partners equally. It anchors our stance on freedom of association, fair labour practices and dignity at work.

06

Sustainable Procurement Policy

Sets ESG expectations on responsible sourcing of materials and services, extending sustainability commitments across the supply chain. It shapes supplier selection criteria alongside cost and quality.

07

Supplier Code of Conduct

Integrates ethical, labour and environmental standards to suppliers and contractors, backed by self-assessment and audit mechanisms. It extends integrity commitments across our operations and throughout our value chain.

08

Data Management and Information Security Policy

Governs the collection, storage, processing and protection of sensitive information aligned with ISO 27001:2022. It applies across all workforce members, customers and business data, keeping confidentiality consistent across the organisation.

Who Our Code Of Conduct Applies To

GRI 2-23, 2-15

Our **Code of Conduct** applies to Directors, workforce members and relevant business partners, and is supported by policies covering anti-bribery, fraud prevention, fair competition, **conflicts of interest,** gifts and hospitality, data privacy and workplace dignity. Regular communication and training reinforce understanding and consistently application of these requirements.

Consistent Enforcement, Every Site

GRI 2-24

We embed our policies and responsible-business standards across our operating locations through structured due diligence and oversight processes. During FY2025–26, we strengthened this approach through due diligence process across Anti-Bribery & Anti-Corruption, Information Technology & Security, and Human Rights. These processes support systematic identification and management of integrity, information-security and human-rights considerations, reinforcing consistent application of our policies across Mahistikry, Liluah I & II, Korba, Sambalpur, Visakhapatnam, Falta and our Corporate Office.

Policies Enforcement – Summary

Enterprise-wide Business Integrity Policy Coverage

5 Core Policies | **7** Locations | **100%** **Coverage 35/35**

Ethics & Anti-financial Crime
- Anti-bribery & Corruption Policy
- Extortion, Fraud & Money Laundering Policy

Fair Market Conduct
- Fair Market Conduct

Information Governance
- Information Security & Data Management Policy

Speak-up & Accountability
- Whistle-blower Policy

Consistent policy coverage supports ethical conduct, regulatory compliance and accountable decision-making.

Coverage across 7 locations and Corporate Office

Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office

One integrity framework. Consistent expectations. Responsible conduct everywhere.

Our Core Principles

GRI 2-24

- Integrity and transparency in dealings with all stakeholders
- A respectful workplace, with strict adherence to the POSH Act
- Fair competition
- Disclosure and avoidance of conflicts of interest
- Protected whistle-blower channels
- Strong anti-corruption commitments
- Health and safety accountability, aligned with Zero Incident / Accident framework
- Safeguarding of Company assets
- Clear rules on gifts and hospitality, to prevent undue influence in business relationships

Anti-Bribery Framework And Training

GRI 205-1, 205-2

Our Anti-bribery & corruption policy aligns with ISO 37001:2016 and includes risk-based third-party due diligence, contractual anti-bribery clauses, regular training, internal audits and documented investigation procedures. Every report of unethical conduct is managed by our Vigilance Officer, with multiple reporting channels available at all times, direct contact, drop boxes, email, and a confidential hotline. Investigations are typically completed within 90 days, with extensions granted where necessary.

During FY 2025-26, we achieved 100% completion of targeted anti-bribery and corruption training, exceeding our own internal target of above 95%. Employees in higher-risk functions, procurement, finance, sales, logistics, legal and strategy, received focused sensitisation on ethical decision making, conflict-of-interest management and escalation through our whistle-blower mechanism.

Ethics training coverage	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Mandatory training on ethics, anti-bribery, corruption and fair competition	99.80%	99.80%	99.80%	99.90%	99.90%
Employees trained on whistleblower procedure/use of reporting channel	100.00%	100.00%	100.00%	100.00%	100.00%
Employees trained on Code of Conduct	100.00%	100.00%	100.00%	100.00%	100.00%

Our FY 2025-26 Anti-Bribery Outcomes

During FY 2025–26, no disciplinary actions relating to bribery or corruption were reported against Directors, KMPs, employees or workers. The Company has also recorded no internal bribery or corruption cases over the past five consecutive years.

Independent Verification

GRI 205-1

An independent Anti-Bribery Due Diligence Assessment, conducted by TÜV SÜD across multiple business locations, reviewed policy implementation, risk assessment, third-party management, employee awareness, anonymous reporting channels and whistle-blower safeguards. The assessment confirmed the presence of established anti-bribery controls and identified opportunities to further strengthen third-party training, contract compliance and targeted risk mitigation.

Fair, Honest Competition

GRI 206-1

Our **Fair Competition Policy** promotes transparent, independent and ethical commercial conduct, prohibiting cartel-like behaviour, price fixing, bid rigging, market or customer allocation, collusion, abuse of market position and inappropriate sharing of commercially sensitive information. Pricing, production, sales, procurement, marketing and customer-related decisions are taken independently, free of coordination with competitors, and relevant employees are trained specifically to identify and avoid anti-competitive behaviour.

During FY 2025-26, no complaints relating to restrictive trade practices, unfair competition, or anti-competitive conduct were reported.

Our Speak Up Mechanism

GRI 2-26

Our **Right to Raise / Speak Up mechanism** provides confidential access through toll-free helplines, dedicated email, online platforms and other reporting channels, covering all operating locations and supported by strict confidentiality and strong protection against retaliation. Our Board appointed **Ms. Monika Saraswat, Company Secretary,** as Vigilance Officer, and whistle-blowers retain the option to report concerns directly to the Chairperson of the Audit Committee.

Human-rights related concerns are reviewed by an oversight panel comprising of senior representatives from Sustainability, Company Secretarial and Human Resources functions, supported by trained response teams, ensuring these sensitive matters receive appropriate review and resolution.

Flow of Whistle Blower Mechanism

Stakeholder
(Internal/External)

Reporting Channels
- Direct Reporting
- Reporting through Manager
- Anonymous Reporting via drop box
- E-mail Reporting (hcilvigilance@gmail.com)
- Speak Up (Hotline-1800 123 8390, SpeakUp@himadri.com)

Whistleblower Managing Committe
- Verification of Grievance
- Severity
- Occurence
- Impact

Investigation
- Committee formed with internal stakeholders, if needed external stakeholder can be included.
- Audit Committee will oversee
- Reporting through Manager
- Anonymous Reporting via drop box
- E-mail Reporting (helivigilance@gmail.com)

Remediation Process
Suitable and timely remedy provided in consultation with Audit Committee senior management.

Verification
Violations addressed and resolved and documented

Company Secretary and Compliance Officer

Transparent governance is the backbone of sustainable growth. 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.

Ms. Monika Saraswat

Speak Up & Stakeholder Accountability

Himadri's Speak Up mechanism provides confidential channels for employees and stakeholders to raise concerns, supported by whistle-blower protections and escalation mechanisms. The Stakeholders' Relationship Committee met three times during FY 2025–26 and reviewed 445 investor complaints, with all 445 resolved.

Independent Audit Assurance

GRI 2-27

Beyond policy and training, our ethical and financial governance is verified through independent audit. **M/s Ernst & Young LLP** served as our Internal Auditor for all divisions and units during FY 2025-26, with findings reviewed quarterly by the Audit Committee, which also engaged with Statutory Auditors and senior management to assess financial reporting, internal controls, budgetary discipline, cost management, accounting systems and physical verification processes. The assessment concluded that internal financial controls were adequate and operating effectively, with no reportable material weaknesses identified during the year.

Tax Transparency And Legal Compliance

GRI 2-27

Compliance with applicable laws and regulations is supported by defined governance processes, internal controls, statutory audits, and oversight from senior management and the Audit Committee. During FY 2025-26, Himadri reported a standalone profit before tax of **Rs. 991.36 crores** and total tax expenses of **Rs. 241.66 crores,** an effective tax rate of **24.39%.**

The Company's statutory auditors confirmed that undisputed statutory dues, GST, provident fund, ESI, income tax, customs duty, excise duty, cess and other applicable levies, were regularly deposited with every undisputed statutory dues settled within prescribed timelines as on 31 March, 2026. Any disputed tax matters are disclosed transparently in the financial statements and monitored through established legal and governance processes, and the financial impact expected from pending tax proceedings remains fully immaterial.

Enterprise Risk Management

GRI 2-12 | 2-13

Strengthening Risk Governance, Sustainability Resilience And Long-Term Preparedness

Resilience is built long before a risk materialises, and that is precisely the philosophy behind how we manage risk at Himadri. In an operating environment shaped by commodity volatility, regulatory change, technological disruption, climate pressures and geopolitical uncertainty, we focus on structural preparedness rather than reactive control, a direct expression of our CARE value of **Accountability,** owning outcomes and correcting deviations before they compound.

Who Owns Risk At Himadri

GRI 2-12

Risk considerations are embedded across strategic planning, capital allocation, project evaluation, R&D, sustainability initiatives, operational execution and supply-chain decisions. Every risk is identified, assessed for likelihood and impact, assigned clear ownership and reviewed periodically to keep mitigation and accountability relevant.

The **Board of Directors,** supported by the **Audit Committee, Risk Management Committee** and senior leadership, oversees the Company's enterprise risk management framework, which follows a structured cycle of identification, assessment, mitigation and monitoring, aligned with **ISO 31000:2018.**

Our Dual-Lens Approach

GRI 2-13

Himadri applies a dual-lens governance approach to sustainability and enterprise risk management:

Inside-out perspective: Evaluates risks of our operations, supply chain partners and downstream value chain activities on stakeholders and external environment. Key focus area includes bribery and corruption, anti-competition, money laundering and fraud, data security, breach of code of conduct, regulation dynamics, reputation loss and business continuity challenges.

Outside-in perspective: Considers how external factors, regulatory action, unfair market practices, privacy breaches and shareholder activism, could affect our own resilience and long term performance.

Through Board oversight, governance policies, internal controls and stakeholder engagement, we work to transform these risks into opportunities for stronger governance, transparency and sustainable value creation.

Our Risk Landscape, Category By Category

GRI 2-12

Risk category	Description	Key mitigation approach
Industry risk	Shifts in industry outlook or downstream demand could affect production and financial performance	Addressing key industries like aluminium, automotive and infrastructure; capturing shifting global manufacturing capacity trends
Operational risk	Equipment interruptions or inefficiencies could reduce productivity	Robust storage facilities, ongoing training, preventive maintenance, systematic failure investigation
Raw material risk	Reliance on coal tar, a steel by-product, exposes us to supply and price uncertainty	Sufficient inventory buffers, long-standing supplier relationships, internal utilisation of roughly one-third of output, structured pricing pass-through
Dependency risk	Concentration in select end-use sectors could pressure margins in cyclical slowdowns	Broad-based product portfolio spanning tyres, construction, chemicals, paints and infrastructure
Environmental risk	Regulatory non-compliance could bring intervention and reputational impact	Advanced effluent treatment, Zero Liquid Discharge systems, regular compliance audits, ISO 14001/45001 accreditation
People risk	Effective management of critical roles is essential to operations	Structured succession framework, competitive remuneration, strong engagement culture, internal recognition initiatives
Safety risk	Insufficient safety practices could affect morale and growth	Standard operating protocols, mandatory safety equipment, Apex and Plant-level Safety Committees, ISO 45001:2018
Quality risk	Inability to consistently meet quality requirements could affect customer retention	Strong R&D capability, regular customer engagement, comprehensive testing against global standards
Logistics risk	Supply chain interruptions could affect delivery commitments	Multiple dispatch locations, a dedicated fleet of 292 temperature-controlled tankers, secure railway and port storage
Competition risk	High industry competition could pressure market share	Ongoing product innovation, customer proximity, long-term contracts covering roughly one-third of sales
Anti-competitive practices risk	Unethical practices could threaten market integrity	Clear Fair Competition Policy and Code of Conduct governing all commercial interactions
Geographic risk	Dependence on a single geographic market creates exposure	Growth in export markets, comprehensive global distribution network
Technological obsolescence	Reliance on outdated processes could raise costs	Dedicated internal technical team, continuous investment in advanced systems
Funding risk	Cost and availability of financing could affect expansion capacity	Balanced secured and unsecured debt structure, cost-effective financing strategy
Regulatory risk	Failure to comply with statutory regulation could interrupt operations	Dedicated compliance function, regular Board-level compliance reviews

Financial And Market Risk

GRI 2-12

Credit Risk
Managed through a formal credit policy, expected credit loss modelling and a provision matrix.

Liquidity Risk
Managed through adequate cash reserves, marketable securities and rolling cash flow forecasts.

Interest Rate Risk
Managed through interest rate swaps and strategic financing decisions.

Equity Price Risk
Managed through regular senior management review and detailed financial planning.

Project And Pandemic Risk

GRI 2-12

Project risk:
Managed through detailed cost-benefit and ROI analysis before capital-intensive initiatives.

Pandemic risk:
Managed through established work-from-home and on-site attendance protocols aligned with WHO and Government of India guidelines, ensuring continuity of critical operations through adverse situations.

Turning Uncertainty Into Preparedness

During the year, feedstock-price exposure was managed through raw-material cost pass-through mechanisms, manufacturing integration and long-term sourcing arrangements. Currency and export related risks were managed conservatively, while major capital commitments were phased carefully to balance growth ambition with execution and scale-up discipline. Operational efficiency further supported risk reduction through improved yields, lower energy intensity, waste-value recovery and process-level cost management, reflects financial resilience and environmental performance.

Through regular reporting, internal audits, management reviews and Board oversight, we strengthen preparedness, protecting stakeholder value while creating opportunities for innovation, sustainability integration and long term competitive advantage.

Building a risk-aware organisation

Board oversight and risk capability-

Non-executive directors participate in annual enterprise risk management training covering emerging global risks, scenario analysis, stress-testing methodologies and developments in ISO 31000. Led by internal risk leaders and external experts, these sessions help strengthen Board-level oversight and informed decision-making, with participation formally tracked.

Risk culture, innovation and accountability-

Enterprise-wide risk management awareness programme builds a shared understanding of risk across the organisation. Through e-learning and workshops, workforce members are equipped with the fundamentals of risk identification, escalation protocols and risk-informed decision-making relevant to their roles. The effectiveness of these interventions through feedback surveys and compliance audits, supporting continuous improvement processes.

Approach embeds risk considerations into new product and service development, with proposals screened for financial, regulatory, operational and ESG risks. The outcomes are documented and reviewed as part of the approval process, and ensures that potential risks are identified and addressed before new products and services progress.

Performance management reinforces accountability for risk reduction by linking executive and member incentives to measurable outcomes. Relevant health and safety, regulatory compliance and ESG indicators, including reduction in lost-time injury frequency rates, regulatory compliance and achievement of climate risk mitigation targets, are incorporated into performance-linked incentives, aligning individual accountability with our broader risk management objectives.

Emerging risk preparedness-

We regularly assess emerging and long-term risks through our enterprise risk management process, considering external developments that could materially affect our strategy, operations and business model. Our assessment considers evolving technological, geopolitical, regulatory, environmental and macroeconomic developments, enabling us to identify emerging exposures and strengthen our preparedness before they impact the business significantly.

Emerging Risk 1: Accelerating AI and Advanced Technology Adoption	Emerging Risk 2: Increasing Geoeconomic and Technological Fragmentation
Category: Technological	**Category:** Geopolitical
Description: The rapid development and adoption of AI and other advanced technologies is expected to transform industrial processes, decision-making and workforce requirements over the coming decade. The pace of technological development and limited governance around emerging technologies could create new challenges for industrial businesses. (World Economic Forum)	**Description:** Growing geopolitical tensions and increasing fragmentation of global trade, technology and supply chains could reshape how businesses access markets, technologies and critical inputs. The WEF identifies geo-economic fragmentation and state intervention in strategic technologies and resources as important long-term developments. (World Economic Forum)
Impact: For Himadri, accelerated technology adoption could require significant changes to manufacturing processes, workforce capabilities, technology investments and business models. Delayed adaptation could affect productivity and our ability to respond to evolving customer and industry requirements.	**Impact:** For Himadri, increasing fragmentation could affect the availability and cost of critical inputs, access to international markets and technologies, and the resilience of our global supply and customer networks, potentially requiring changes to sourcing and market strategies.
Mitigating actions: We are strengthening digital capabilities and workforce readiness through technology adoption, reskilling and upskilling, while maintaining appropriate human oversight and monitoring developments in emerging technology standards and regulation. • **AI-enabled operations and systems:** We are progressively upgrading our operational systems to incorporate AI-enabled capabilities, with periodic technology deployments across our operations. These initiatives are intended to strengthen operational visibility, process optimisation, predictive capabilities and data-driven decision-making. • **AI-enabled advanced materials development:** We are integrating AI capabilities into our R&D programmes for next-generation battery materials to enhance material performance and support the development of customised, futuristic and sustainable solutions for the lithium-ion battery industry.	**Mitigating actions:** We monitor geopolitical and trade developments across our key markets and strengthen supply-chain resilience through diversified sourcing, customer and market engagement, and ongoing assessment of potential changes to trade and technology access. • **Raw-material procurement resilience:** Geopolitical disruptions and conflicts, including developments in regions such as Iraq and the broader West Asia region, can influence the availability, logistics and cost of critical raw materials. We strengthen supply resilience through diversified sourcing, adequate inventory levels, long-term supplier relationships and active monitoring of geopolitical developments. • **Trade and technology fragmentation:** Changes in global trade policies, tariffs, carbon regulations and supply-chain concentration, including developments affecting China-linked supply chains, can reshape market access, sourcing dynamics and competitive conditions. We are strengthening resilience through domestic sourcing linkages, diversified market access, technology-led product differentiation and expansion into higher-value speciality chemicals and advanced materials.

Responsible Supply Chain

Supplier ESG management, human rights and responsible sourcing.

GRI 2-6 | 308 | GRI 407 | 408 | 409 | 414

Business President - New Energy Materials

Building a Responsible Value Chain

Our commitment to sustainability extends beyond our operations to our entire value chain. We actively engage with partners to promote responsible sourcing, ethical practices, and environmental stewardship. By integrating ESG principles into our supplier ecosystem, we are building a resilient and future-ready value chain.

Mr. M. B. Gadgil

Why Supplier ESG Management Matters At Himadri

Himadri's value chain begins with carbon-rich feedstocks sourced from large-cap steel and oil-and-gas industries and extends through consumables, capital equipment and services procurement. A disruption or ESG failure anywhere in this extensive value chain spanning an unsafe supplier facility, a labour standards at a sub-tier vendor, an environmental non-compliance at a logistics partner carries the same reputational and regulatory exposure as an incident at Himadri's own plants. Therefore, supplier assessment is treated as a governance discipline with Board-level visibility.

Sustainable procurement is a cornerstone of Himadri's commitment to responsible business practices and our transition towards a low-carbon economy. During FY 2025-26, our approach remained anchored in a risk-based framework that enables us to identify, assess and manage Environmental, Social and Governance (ESG) risks across our supplier network.

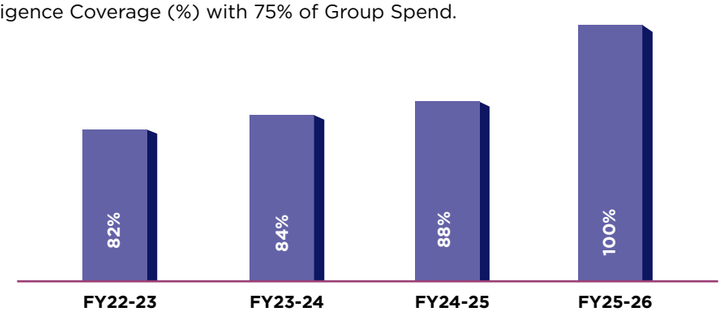
Responsible Value Chain & Customer Engagement

GRI 308-1 | 414-1

Indicator	FY25-26 target	FY25-26 result
Upstream value-chain partner sustainability assessment	100% of partners, covering 80% of group spend	100% of targeted partners, covering 80% of group spend
Downstream value-chain partner sustainability assessment	100% of partners, covering 80% of group sales	100% of targeted partners, covering 80% of group sales
Targeted suppliers covered by due diligence (human rights, environment, corruption, information security)	100% sustain	100% (up from 88.1% in FY24-25 and 84% in FY23-24)
Customer decarbonisation collaboration projects	2	1

Strengthening Our Value Chain, Year After Year

Supplier Due-Diligence Coverage (%) with 75% of Group Spend.



From commitment to comprehensive coverage.

A consistent, multi-year journey to 100% supplier due-diligence coverage, driving transparency, resilience and sustainable growth.

Policy Foundation And Supplier Expectations

GRI 2-23| 2-24

We have established a Sustainable Procurement Policy, aligned with ISO 20400:2017, that embeds responsible sourcing, ESG compliance and resource efficiency into our procurement decision-making. This is reinforced through our Supplier Code of Conduct, which every supplier is required to acknowledge through a mandatory self-declaration. The Code addresses environmental protection, labour and human rights, health and safety, and business ethics and integrity.

Our purchase orders embed labour compliance, health and safety, and sustainability clauses directly into supplier contracts, supporting our alignment with Principles of UNGC. We have set a target for 100% of suppliers to sign the Supplier Code of Conduct by 2026.

Supplier Screening And Significance

GRI 2-23| 2-24

We use a systematic, risk-based supplier screening process as the first step in our supply chain due diligence. The screening is conducted through desk-based analysis of available information to identify suppliers that may present significant ESG risks or have high business relevance, enabling us to prioritise subsequent assessment and development activities.

The screening considers four key dimensions: environmental, social, governance and business relevance. Environmental considerations include potential risks related to emissions, energy and resource use, pollution, waste and biodiversity. Social considerations include human and labour rights, working conditions, occupational health and safety and community impacts. Governance considerations include corruption, bribery, conflicts of interest and ethical business practices.

We also consider country-specific, sector-specific and commodity-specific risks, alongside business relevance factors such as spend, strategic importance and supplier substitutability. This approach enables us to identify significant suppliers based on a combination of potential ESG impact and business dependency.

Suppliers identified as having higher ESG risk or significant business relevance are prioritised for enhanced due diligence, including detailed supplier assessments, risk-based audits and, where required, corrective action and development measures. This screening process helps us focus resources on suppliers where potential ESG impacts and business dependencies are most significant.

Supplier ESG Programmes

Our Supplier ESG Programme provides a structured framework to identify, assess and address material ESG risks across our supply chain. The programme covers suppliers of raw materials, consumables, services and operational capital goods, as relevant to our business, and integrates ESG considerations into supplier engagement, assessment, development and ongoing monitoring.

Governance and accountability:

Our Board of Directors, through the Board-level ESG Committee, has oversight of the Supplier ESG Programme, supported by Executive Management and the Procurement and Sustainability functions. The ESG Committee reviews programme performance, material supply-chain risks, mitigation measures and supplier compliance outcomes, helping ensure that supply-chain ESG priorities remain integrated into the Company's broader sustainability strategy.

Alignment of purchasing practices:

We periodically review our purchasing practices to ensure that commercial requirements relating to cost, quality, specifications and delivery remain aligned with our Supplier Code of Conduct and ESG requirements. ESG considerations are incorporated into supplier evaluation and engagement, helping ensure that suppliers are given appropriate requirements and expectations to meet our sustainability standards.

Supplier eligibility and preference:

We apply minimum ESG expectations to suppliers as part of our supplier management process. Where suppliers do not meet applicable requirements, we engage with them through corrective action and improvement measures within defined timelines. Suppliers that do not demonstrate adequate improvement within the prescribed timeframe may be excluded from further contracting or business engagement until the requirements are met.

ESG performance is also considered alongside commercial, quality and delivery criteria in supplier selection and contract-awarding decisions. Suppliers demonstrating stronger ESG performance and appropriate management systems are considered favourably, supporting the integration of sustainability into purchasing decisions.

Internal Capability And Implementation:

We provide role-specific training and awareness programmes for buyers and relevant internal stakeholders involved in supplier management. These programmes strengthen understanding of the Supplier ESG Programme, supplier due diligence requirements, ESG risk identification, responsible sourcing expectations and the role of day-to-day purchasing decisions in achieving our sustainability objectives. This helps embed consistent ESG considerations across supplier selection, engagement, assessment and ongoing management.

Our Sustainable Procurement Policy is anchored by the Supplier Code of Conduct and the Supply Chain Partner Assessment Framework, supported by mandatory self-declaration and a KPI-driven risk register.

Supply Chain Partner Assessment Framework

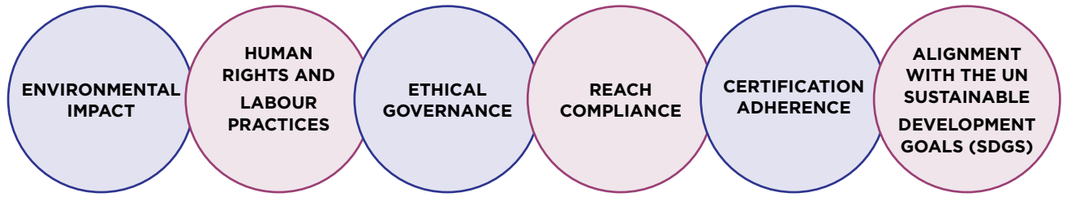
GRI 308-1 | 414-1

Our Sustainable Supply Chain Framework integrates ESG considerations into procurement and supplier management. Supplier desk assessments are conducted through structured self-assessment questionnaires, requiring suppliers to provide relevant information and supporting evidence on their environmental, social and governance practices. The information is reviewed and assessed against defined supplier requirements to identify ESG performance and potential risks.

Based on supplier risk, second-party on-site assessments is conducted through our purchasing teams and independent third-party assessments, where appropriate. These assessments involve review of relevant documents and records, evaluation of site-level practices and verification of environmental, labour, health and safety, human rights and governance performance. Findings are documented and incorporated into our supplier risk management and improvement processes.

Supply chain partner assessment framework — governance compliance, certification and standards, environment, and social and labour practices, supported by mandatory self-declaration, a KPI-driven risk register, and corrective action and monitoring.

These KPIs Assess Critical Aspects Such As:



Supplier KPIs assess environmental impact, human rights and labour practices, ethical governance, REACH compliance, certification adherence, and alignment with the UN Sustainable Development Goals.

Risk-Based Auditing And Corrective Action

GRI 308-2 | 414-2

Depending on a supplier's risk profile, we conduct on-site audits or remote evaluations covering environmental management systems, health and safety practices, labour conditions, and corporate governance and ethical compliance. This approach is aligned with our certifications under ISO 28000:2022, ISO 20400:2017 and SA 8000:2014.

Supplier audit and corrective action pathway: suppliers with no risks receive a 24-month audit validity; those with minor or major risks undergo a defined corrective action plan and re-audit, with major risks requiring re-audit within 6 months.

Where assessments identify minor or major risks, suppliers are required to develop documented corrective action plans that identify the issue and its root cause, define corrective measures and establish timelines for implementation. Progress is monitored through follow-up assessment, with major risks requiring re-assessment within six months. Suppliers that do not demonstrate adequate improvement within the defined timeframe are subject to escalation, which may include suspension or termination of the business relationship, where appropriate.

Human Rights, Labour And Governance Risk Categorisation

GRI 407-1 | 408-1 | 409-1

Our Supply Chain ESG Framework categorises risk across four dimensions — environmental, health and safety, labour and human rights, and corporate governance — each with a tailored mitigation strategy. Suppliers with unfair wages, restricted freedom of association, or non-compliant labour practices are engaged through a focused labour management plan. Our Supplier Code of Conduct explicitly prohibits child labour and forced or compulsory labour and requires suppliers to uphold freedom of association and collective bargaining rights.

Environmental risks	Health & safety risks	Labour and human rights risks	Corporate governance risks
Suppliers that fail to comply with environmental regulations, have high greenhouse gas emissions, or lack waste management protocols are classified as high-risk. Mitigation strategies for such suppliers include offering technical support to improve their environmental management systems or terminating contracts if improvements are not made.	Suppliers with unsafe working conditions, insufficient health and safety training, or poor compliance with safety standards are considered high-risk. Mitigation strategies for such suppliers include implementing certified health and safety management systems (such as ISO 45001) and providing training to help them improve worker safety.	Suppliers that are non-compliant with labour laws or exhibit poor labour practices, such as inadequate wages, lack of workers' rights, or unsafe working conditions, are addressed through a focused labour management plan. Himadri ensures that corrective measures are in place to improve working conditions and uphold human rights.	Suppliers with weak corporate governance, financial instability, or lack of cybersecurity measures are classified as medium-to-high risk. Himadri integrates detailed financial and governance reviews, offering support to improve transparency, governance practices, and cybersecurity protocols.

Risk categorisation across environmental, health and safety, labour and human rights, and corporate governance dimensions, each mapped to a tailored supplier mitigation strategy.

Case Example
Supplier ESG Due Diligence

As part of its sustainable procurement approach, Himadri conducted an ESG due-diligence exercise covering 14 identified downstream partners. Suppliers were initially invited to complete a structured ESG questionnaire as part of the self-assessment process.

The assessment indicated that several participating suppliers were at an early stage of ESG maturity, with relatively lean organisational structures. To support their continued participation and development, the suppliers were subsequently engaged through virtual assessments conducted with an independent assessment partner.

All 14 partners demonstrated willingness to participate in the assessment process. The exercise provided greater visibility into supplier ESG practices and identified opportunities to strengthen ESG capabilities through a phased approach to engagement, assessment and improvement.

The initiative reinforces Himadri's approach to responsible sourcing by combining supplier due diligence, independent assessment and progressive ESG capability building across its value chain.

Supplier Development And Capability Building

We support suppliers in strengthening their ESG capabilities through structured information sharing, training and practical guidance on our Supplier ESG Programme, assessment process and requirements, including ethics, human rights and labour practices, health and safety, environmental management and data protection. We communicate relevant expectations and improvement practices to help suppliers understand and strengthen their ESG performance.

Where assessments identify gaps, we provide remote and on-site guidance and support to suppliers in implementing corrective and improvement actions. This includes helping suppliers understand identified gaps, establish appropriate actions, address root causes and monitor progress towards closure.

For suppliers requiring more comprehensive support, we undertake longer-term capacity-building programmes focused on specific ESG performance areas. These programmes combine baseline assessments, targeted training, technical guidance, collaborative development of improvement measures and progress monitoring, with engagement sustained over a defined period to strengthen supplier capabilities and improve ESG performance beyond individual corrective actions.

We also provide participating suppliers with relevant ESG performance information, improvement examples and case studies, enabling them to understand good practices and benchmark their performance against established supplier expectations and benchmarks.

Coverage By Procurement Category

To enhance risk management and governance, procurement activities are categorised into three pillars — Raw Materials, Consumables, and Services — ensuring effective oversight and alignment with Himadri's sustainability commitments.

Index	Raw material	Consumable	Service
Spend covered under supplier ESG assessment	95%	4%	1%
Achieved, FY 2025-26	100%	93.06%	93.06%

Supplier Due Diligence Programme

GRI 308-1 | 414-1 | 414-2

Our Supplier Due Diligence ensures that partners align with our sustainability objectives and adhere to global standards of governance, social responsibility and environmental impact mitigation. The programme evaluates partners on anti-bribery, anti-corruption, prevention of child and forced labour, anti-tax evasion, and data security, through a systematic process of assessment, categorisation, monitoring and continuous improvement.

Initial Risk Assessment	Self-Assessment Questionnaire	Verification and Audits
• Screening partners through background checks, financial health evaluations, and historical compliance with ethical standards. • Categorising partners based on risk level (low, medium, or high) to prioritise further due diligence actions.	• Partners complete a detailed questionnaire covering all due diligence elements, providing insights into their practices, policies, and operational standards. • Based on the questionnaire and background check, downstream partners are categorised initially and identified as high-risk, medium-risk, and low-risk.	• High-risk partners undergo third-party audits to validate responses and identify areas for improvement. • Audits focus on operational practices, documentation of policies, and adherence to Himadri's ethical standards. • Based on the audit findings, downstream value chain partners are subsequently categorised in high-risk, medium-risk, and low-risk profiles.

Our due diligence process: initial risk assessment and background screening, a self-assessment questionnaire, verification and third-party audits for high-risk partners, tailored risk mitigation and corrective action plans, ongoing monitoring and review, and structured engagement and training on ethics, labour law and data protection.

Inclusive Value Chain And MSME Engagement

Guided by the principles of Diversity, Equity, Inclusion and Belonging, we engage with women-led, minority-owned and socially vulnerable enterprise partners in our value chain, and we prioritise sourcing consumables from these groups wherever the specialised nature of our raw material inputs permits. We focus Micro, Small and Medium Enterprises as strategic partners, supporting them through long-term procurement contracts, capacity-building programmes and knowledge-sharing on quality, safety and sustainability. We also prioritise sourcing consumables and services from local businesses and community enterprises near our operations, strengthening regional economic development while reducing transportation-related emissions.

Reporting

Particular	FY23-24	FY24-25	FY25-26
% of targeted suppliers that have signed the sustainable procurement charter / Supplier Code of Conduct	100%	100%	100%
% of targeted suppliers with contracts including environmental, labour and human rights clauses	100%	100%	100%
% of targeted suppliers that have undergone a CSR assessment (e.g. questionnaire)	84%	88.10%	100%
% of buyers across all locations trained on sustainable procurement	100%	100%	100%

Way Forward

- Continue periodic sustainability assessments and risk-based reassessments across upstream and downstream partners, moving from 75% to the 80% spend/sales coverage target set for FY 2026-27.
- Deepen supplier capacity-building for identified ESG gaps, particularly among smaller suppliers at a nascent stage of ESG maturity.
- Extend value-chain partner integration into SAP for structured, auditable partner management.
- Advance the pilot project(s) to jointly progress sustainability targets in collaboration with selected value-chain partners.

  Sustainable Procurement Policy and Supplier Code of Conduct: www.himadri.com/policies

Digital Governance & Data Privacy

GRI 418-1

Cybersecurity, Data Governance And Responsible AI

Trust in the digital age depends on how effectively organisations protect the information entrusted to them, and at Himadri, it is taken with the same seriousness as physical safety. This section reflects our CARE value of **Reliability,** building trust through consistent, dependable protection of the data that flows through every part of our business

Certified Foundation

We hold **ISO 27001:2022** certification for the information security management system, the internationally recognised benchmark for protecting confidentiality, integrity and availability of information. Our controls combine technology, governance, policy, member awareness, trainings and periodic internal audits to address cyberattacks, data loss, unauthorised access, privacy breaches and business interruption.

Information is classified based on sensitivity, with role-based access controls restricting confidential and sensitive data to authorised personnel only. Our network and system security relies on firewalls, intrusion detection and prevention systems, encryption, secure storage arrangements and periodic system reviews. A formal **Incident Response Plan** supports timely identification, escalation and management of potential cybersecurity incidents, backed by business continuity and recovery processes designed to restore critical systems swiftly following any disruption. Customer and workforce data collection, processing, storage, retention and disposal are governed through appropriate controls and applicable privacy requirements, including GDPR wherever relevant, and external vendors and service providers undergo security due diligence before receiving access to sensitive systems or data.

Building Cyber Resilience

Data classification and access control

Information is classified based on sensitivity. Role-based access controls restrict confidential and sensitive data to authorised personnel only, keeping exposure limited to authorised personnel with legitimate business need.

Network and system security

Our network security relies on firewalls, intrusion detection and prevention systems, encryption, secure storage arrangements and periodic system reviews. These layers work together to strengthen cyber resilience across our IT environment.

Incident response and business continuity

A formal **Incident Response Plan** supports timely identification, escalation and management of potential cybersecurity incidents. Business continuity and recovery processes are built to restore critical systems swiftly following any disruption, minimising potential operational impact.

Third-party and vendor security

External vendors and service providers undergo security due diligence before receiving access to sensitive systems or data. This extends our data protection standards across our digital supply chain.

Protecting customer and employee data

Customer and workforce data collection, processing, storage, retention and disposal are governed through appropriate controls and applicable privacy requirements, including GDPR wherever relevant. These measures help ensure a consistent standard of data protection across the organisation.

Regular audits and awareness building

Periodic security audits and team members awareness programmes identify vulnerabilities and reinforce responsible data handling practices. Cybersecurity protocols and information management training are delivered annually to every members through our **UTKARSH** digital learning platform, supporting awareness on emerging threats & other information protection requirements.

Independent Verification By TÜV SÜD

A comprehensive Information Security Due Diligence Assessment, conducted by TÜV SÜD, reviewed the adequacy of our digital risk controls against ISO/IEC 27001 principles. The assessment covered:

- IT governance and security policies
- Monitoring systems, firewalls and endpoint security
- Access management, including User Access Reviews and Segregation of Duties
- Incident management and escalation procedures
- Authentication controls, including multi-factor authentication
- Vulnerability assessment and penetration testing
- Change management for system updates
- Data protection and encryption, at rest and in transit
- Backup, restoration and recovery testing
- Third-party and vendor security, including Data Processing Agreements

This independent assessment reaffirms our commitment to robust information security, continuous improvement and protection of stakeholder trust.

Our FY 2025-26 Outcomes

We are pleased to report a fully clean result across every measure this assessment tracked:

Data-security issues	**None**
Data-privacy complaints	None
Cybersecurity complaints	**None**
Reported data-breach incidents	None
IT systems covered by vulnerability assessment	**100%**

A clean outcome across all indicators reflects our strong commitment to data security, privacy and cyber resilience.

Together, our internal controls and this independent external assessment reinforce financial governance, ethical compliance, cybersecurity resilience and stakeholder confidence in our ability to safeguard the information entrusted to us.

Public Policy & Industry Collaboration

Industry associations, advocacy and policy engagement.

GRI 2-28 | 415

Our Approach

Global sustainability challenges require collaboration across industries, institutions and value chains. In FY 2025-26, Himadri strengthened its sustainability approach through alignment with globally recognised initiatives and frameworks, including the UN Global Compact, ICCA Responsible Care, ISCC PLUS and the Global DEI Alliance. These engagements support responsible growth, environmental stewardship, ethical conduct, inclusion and continuous improvement.

Himadri also collaborated with suppliers, customers, research institutions and industry partners to advance responsible sourcing, circular feedstocks, low-carbon products and application-led innovation. Our open-innovation approach includes partnerships with universities, start-ups and customer laboratories to accelerate the development and adoption of sustainable solutions.

Our industry engagements focus on advancing responsible business practices, chemical safety, industry standards and the transition towards a lower-carbon economy.

Membership Of Associations

(GRI 2-28)

Himadri maintains trade and industry affiliations across national and international platforms. Through these forums, the Company contributes to policy dialogue, sustainable industry standards, fair competition and the exchange of best practices.

Our Industry Associations

Collaborating across platforms to strengthen industry standards, promote sustainability and accelerate the low-carbon transition.

STATE
1 Association

- Highly Chamber of Commerce & Industry

Stronger together
Building partnerships for a responsible and Sustainable future

National
9 Association

- Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)
- Bharat Chamber of Commerce
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industry (CII)
- Carbon Black Manufacturers Association (CBMA)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- All India Rubber Industries Association
- Indian Chemical Council
- Indian Chamber of Commerce

INTERNATIONAL
5 Association

International Tar Association	International Sustainability and Carbon Certification (ISCC PLUS)	United Nations Global Compact (UNGC)	British Safety Council	European Society for Opinion and Marketing Research (ESOMAR)

Our memberships reflect our commitment to industry collaboration, best practices and the collective progress towards a low-carbon, inclusive and responsible future.

Through its national, state and international affiliations, Himadri engages with government bodies, research institutions and industry partners on environmental stewardship, responsible industrial practices, innovation and inclusive economic growth. These engagements support the exchange of sustainability knowledge, policy perspectives and industry best practices.

Political And Public Policy Contributions

GRI 415-1

Himadri maintains a transparent and responsible approach to public-policy engagement, guided by its governance framework and Code of Conduct. The Company made no political contributions during FY 2025 26.

Public-policy engagement is undertaken through legitimate industry associations and formal regulatory consultation processes, with a focus on contributing to constructive policy dialogue relevant to the Company's operations and industry.

Himadri has reported engagement in public-policy advocacy since FY 2023-24. The Company also integrates ESG considerations into leadership accountability, with executive compensation linked to ESG performance metrics during FY 2021-22 to FY 2025-26.

Lobbying And Trade Associations – Climate Alignment

Our approach to public policy engagement and trade association participation is governed by processes designed to ensure that our climate-related positions and activities are aligned with the goals of the Paris Agreement, 2015. This framework applies to our direct lobbying activities and trade association memberships across all jurisdictions where we operate.

Our climate policy position supports specific measures that enable decarbonisation, including effective carbon pricing, renewable energy deployment, energy-efficiency measures and policies that support the transition towards lower-carbon industrial processes. We support regulatory and policy developments that are consistent with limiting global warming to well below 2°C and do not support policies that would materially delay or weaken credible decarbonisation pathways.

Our governance and management processes establish clear accountability for public policy engagement, lobbying activities and trade association memberships, with relevant matters subject to senior management oversight. We maintain appropriate records of our public policy engagements and trade association memberships and assess relevant climate-policy positions as part of our governance process.

Our review and monitoring process assesses the alignment of both direct lobbying activities and trade association engagements with our climate policy position and the Paris Agreement (2015). Direct policy engagements are reviewed before participation where applicable, while trade associations are assessed periodically and during consideration of new memberships, including consideration of their climate-related policy positions and advocacy activities.

Our approach to misalignment requires us to engage with a trade association where its climate-policy position or advocacy is materially inconsistent with our own position. We seek greater alignment through structured engagement and escalation, including defined follow-up where appropriate. Where material misalignment cannot be resolved, we may publicly clarify our position, reconsider or withdraw our membership, or work with other stakeholders to support Paris-aligned policy outcomes.

Our reporting provides transparency on material climate-related public policy engagement and relevant trade association climate-policy positions and activities, where applicable. Through these processes, we seek to ensure that our participation in public policy engagement and industry associations remains consistent with our climate objectives and supports credible progress towards the Paris Agreement (2015) goals.

Advancing Responsible Industry Practices

Himadri's industry collaborations extend beyond policy dialogue to practical areas of sustainability and innovation, including:

Our Industry Focus

Responsible Chemistry
Supporting stronger chemical safety, responsible handling and industry standards.

Circular Economy
Advancing circular feedstocks, resource recovery and waste-to-value solutions.

Climate Action
Supporting the transition towards renewable energy, lower-carbon materials and value-chain decarbonisation.

Sustainable Innovation
Collaborating with research institutions, start-ups, customers and industry partners to develop application-led solutions.

Knowledge & Capability Building
Sharing and adopting emerging practices through industry platforms and professional networks.

Leadership In The Wider Sustainability Dialogue

Himadri actively contributes to the industry and sustainability forums, sharing perspectives on climate action, responsible business, ESG integration, sustainable trade and resilient growth. During FY 2025–26, senior leaders represented the Company across leading platforms including the UN Global Compact National Convention, ICC Environment Partnership Summit, CII–CTIL's CBAM workshop, Global ESG Conference, EXCEED Environment Conference and BT MindRush. These engagements enable Himadri to contribute industry perspectives while strengthening collaboration and knowledge-sharing across the evolving sustainability landscape.

Preparing for carbon-linked trade
"Discussions in CII–CTIL CBAM Workshop focused on CBAM's implications for India's export competitiveness and the preparedness needed for sustainable global trade."

India's Top Value Creator 2025 – Chemicals
Himadri was recognised as **"India's Top Value Creator 2025 – Chemicals" by Dun & Bradstreet India** at the D&B Summit in Mumbai. The recognition reflects Himadri's focus on **long-term, sustainable value creation through responsible growth, operational excellence and stakeholder trust**, reinforcing its position as a leading and enduring player in the chemicals sector.

Science Based Targets Initiative And Climate Policy Collaboration

Himadri aligns its climate governance with TCFD, CDP, the GHG Protocol and SBTi principles. The Company received CDP B ratings for Climate Change and Water Security and a CDP A rating for Supplier Engagement, and its Net-Zero 2050 target has been validated by SBTi.

Himadri's Net - Zero 2050 roadmap has been developed using the Science Based Targets initiative (SBTi) Absolute Contraction Approach, with Scope 1 using FY 2021-22 as its baseline and Scope 3 using FY 2023-24, and with the Company's long-term commitment monitored at the Board level.

Looking Ahead

Himadri will continue to use its industry and stakeholder relationships as platforms for collaboration, knowledge exchange and responsible policy dialogue. Key priorities will include:

- Strengthening industry collaboration on responsible chemistry, circular economy and climate action.
- Deepening stakeholder engagement on emerging environmental regulations and the low-carbon transition.
- Advancing value-chain partnerships to support responsible sourcing, sustainable materials and customer decarbonisation.
- Expanding open innovation through collaboration with research institutions, universities, start-ups and customers.
- Progressing the Net - Zero 2050 roadmap and continuing engagement with relevant global sustainability initiatives.
- Maintaining transparent public-policy engagement through established governance processes and industry platforms.
- Through these efforts, Himadri seeks to contribute not only to its own sustainability transition, but also to the evolution of more responsible, resilient and future-ready industrial practices across its value chain and wider industry ecosystem.

Annexures FY 2025-26

Environment

Direct Greenhouse Gas Emissions (Scope 1)

Direct GHG (Scope 1)	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Total direct GHG emissions (Scope 1)	Metric tonnes CO_2 equivalents	4,15,144.64	3,85,752.52	4,09,576.40	4,01,152.63	4,22,398.22	**4,43,518.00**

Indirect Greenhouse Gas Emissions (Scope 2)

GHG (Scope 2)	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Location-based	Metric tonnes of CO_2 equivalents	2,520	2,112.00	3,282.21	3,740.32	3,534.11	**3,710.00**
Market-based	Metric tonnes of CO_2 equivalents	2,520	2,112.00	3,282.21	3,740.32	0	**0**

Indirect Greenhouse Gas Emissions (Scope 3)

GHG (Scope 3)	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Total indirect GHG emissions (Scope 3)	Metric tonnes of CO_2 equivalents	-	-	9,89,416.73	8,93,507.66	12,47,430.99	**12,65,437.34**

Scope 3 Category	Emissions in the reporting year (metric tonnes CO_2e) in FY25-26	Emissions calculation methodology and exclusions
1. Purchased goods and services	7,98,951.00	Average-data method
2. Capital goods	7,173.50	Spend-based method
3. Fuel-and-energy-related-activities (not included in Scope 1 or 2)	879.14	Average-data method
4. Upstream transportation and distribution	99,022.00	Distance-based method
5. Waste generated in operations	764.70	Waste-type-specific method
6. Business travel	957.74	Distance-based method
7. Employee commuting	217.69	Fuel-based method
8. Upstream leased assets	56.09	Average-data method
9. Downstream transportation and distribution	74,260.79	Distance-based method
10. Processing of sold products	2,63,583.43	Activity-based method
11. Use of sold products	-	-
12. End-of-life treatment of sold products	1564.91	Activity-based method
13. Downstream leased assets	-	
14. Franchises	-	
15. Investments	-	
Other upstream	-	

Chemical Oxygen Demand

Direct Chemical Oxygen Demand	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Direct Chemical Oxygen Demand	Metric tonnes	12.30	9.46	11.59	11.41	6.53	**7.00**

Volatile Organic Compounds Emissions

VOC Emissions	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Direct VOC emissions	Metric tonnes	0	0	0	0	0	**0**

NOx Emissions

Direct NOx emissions	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Direct NOx emissions	Metric tonnes	12.43	13.26	15.49	18.02	19.91	**20.00**

SOx Emissions

Direct SOx emissions	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Direct SOx emissions	Metric tonnes	63.34	67.59	78.94	91.80	65.30	**70.00**

Non-Hazardous Waste

Waste	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Total waste recycled/ reused	Metric tonnes	1,337.27	1,845.68	2,637.25	1,381.88	1,920.29	**2,016.00**
Total waste disposed	Metric tonnes	0	0	0	0	0	
- Waste landfilled	Metric tonnes	0	0	0	0	0	
- Waste incinerated with energy recovery	Metric tonnes	0	0	0	0	0	
- Waste incinerated without energy recovery	Metric tonnes	0	0	0	0	0	
- Waste otherwise disposed, please specify	Metric tonnes	0	0	0	0	0	
- Waste with unknown disposal method	Metric tonnes	0	0	0	0	0	

Hazardous Waste

	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Total hazardous waste recycled/reused	Metric tons	0	0	0	0	0	
Total hazardous waste disposed	Metric tons	4.43	3.07	3.91	6.04	2.27	**3**
- Hazardous waste landfilled	Metric tons	1.49	1.44	1.67	3.12	1.34	
- Hazardous waste incinerated with energy recovery	Metric tons	0	0	0	0	0	
- Hazardous waste incinerated without energy recovery	Metric tons	2.94	1.63	2.24	2.92	0.93	
- Hazardous waste otherwise disposed, please specify:	Metric tons	0	0	0	0	0	
- Hazardous waste with unknown disposal method	Metric tons	0	0	0	0	0	

Water Consumption

Water	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
A. Water withdrawal (excluding saltwater)	Million cubic meters	0.936	0.922	1.019	1.047	1.059	
B. Water discharge (excluding saltwater)	Million cubic meters	0	0	0	0	0	
Total net fresh water consumption (A-B)	Million cubic meters	0.936	0.922	1.019	1.047	1.059	**1.111**

Water Consumption in Water-Stressed Areas

Water Consumption in Areas with Water Stress	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Total net freshwater consumption in water-stressed areas (Total water withdrawals-Total water discharges)	Million cubic meters	0.013	0.013	0.003	0.003	0.002	**0.005**

Exposure to Water Stressed Areas

Production Plants	Number
Number of production plants in the last financial year in water-stressed areas (e.g. <1700 m^3/person*year)	2
Total number of production plants in the last financial year	7
Percentage of production plants in the last financial year in water-stressed areas (e.g. <1700 m^3/person*year)	28.57%
Percentage of cost of goods sold (COGS) in the last financial year	14.60%

Sustainable Revenues

Raw Materials	Unit	FY25-26
Renewable raw materials	Percentage	0.00883%

Revenues from	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Sustainable revenues (Rs.)	2,77,38,854	4,15,22,787	4,16,10,268	4,57,21,192	4,38,58,062

Environmental Violations

Metric	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Number of violations of legal obligations/regulations	0	0	0	0	0
Amount of fines/penalties related to the above	0	0	0	0	0
Environmental liability accrued at year end	0	0	0	0	0

Energy Consumption

Total Energy Consumption	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Total non-renewable energy consumption	MWh	95,686.11	1,00,421.24	1,09,227.33	1,19,461.89	1,20,327.81	**1,26,345**
Total renewable energy consumption	MWh	0	0	0	0	0	

Social

Lost-Time Injury Frequency Rate (LTIFR) - Employees & Contractors(Workers)

LTIFR	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Employees — LTIFR	LTIFR (lost time injuries / 1 million hours worked)	5.28	2.73	1.93	0	0
Contractors— LTIFR	LTIFR (lost time injuries / 1 million hours worked)	3.10	2.02	0.6	0	0

Fatalities

Fatalities	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Employees	0	0	0	0	0
Contractors	0	0	0	0	0

Process Safety Events - Tier 1

Process Safety Events: Tier 1	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Number per million hours worked	Number	0	0	0	0	0	0

Gender Pay Gap

Indicator	Difference between men and women employees (percentage)
Mean gender pay gap	9.43%
Median gender pay gap	24.94%
Mean bonus gap	17.34%
Median bonus gap	54.92%

Workforce Breakdown: Gender

Diversity Indicator	Percentage (0–100%) in FY25-26	Public Target FY2026-27
Share of women in total workforce (as a percentage of total workforce)	5.86%	7%
Share of women in all management positions, including junior, middle and top management (as a percentage of total management positions)	5.86%	7%
Share of women in junior management positions (as a percentage of total junior management positions)	5.73%	7%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as a percentage of total top management positions)	4.44%	5%
Share of women in management positions in revenue-generating functions (e.g. sales) as a percentage of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	31.25%	25%
Share of women in STEM-related positions (as a percentage of total STEM positions)	4.57%	7%

Employee Turnover Rate

Turnover Rate	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Total employee turnover rate	10.99%	8.57%	8.26%	4.31%	4.91%
Voluntary employee turnover rate	10.99%	8.57%	8.26%	4.31%	4.91%

Employee Turnover Rate - Gender

Total Turnover Rate	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Male	10.34%	7.86%	7.90%	3.79%	4.43%
Female	0.65%	0.71%	0.36%	0.52%	0.47%

Employee Turnover Rate - Age

Total Turnover Rate	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Age >30	-	-	2.21	1.67	3.59
Age 30-50	-	-	7.14	5.51	1.80
Age 50<	-	-	0.26	0.26	0.09

Workforce Trade Union and Collective Bargaining Coverage

Metric	Unit	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Percentage of employees represented by an independent trade union or covered by collective bargaining agreements	Percentage	0%	0%	0%	0%	0%

Human Rights Assessment

Category	A. % of total assessed in last 3 years	B. % of assessed where risks identified	C. % of identified risks with mitigation actions taken
Own operations (including joint ventures where the company has management control)	100%	100%	100%
Contractors and Tier I suppliers	100%	100%	100%
Joint ventures (including stakes above 10%)	100%	100%	100%

Training & Development Inputs

Metric	FY22-23	FY23-24	FY24-25	FY25-26
Average hours per FTE of training and development	13.00	21.90	26.00	28.40
Average amount spent per FTE on training and development (Rs.)	7,808.20	11,745.49	1237.96	3,214.39

Hiring

Metric	FY22-23	FY23-24	FY24-25	FY25-26
Total number of new employee hires	114	118	129	264
Percentage of open positions filled by internal candidates (internal hires)	0%	0%	0%	0%

Hiring - Categories

New Employee Hires	FY22-23	FY23-24	FY24-25	FY 25-26
Male	106	112	108	241
Female	8	6	21	23
Age >30	38	40	56	146
Age 30-50	74	73	67	110
Age 50<	2	5	6	8

Customer Satisfaction Measurement

Customer Satisfaction Measurement	Unit	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY 25-26
Satisfaction measurement	Satisfaction measurement methodology:	-	99.01%	99.13%	99.06%	**90.00%**

Trend of Employee Wellbeing

Unit	FY22-23	FY23-24	FY24-25	FY25-26	Target for FY25-26
Percentage of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS)	-	80% Internal Survey	80% Internal Survey	81% External Survey GTPW Score	**80.00%**

Particulars	Units	FY21-22	FY22-23	FY23-24	FY24-25	F25-26
Learning and capability development						
Training on discrimination and harassment to all employees	%	99.8	99.8	99.8	99.9	100
Training on eradication of child and forced labour to all employees	%	99.8	99.8	99.8	99.9	100
Training on Diversity, Equity and Inclusion to all employees	%	100	100	100	100	100
Security personnel trained in human rights policies or procedures	%	100	100	100	100	100
Female Employee representation in the organisation						
Women employed within the whole organisation	%	4.12	4.43	4.56	5.56	6.14
Women at top management level within the organisation	%	12.5	11.11	11.11	16.67	14.29
Women representation within the organisation's board	%	7.69	11.11	12.50	16.67	14.29
Wage equity and transparency						
Gross wages paid to female as % of total wages paid	%	2.55	3.25	3.25	4	4.84
Average unadjusted gender pay gap	%	33	22	21	22	18
Assessment of facilities and value chain entities						
Assessment of plant/ offices on sexual harassment, discrimination at workplace, wages, other human rights related issues	%	100	100	100	100	100

Particulars	Units	FY21-22	FY22-23	FY23-24	FY24-25	F25-26
Internal/external assessment of offices and plants of any complaints related to working conditions and employee health and safety	%	100	100	100	100	100
Assessment of plants and offices for child labor, forced labor and human trafficking	%	-	100	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	100%
Welfare actions						
Stress-relieving active measures in place	Yes/No	Yes	Yes	Yes	Yes	Yes
Compensation for extra or atypical working hours paid	Yes/No	Yes	Yes	Yes	Yes	Yes
Additional days leave beyond standard vacation days granted	Yes/No	Yes	Yes	Yes	Yes	Yes
Complaints and grievance disclosure						
Complaints on sexual harassment, discrimination at workplace, wages, other human rights related issues	No.s	Nil	Nil	Nil	Nil	Nil
Complaints filed under POSH	No.s	Nil	Nil	Nil	Nil	Nil
Incidents of violations involving rights of indigenous peoples	No.s	Nil	Nil	Nil	Nil	Nil
Incidents of discrimination and corrective actions taken	No.s	Nil	Nil	Nil	Nil	Nil

Governance

Reporting on Breaches

Reporting Area	Number of Incident in FY21-22	Number of Incident in FY22-23	Number of Incident in FY23-24	Number of Incident in FY24-25	Number of Incident in FY25-26	Target
Corruption or Bribery	0	0	0	0	0	**0**
Discrimination or Harassment	0	0	0	0	0	**0**
Customer Privacy Data	0	0	0	0	0	**0**
Conflicts of Interest	0	0	0	0	0	**0**
Money Laundering or Insider Trading	0	0	0	0	0	**0**
The company reports the amount of fines related to corruption and bribery cases	0	0	0	0	0	**0**
The company reports the amount of convictions related to corruption and bribery	0	0	0	0	0	**0**

Metric	Number of Incident in FY21-22	Number of Incident in FY22-23	Number of Incident in FY23-24	Number of Incident in FY24-25	Number of Incident in FY25-26	Target
Number of confirmed information security incidents	0	0	0	0	0	**0**
Number of reports related to whistleblower procedure	0	0	0	0	0	**0**

Reporting on Breaches

Metric	FY25-26
The company reports the amount of fines related to corruption and bribery cases	0
The company reports the amount of convictions related to corruption and bribery	0

Contributions & Other Spending

Contributions	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Lobbying, interest representation or similar	0	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	0	0	0	0	0
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0	0
Total contributions and other spending	0	0	0	0	0

KPIs for Supplier Assessment and Development

KPI for Supplier Assessment and Development(Tier-1 and non-Tier-1 suppliers)	FY25-26
1.1. Total number of unique suppliers	942
1.2. Number of unique significant suppliers	173
1.3. Number of unique significant suppliers supported with development measures (as a subset of 1.2)	161
1.4. Number of unique significant suppliers assessed via desk assessments/on-site assessments (as a subset of 1.2)	161
1.5. Number of unique significant suppliers assessed with substantial actual/ potential negative impacts (as a subset of 1.4)	161
1.6. Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan (as a subset of 1.5)	Nil
1.7. Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated (as a subset of 1.5)	Nil

Disclaimer:

The targets presented in this 'ESG Databook' section reflect Himadri Speciality Chemical Ltd's current operational context and the assumptions considered in their development and may evolve as circumstances, data and business priorities change.

United Nations Sustainable Development Goals (UN SDGs) and Himadri

UN SDG	Section	Linkage
SDG 1 No Poverty	CSR & Community Development	Livelihood and inclusive community development
SDG 2 Zero Hunger	CSR & Community Development	Food security and nutrition-linked community programmes
SDG 3 Good Health and Well-being	Occupational Health & Safety; 4f Employee Well-being & Engagement	Zero Accident Vision; employee health, safety and wellness
SDG 4 Quality Education	Learning & Capability Development; 5h CSR & Community Development	Employee capability building; community education initiatives
SDG 5 Gender Equality	Diversity, Equity & Inclusion	Gender diversity in management team; DE&I policy and targets
SDG 6 Clean Water and Sanitation	Water Stewardship	Water withdrawal, consumption, ZLD, water-stressed area management, WASH provision
SDG 7 Affordable and Clean Energy	Energy Management; Climate Strategy & Decarbonisation	Energy intensity reduction, renewable electricity (I-REC), captive power from recovered waste gas
SDG 8 Decent Work and Economic Growth	Human Capital Management; Human Rights & Labour Practices	Employment, human rights due diligence, supplier labour standards
SDG 9 Industry, Innovation and Infrastructure	Sustainable Products & Innovation; Business Strategy	Advanced materials R&D, battery materials platform, LCA, product innovation
SDG 10 Reduced Inequalities	Diversity, Equity & Inclusion	Gender diversity, inclusion initiatives, equal opportunity
SDG 11 Sustainable Cities and Communities	CSR & Community Development	Community infrastructure and inclusive development programmes
SDG 12 Responsible Consumption and Production	Circular Economy & Waste Management; Responsible Supply Chain	Waste management, circularity, non-virgin raw material use, supplier ESG assessment

UN SDG		Section	Linkage
	SDG 13 Climate Action	Climate Strategy & Decarbonisation; Greenhouse Gas Emissions; Climate Risk & Opportunity	Net - Zero 2050, Scope 1/2/3 emissions, TCFD, internal carbon pricing
	SDG 14 Life Below Water	Water Stewardship	Discharge management, ZLD, protection of surface water bodies
	SDG 15 Life on Land	Biodiversity & Natural Capital Management	Greenbelt development, plantation, biodiversity stewardship
	SDG 16 Peace, Justice and Strong Institutions	Board Governance & ESG Oversight; Ethics, Compliance & Integrity	Board governance, anti-corruption, whistleblower mechanism, ethical conduct
	SDG 17 Partnerships for the Goals	Public Policy & Industry Collaboration; Internal Carbon Pricing	Industry association membership, UNGC signatory status, value-chain partnerships

UNGC Principles Mapping

Himadri Speciality Chemical Ltd is a direct signatory to the United Nations Global Compact.

Category	Principle	Statement	Section reference
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Human Rights & Labour Practices; Responsible Supply Chain
	Principle 2	Make sure that they are not complicit in human rights abuses	Human Rights & Labour Practices; Responsible Supply Chain
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Rights & Labour Practices
	Principle 4	The elimination of all forms of forced and compulsory labour	Human Rights & Labour Practices; Responsible Supply Chain
	Principle 5	The effective abolition of child labour	Human Rights & Labour Practices; Responsible Supply Chain
	Principle 6	The elimination of discrimination in respect of employment and occupation	Diversity, Equity & Inclusion; Human Rights & Labour Practices
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges	Climate Strategy & Decarbonisation; Climate Risk & Opportunity
	Principle 8	Undertake initiatives to promote greater environmental responsibility	Environmental Performance Dashboard; Energy Management; Water Stewardship; Circular Economy & Waste Management; Biodiversity & Natural Capital Management
	Principle 9	Encourage the development and diffusion of environmentally friendly technologies	Energy Management; Internal Carbon Pricing; Sustainable Products & Innovation
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Ethics, Compliance & Integrity

GRI Content Index

Statement of use	Himadri Speciality Chemical Ltd has reported in accordance with the GRI Standards for the period FY 2025-26 (01 April 2025 to 31 March 2026).
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	-

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	Introduction > About Himadri (About Himadri) – pp. 15–20				
	2-2 Entities included in the organization's sustainability reporting	Introduction > About the Report (Reporting Boundary and Scope) – pp. 11–12				
	2-3 Reporting period, frequency and contact point	Introduction > About the Report (Reporting Boundary and Scope; Report at a Glance; contact details) – pp. 11–13				
	2-4 Restatements of information	Introduction > About the Report (Restatements and Changes in Reporting) – p. 12				
	2-5 External assurance	Introduction > About the Report (External Assurance) – p. 12; Annexures > Assurance Statement on Third-Party Verification of Sustainability Information				
	2-6 Activities, value chain and other business relationships	Introduction > About Himadri (Business Segments, Product Portfolio, Manufacturing Footprint, Corporate Structure, Markets Served and Value Chain) – pp. 15–20; Strategy & Value Creation > Value Creation Model (Inputs, Activities, Outputs and Outcomes by Capital) – pp. 39–44				
	2-7 Employees	People & Communities > Human Capital Management (Workforce Gender Representation – Employees) – p. 130; Annexures > Social (Workforce Breakdown and Hiring) – pp. 216–218				
	2-8 Workers who are not employees	People & Communities > Human Capital Management (Workforce Gender Representation – Workers) – p. 130				
	2-9 Governance structure and composition	Governance & Responsible Business > Board Governance & ESG Oversight (Board Size and Composition; Board Composition; Board Competency Matrix) – pp. 182–183				
	2-10 Nomination and selection of the highest governance body	Governance & Responsible Business > Board Governance & ESG Oversight (Nomination and Remuneration Committee) – p. 186; Annual Report FY 2025-26 > Nomination and Remuneration Policy – pp. 220–221				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Governance & Responsible Business > Board Governance & ESG Oversight (Board Composition – Chairman, Managing Director & CEO) – p. 182				
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance & Responsible Business > Board Governance & ESG Oversight (What the Board Is Accountable For) – pp. 183–184; Governance & Responsible Business > Sustainability Governance (ESG Committee at Board) – pp. 184–185				
	2-13 Delegation of responsibility for managing impacts	Governance & Responsible Business > Sustainability Governance (ESG Council, Sustainability Steering Committee, ESG Task Forces) – pp. 184–185; Governance & Responsible Business > Enterprise Risk Management (Who Owns Risk at Himadri) – p. 192				
	2-14 Role of the highest governance body in sustainability reporting	Governance & Responsible Business > Board Governance & ESG Oversight (Environment, Social and Governance Committee – Sustainability Reporting Oversight) – p. 186				
	2-15 Conflicts of interest	Governance & Responsible Business > Board Governance & ESG Oversight (Managing Conflicts of Interest) – p. 186				
	2-16 Communication of critical concerns	Governance & Responsible Business > Ethics, Compliance & Integrity (Our Speak Up Mechanism; Flow of Whistle Blower Mechanism) – pp. 190–191; Strategy & Value Creation > Stakeholder Engagement (How Concerns Reach the Right People) – pp. 47–48				
	2-17 Collective knowledge of the highest governance body	Governance & Responsible Business > Enterprise Risk Management (Board Oversight and Risk Capability; Annual Enterprise Risk Management Training for Non-Executive Directors) – pp. 192–195				
	2-18 Evaluation of the performance of the highest governance body	Governance & Responsible Business > Board Governance & ESG Oversight (How Board Performance Gets Evaluated) – p. 186				
	2-19 Remuneration policies	Annual Report FY 2025-26 > Nomination and Remuneration Policy – pp. 220–221; Annual Report FY 2025-26 > Board's Report, Annexure I (Particulars of Remuneration) – pp. 232–233				
	2-20 Process to determine remuneration	Annual Report FY 2025-26 > Nomination and Remuneration Policy (Nomination and Remuneration Committee Process) – pp. 220–221				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	Annual Report FY 2025-26 > Board's Report, Annexure I (Ratio of Remuneration of Each Director to Median Remuneration of Employees; Percentage Increase in Median Remuneration) – pp. 234–235				
	2-22 Statement on sustainable development strategy	Introduction > Chairman, Managing Director & CEO's Message – pp. 23–24; Strategy & Value Creation > Business Strategy (Chairman-cum-Managing Director & CEO Statement) – pp. 35–36				
	2-23 Policy commitments	Governance & Responsible Business > Ethics, Compliance & Integrity (The Policy Suite Behind Our Integrity; Our Governance Policies) – pp. 187–188; People & Communities > Human Rights & Labour Practices (The Policy Foundation; Human Resource Policies) – pp. 164–165				
	2-24 Embedding policy commitments	Governance & Responsible Business > Ethics, Compliance & Integrity (Who Our Code of Conduct Applies To; Consistent Enforcement, Every Site) – p. 188; People & Communities > Human Rights & Labour Practices (Training That Protects Rights) – p. 168				
	2-25 Processes to remediate negative impacts	People & Communities > Human Rights & Labour Practices (Grievance, Remediation and Prevention of Recurrence; A Mechanism People Can Use) – p. 170; Governance & Responsible Business > Ethics, Compliance & Integrity (Flow of Whistle Blower Mechanism – Remediation Process) – p. 191				
	2-26 Mechanisms for seeking advice and raising concerns	Governance & Responsible Business > Ethics, Compliance & Integrity (Our Speak Up Mechanism) – p. 190; People & Communities > Human Rights & Labour Practices (A Mechanism People Can Use) – p. 170				
	2-27 Compliance with laws and regulations	Governance & Responsible Business > Governance Dashboard – p. 181; Governance & Responsible Business > Ethics, Compliance & Integrity (Tax Transparency and Legal Compliance) – p. 191; Annexures > Environment (Environmental Violations) – p. 215				
	2-28 Membership associations	Governance & Responsible Business > Public Policy & Industry Collaboration (Membership of Associations; Our Industry Associations) – pp. 206–208				
	2-29 Approach to stakeholder engagement	Strategy & Value Creation > Stakeholder Engagement (Why We Engage the Way We Do; Our Engagement Channels; Group by Group) – pp. 47–48				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
	2-30 Collective bargaining agreements	People & Communities > Human Rights & Labour Practices (Freedom of Association and Collective Bargaining) – pp. 164–166; Annexures > Social (Workforce Trade Union and Collective Bargaining Coverage) – p. 216				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Strategy & Value Creation > Double Materiality Assessment (Our Five-Step Assessment Approach; Two Lenses, One Assessment) – pp. 49–50				
	3-2 List of material topics	Strategy & Value Creation > Double Materiality Assessment (What We Found Matters Most) – p. 51; Strategy & Value Creation > Key Material Topics (Our 21 Material Issues, in Full) – pp. 52–58				
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Strategy & Value Creation > Key Material Topics; Strategy & Value Creation > Business Strategy – pp. 35–36, 52–58				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Strategy & Value Creation > Value Creation Model (Financial Capital – Consolidated Revenue, EBITDA, PAT, RoCE and RoE) – pp. 39–44; Annual Report FY 2025-26 > Financial Statements – pp. 438–604				
	201-2 Financial implications and other risks and opportunities due to climate change	Planet – Environment & Climate > Climate Risk & Opportunity – p. 121; Governance & Responsible Business > Enterprise Risk Management (Emerging Risks; Financial and Market Risk) – pp. 192–195; Strategy & Value Creation > Key Material Topics (Climate Change – Business Case/Strategy/ Governance Linkage) – pp. 52–58				
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report FY 2025-26 > Notes to the Standalone Financial Statements – Employee Benefits (Defined Benefits – Gratuity) – p. 486				
	201-4 Financial assistance received from government	Annual Report FY 2025-26 > Notes to the Standalone Financial Statements – Other Financial Assets (Government Grants Receivable) – p. 476				
Market presence						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not material				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Annexures > Social (Wage and Workforce Indicators) – pp. 216–220				
	202-2 Proportion of senior management hired from the local community	People & Communities > Diversity, Equity & Inclusion – pp. 154–158				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > CSR & Community Development (Community Development & CSR Governance) – pp. 171–172				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	People & Communities > CSR & Community Development (What We Build; Healthcare, Education and Beyond; Rural Housing; Water and Sanitation) – pp. 173–175				
	203-2 Significant indirect economic impacts	People & Communities > CSR & Community Development (CSR Impact Growth Trajectory; Local Value, Close to Home) – pp. 172–173				
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Responsible Supply Chain (Why Supplier ESG Management Matters at Himadri) – pp. 196–197; Strategy & Value Creation > Key Material Topics (Supplier Relationship Management; Responsible Procurement) – pp. 52–58				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	People & Communities > CSR & Community Development (Local Value, Close to Home – 83.30% of Direct Purchases from the Indian Market) – p. 172				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Ethics, Compliance & Integrity; Strategy & Value Creation > Key Material Topics (Bribery and Corruption) – pp. 52–58, 185–189				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Governance & Responsible Business > Ethics, Compliance & Integrity (Independent Verification – TÜV SÜD Anti-Bribery Due Diligence Assessment) – p. 190; Governance & Responsible Business > Enterprise Risk Management (Inside-Out Perspective) – pp. 192–193				
	205-2 Communication and training about anti-corruption policies and procedures	Governance & Responsible Business > Ethics, Compliance & Integrity (Anti-Bribery Framework and Training; Ethics Training Coverage – 99.90%) – pp. 189–190				
	205-3 Confirmed incidents of corruption and actions taken	Governance & Responsible Business > Ethics, Compliance & Integrity (Our FY 2025-26 Anti-Bribery Outcomes – 0 Disciplinary Actions/Cases) – p. 190				
Anti-competitive behavior						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Ethics, Compliance & Integrity (Fair, Honest Competition) – p. 190; Strategy & Value Creation > Key Material Topics (Transparency; Code of Conduct) – pp. 52–58				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance & Responsible Business > Ethics, Compliance & Integrity (Fair, Honest Competition – 0 Formal Complaints Relating to Restrictive Trade Practices, Unfair Competition or Anti-Competitive Conduct) – p. 190; Governance & Responsible Business > Governance Dashboard (0 Anti-Competitive Conduct Incidents) – p. 181				
Materials						
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet – Environment & Climate > Sustainable Products & Innovation; Strategy & Value Creation > Key Material Topics (Circular Economy) – pp. 52–58, 111–118				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Annexures > Environment (Sustainable Revenues – Renewable Raw Materials) – p. 215; Planet – Environment & Climate > Sustainable Products & Innovation (Non-Virgin Raw Material Proportion >95%) – pp. 116–117	Total materials used by weight/ volume, split by renewable and non-renewable inputs	Confidentiality constraints	Non-virgin (recycled/ upcycled) raw material proportion (>95%) and the renewable raw materials percentage (0.00883%) are disclosed, but absolute total material consumption by weight or volume is not presented.	
	301-2 Recycled input materials used	Planet – Environment & Climate > Sustainable Products & Innovation (Non-Virgin Raw Material Proportion >95%) – pp. 116–117; Strategy & Value Creation > ESG Goals & Roadmap (Recycle Materials; Non-Virgin Raw Material Use) – pp. 59–60				
	301-3 Reclaimed products and their packaging materials	Annual Report FY 2025-26 > Annexure IX – BRSR, Principle 2, Leadership Indicator 4 – p. 349				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet – Environment & Climate > Energy Management; Strategy & Value Creation > Key Material Topics (Energy Management – Business Case/Strategy/ Governance Linkage) – pp. 52–58, 83–88				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Planet – Environment & Climate > Energy Management (Energy Consumption Within the Organisation; Climate & Energy Performance Snapshot) – pp. 85–86; Annexures > Environment (Energy Consumption Table) – p. 215				
	302-2 Energy consumption outside of the organization		Energy consumption outside of the organization	Information unavailable/ incomplete	Himadri reports energy consumption within its own operations (non-renewable and renewable, and recovered process-waste-gas share) but does not currently quantify upstream/ downstream (value-chain) energy consumption outside the organisation.	
	302-3 Energy intensity	Planet – Environment & Climate > Energy Management (Energy Intensity of 0.747 GJ per MT; Energy Intensity Reduction vs FY2021 Baseline) – p. 85; Planet – Environment & Climate > Environmental Performance Dashboard (Energy Intensity Reduction Objective) – pp. 67–68				
	302-4 Reduction of energy consumption	Planet – Environment & Climate > Energy Management (Energy Efficiency Initiatives; Waste-Gas-to-Power Model; 19.31% Reduction in Energy Intensity vs FY2021 Baseline) – pp. 86–90				
	302-5 Reductions in energy requirements of products and services	Planet – Environment & Climate > Energy Management (Reductions in Energy Requirements of Products and Services via Material and Process Innovation) – p. 90				
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet – Environment & Climate > Water Stewardship; Strategy & Value Creation > Key Material Topics (Water – Zero Liquid Discharge Objective) – pp. 52–58, 92–97				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Planet – Environment & Climate > Water Stewardship (Water Efficiency Assessment and Mapping; Wastewater Quality Management) – pp. 94–95				
	303-2 Management of water discharge-related impacts	Planet – Environment & Climate > Water Stewardship (Water Discharge – Zero Liquid Discharge and Advanced Treatment) – pp. 96–97				
	303-3 Water withdrawal	Planet – Environment & Climate > Water Stewardship (Water Withdrawal Breakdown by Source) – p. 95; Annexures > Environment (Water Consumption Table) – p. 214				
	303-4 Water discharge	Planet – Environment & Climate > Water Stewardship (Water Discharge – Zero Liquid Discharge and Advanced Treatment) – pp. 96–97; Annexures > Environment (Water Discharge) – p. 214				
	303-5 Water consumption	Planet – Environment & Climate > Water Stewardship (Water Efficiency and Reuse; Water Consumption in Water-Stressed Areas) – pp. 98–99; Annexures > Environment (Total Net Fresh Water Consumption; Water Consumption in Water-Stressed Areas) – p. 214				
Emissions						
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Planet – Environment & Climate > Greenhouse Gas Emissions (Direct Scope 1 GHG Emissions) – pp. 80–81; Annexures > Environment (Direct Greenhouse Gas Emissions – Scope 1 Table) – p. 212				
	305-2 Energy indirect (Scope 2) GHG emissions	Planet – Environment & Climate > Greenhouse Gas Emissions (Emissions by Source – Scope 2; Location-Based and Market-Based) – p. 82; Annexures > Environment (Indirect GHG Emissions – Scope 2 Table) – p. 212				
	305-3 Other indirect (Scope 3) GHG emissions	Planet – Environment & Climate > Greenhouse Gas Emissions (Scope 3 Category-Wise Breakdown) – p. 82; Annexures > Environment (Indirect GHG Emissions – Scope 3 Table and Scope 3 Category Breakdown) – p. 212				
	305-4 GHG emissions intensity	Planet – Environment & Climate > Greenhouse Gas Emissions (Scope 1 and Scope 2 Emissions Intensity Chart) – p. 83; Strategy & Value Creation > ESG Goals & Roadmap (Scope 1 & 2 and Scope 3 Emission Intensity Targets and Results) – pp. 59–60				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Planet – Environment & Climate > Greenhouse Gas Emissions (Transition Roadmap; Reduction of GHG Emissions Initiatives) – pp. 79, 81; Strategy & Value Creation > ESG Goals & Roadmap (Himadri's Roadmap: Net-Zero; Where We Stand Today; In Numbers) – pp. 59–60				
	305-6 Emissions of ozone-depleting substances (ODS)	Planet – Environment & Climate > Greenhouse Gas Emissions (Emissions of Ozone-Depleting Substances – R-22, R-410A, R-32 Refrigerant Consumption) – pp. 83–84				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Planet – Environment & Climate > Air Emissions & Pollution Prevention (Managing VOCs and Persistent Organic Pollutants) – pp. 105–110; Annexures > Environment (VOC Emissions; NOx Emissions; SOx Emissions Tables) – p. 213				
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet – Environment & Climate > Circular Economy & Waste Management; Strategy & Value Creation > Key Material Topics (Waste Management; Circular Economy) – pp. 52–58, 98–102				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Planet – Environment & Climate > Circular Economy & Waste Management (Additional Circularity Initiatives; Off-Spec Carbon Black Reprocessing) – pp. 101–104				
	306-2 Management of significant waste-related impacts	Planet – Environment & Climate > Circular Economy & Waste Management; Strategy & Value Creation > ESG Goals & Roadmap (Solid Waste Sent to Landfill Intensity; Target/Result) – pp. 59–60, 98–102				
	306-3 Waste generated	Annexures > Environment (Waste Disposal Table – Total Waste Recycled/Reused; Total Waste Disposed; Hazardous Waste Table) – p. 214; Strategy & Value Creation > Value Creation Model (1,920.29 MT of Waste Recycled/ Recovered) – pp. 39–44				
	306-4 Waste diverted from disposal	Annexures > Environment (Waste Disposal Table – Total Waste Recycled/Reused: 1,920.29 MT) – p. 214; Strategy & Value Creation > ESG Goals & Roadmap (Recycle Materials; Non-Virgin Raw-Material Proportion) – pp. 59–60				
	306-5 Waste directed to disposal	Annexures > Environment (Waste Disposal Table – Total Waste Disposed, Landfilled and Incinerated; Hazardous Waste Table) – p. 214				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
Supplier environmental assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Responsible Supply Chain; Strategy & Value Creation > Key Material Topics (Supplier Relationship Management; Responsible Procurement) – pp. 52–58, 194–195				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Governance & Responsible Business > Responsible Supply Chain (Supplier Screening and Significance; Supply Chain Partner Assessment Framework) – pp. 197–198; Annexures > Governance (KPIs for Supplier Assessment and Development) – p. 221				
	308-2 Negative environmental impacts in the supply chain and actions taken	Governance & Responsible Business > Responsible Supply Chain (Risk-Based Auditing and Corrective Action; Human Rights, Labour and Governance Risk Categorisation; Case Example – Supplier ESG Due Diligence) – pp. 200–202				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Capital Management; Strategy & Value Creation > Key Material Topics (Human Capital; Labour Practices) – pp. 52–58, 127–130				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	People & Communities > Human Capital Management (Welcoming New Talent; Built to Last; Growing Our People and Keeping Them) – pp. 131–132; Annexures > Social (Hiring; Hiring – Categories) – pp. 217–218				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People & Communities > Employee Well-being & Engagement (A Benefits Package Built Around Real Life; Comprehensive Benefits for a Safer, Stronger Workforce) – pp. 159–160				
	401-3 Parental leave	People & Communities > Employee Well-being & Engagement (Parental Leave: Returning and Staying) – p. 161				
Labor/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Rights & Labour Practices – pp. 164–170				
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	People & Communities > Human Rights & Labour Practices – pp. 164–170				
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Occupational Health & Safety; Strategy & Value Creation > Key Material Topics (Health & Safety – Business Case/Strategy/ Governance Linkage) – pp. 52–58, 131–146				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People & Communities > Occupational Health & Safety (An Integrated Governance Framework; Management System Coverage Across Every Site and Relationship) – pp. 133–134				
	403-2 Hazard identification, risk assessment, and incident investigation	People & Communities > Occupational Health & Safety (Finding Risk Before It Finds Us; Risk Assessment Framework; Accident and Incident Reporting Standard) – pp. 137, 143				
	403-3 Occupational health services	People & Communities > Occupational Health & Safety (Health Infrastructure That's Always On – Round-the-Clock Care at Every Site) – p. 143				
	403-4 Worker participation, consultation, and communication on occupational health and safety	People & Communities > Occupational Health & Safety (A Culture Owned From the Ground Up; A Voice for Every Worker; Through Every Channel) – pp. 139–141				
	403-5 Worker training on occupational health and safety	People & Communities > Occupational Health & Safety (Building Competency, Deliberately – Safety Training Framework) – p. 142				
	403-6 Promotion of worker health	People & Communities > Occupational Health & Safety (Wellbeing Woven Into Everyday Culture; Safety, Body and Mind) – p. 144; People & Communities > Employee Well-being & Engagement (Wellness by Design: Our 4C Philosophy) – pp. 160–161				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People & Communities > Occupational Health & Safety (One Safety Culture, Every Workforce; Safety Travels Through Our Supply Chain) – pp. 144–146				
	403-8 Workers covered by an occupational health and safety management system	People & Communities > Occupational Health & Safety (Management System Coverage Across Every Site and Relationship – Integrated Management System Coverage: 100% / 49 of 49) – p. 134				
	403-9 Work-related injuries	People & Communities > Occupational Health & Safety (Our Proudest Number: An Injury-Free Record; Injury & Illness Details – Regulatory) – p. 148; Annexures > Social (LTIFR and Fatalities) – p. 216				
	403-10 Work-related ill health	People & Communities > Occupational Health & Safety (A Record Equally Clean on Health) – p. 148				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Learning & Capability Development; Strategy & Value Creation > Key Material Topics (Human Capital) – pp. 52–58, 147–151				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People & Communities > Learning & Capability Development (% of Employees and Workers Covered on Health & Safety and Skill Upgradation Training) – pp. 149–150; Annexures > Social (Training & Development Inputs) – p. 218				
	404-2 Programs for upgrading employee skills and transition assistance programs	People & Communities > Learning & Capability Development (Many Ways to Learn; Learning Management System – Utkarsh; Building Skills That Matter for Our Sector; Growing Our Future Leaders) – pp. 150–152				
	404-3 Percentage of employees receiving regular performance and career development reviews	People & Communities > Learning & Capability Development (Measuring What Matters – Performance & Career Development Reviews; Individual Career Development Plan) – p. 153				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Diversity, Equity & Inclusion; Strategy & Value Creation > Key Material Topics (Labour Practices – Gender Diversity) – pp. 52–58, 152–156				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People & Communities > Diversity, Equity & Inclusion (A Workforce That Is Changing, by Design; Employee Generational Diversity) – pp. 155–156; Governance & Responsible Business > Board Governance & ESG Oversight (Age and Gender Diversity on the Board) – p. 183; Annexures > Social (Workforce Breakdown: Gender) – p. 216				
	405-2 Ratio of basic salary and remuneration of women to men	People & Communities > Diversity, Equity & Inclusion (Equal Work, Equal Pay) – p. 157; Annexures > Social (Gender Pay Gap; Bonus Gap Tables) – p. 216				
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Rights & Labour Practices (Anti-Discrimination and Anti-Harassment Policy) – pp. 164–166				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	People & Communities > Human Rights & Labour Practices (Human Resource Policies – Anti-Discrimination and Anti-Harassment Committee) – pp. 165–166; Annexures > Social (Discrimination at Workplace / Human Rights Complaints) – pp. 219–220				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Rights & Labour Practices (Freedom of Association and Collective Bargaining Policy) – p. 165				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	People & Communities > Human Rights & Labour Practices (Freedom of Association and Collective Bargaining – Social Performance Team monitors SA8000:2014 compliance) – pp. 166–167				
Child labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Rights & Labour Practices (Prevention of Child and Forced Labour Policy) – p. 165				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	People & Communities > Human Rights & Labour Practices (Zero Tolerance for Child and Forced Labour – Nil/Nil FY2024-25 and FY2025-26; NGO Collaboration) – p. 167				
Forced or compulsory labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Rights & Labour Practices (Prevention of Child and Forced Labour Policy) – p. 165				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	People & Communities > Human Rights & Labour Practices (Zero Tolerance for Child and Forced Labour – Forced Labour / Involuntary Labour: Nil/Nil) – p. 167				
Security practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > Human Rights & Labour Practices (Security Personnel and Human Rights) – p. 168				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Annexures > Social (Security Personnel Trained in Human Rights Policies or Procedures) – p. 219				
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	People & Communities > CSR & Community Development; Strategy & Value Creation > Key Material Topics (Community Relations) – pp. 52–58, 169–174				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	People & Communities > CSR & Community Development (Community Development & CSR Governance; What We Build – Healthcare, Education and Beyond) – pp. 171–175; Strategy & Value Creation > Double Materiality Assessment (Material Topics for External Stakeholders – Community Relations) – p. 57				
	413-2 Operations with significant actual and potential negative impacts on local communities	People & Communities > CSR & Community Development (Listening, and Staying Accountable – Grievance Mechanism; CSR Governance to Grievance Handling Process) – p. 176				
Supplier social assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Responsible Supply Chain; Strategy & Value Creation > Key Material Topics (Supplier Relationship Management) – pp. 52–58, 194–195				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Governance & Responsible Business > Responsible Supply Chain (Supplier Screening and Significance; Strengthening Our Value Chain; Year After Year – 100% Supplier Due-Diligence Coverage FY2025-26) – pp. 197–198				
	414-2 Negative social impacts in the supply chain and actions taken	Governance & Responsible Business > Responsible Supply Chain (Risk-Based Auditing and Corrective Action; Human Rights, Labour and Governance Risk Categorisation; Case Example – Supplier ESG Due Diligence) – pp. 200–202				
Public policy [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Public Policy & Industry Collaboration; Strategy & Value Creation > Key Material Topics (Policy Influence) – pp. 52–58, 204–207				
GRI 415: Public Policy 2016	415-1 Political contributions	Governance & Responsible Business > Public Policy & Industry Collaboration (Political and Public Policy Contributions; Lobbying and Trade Associations – Climate Alignment) – pp. 207–208; Annexures > Governance (Contributions and Other Spending Table) – p. 220				
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet – Environment & Climate > Sustainable Products & Innovation; Strategy & Value Creation > Key Material Topics (Product Stewardship) – pp. 52–58, 111–118				

Gri Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(S) Omitted	Reason	Explanation	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Planet – Environment & Climate > Sustainable Products & Innovation (Materials Improving Resource Efficiency – Safer Products; Low-PAH Speciality Carbon Black Grades; Low Free-Formaldehyde SNF/PCE; Responsible Management of Hazardous Substances) – pp. 115–118				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Planet – Environment & Climate > Sustainable Products & Innovation (Materials Improving Resource Efficiency; Responsible Management of Hazardous Substances) – pp. 115–118				
Marketing and labeling						
GRI 3: Material Topics 2021	3-3 Management of material topics	Strategy & Value Creation > Key Material Topics (Product Stewardship) – pp. 52–58; Planet – Environment & Climate > Sustainable Products & Innovation (Product Technical and Safety Documentation; GHS Labelling Referenced Under Occupational Health & Safety) – p. 120; People & Communities > Occupational Health & Safety (Process Safety Management Element – GHS Labelling) – p. 139				
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Planet – Environment & Climate > Sustainable Products & Innovation (Product Technical and Safety Documentation – Product Composition, Applicable Regulatory Requirements and Environmental Compatibility) – p. 120; People & Communities > Occupational Health & Safety (Process Safety Management Element – GHS Labelling) – p. 139				
	417-2 Incidents of non-compliance concerning product and service information and labeling	Annual Report FY 2025-26 > Annexure IX – BRSR-Principle 9-Leadership Indicator 2 – p. 429				
	417-3 Incidents of non-compliance concerning marketing communications	Annual Report FY 2025-26 > Annexure IX – BRSR- Principle 9 -Essential Indicator 3 – p. 426				
Customer privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance & Responsible Business > Digital Governance & Data Privacy; Strategy & Value Creation > Key Material Topics (Data Security and Privacy) – pp. 52–58, 202–203				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance & Responsible Business > Digital Governance & Data Privacy (Our FY 2025-26 Outcomes – Data-Privacy Complaints: None; Independent Verification by TÜV SÜD) – p. 205				

Glossary of Abbreviations

Acronym	Expansion
BEE	Bureau of Energy Efficiency
BOD	Biological Oxygen Demand
BRSR	Business Responsibility and Sustainability Report
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditure
CARE	Courage, Accountability, Reliability and Empathy (Himadri values framework)
CBAM	Carbon Border Adjustment Mechanism (European Union)
CBO	Combustion Off-gas / Closed Batch Operation (thermal desorption unit operating mode)
CDP	Carbon Disclosure Project
CEMS	Continuous Emission Monitoring System
CFC	Chlorofluorocarbon
CIN	Corporate Identity Number
CIP	Clean-in-Place
CLCT	Closed-Loop Cooling Tower
CMD	Chairman-cum-Managing Director
CNSL	Cashew Nut Shell Liquid
COD	Chemical Oxygen Demand
CPCB	Central Pollution Control Board
CPHEEO	Central Public Health and Environmental Engineering Organisation
CPP	Captive Power Plant
CSO	Chief Sustainability Officer
CSR	Corporate Social Responsibility
CTP	Coal Tar Pitch
DEFRA	Department for Environment, Food and Rural Affairs (UK)
DEI	Diversity, Equity and Inclusion
DG set	Diesel Generator set
DJSI	Dow Jones Sustainability Index
DM plant	Demineralisation plant
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation

Acronym	Expansion
EDXRF	Energy Dispersive X-Ray Fluorescence
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
EPD	Environmental Product Declaration
EPR	Extended Producer Responsibility
ERA	Environmental Risk Assessment
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ETP	Effluent Treatment Plant
EU	European Union
EV	Electric Vehicle
FGD	Flue Gas Desulphurisation
FY	Financial Year
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
GWh	Gigawatt-hour
HAP	Hazardous Air Pollutant
HCFC	Hydrochlorofluorocarbon
HFC	Hydrofluorocarbon
I-REC	International Renewable Energy Certificate
ICP	Internal Carbon Pricing
ICP-OES	Inductively Coupled Plasma Optical Emission Spectrometry
ICRA	ICRA Limited (credit rating agency)
IEA	International Energy Agency
IFRS S2	International Financial Reporting Standard S2 (Climate-related Disclosures, ISSB)
IPCC	Intergovernmental Panel on Climate Change
ISCC	International Sustainability and Carbon Certification
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
kL	Kilolitre

Acronym	Expansion
KLD	Kilolitres per Day
kW	Kilowatt
kWh	Kilowatt-hour
LCA	Life Cycle Assessment
LFP	Lithium Iron Phosphate
LMFP	Lithium Manganese Iron Phosphate
LPG	Liquefied Petroleum Gas
LTIFR	Lost Time Injury Frequency Rate
MGF	Mixed Gravel Filtration
ML	Megalitre
MoEFCC	Ministry of Environment, Forest and Climate Change (India)
MSCI	Morgan Stanley Capital International
MSDS	Material Safety Data Sheet
MT	Metric Tonne
MTPA	Metric Tonnes Per Annum
MW	Megawatt
MWh	Megawatt-hour
NBC	National Building Code (India)
NGRBC	National Guidelines on Responsible Business Conduct
NIC Code	National Industrial Classification Code
NOx	Nitrogen Oxides
NZE	Net - Zero Emissions (IEA scenario)
ODP	Ozone Depletion Potential
ODS	Ozone-Depleting Substance
OH&S / OHS	Occupational Health and Safety
PAH	Polycyclic Aromatic Hydrocarbon
PAT	Profit After Tax
PCE	Polycarboxylate Ether
PLI	Production Linked Incentive (Government of India scheme)
PM	Particulate Matter
POP	Persistent Organic Pollutant
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals (EU regulation)

Acronym	Expansion
RO	Reverse Osmosis
RoCE	Return on Capital Employed
RoHS	Restriction of Hazardous Substances (EU directive)
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal (United Nations)
SDS	Safety Data Sheet
SiCx	Silicon-Carbon (anode material technology)
SNF	Sulphonated Naphthalene Formaldehyde
SOx	Sulphur Oxides
SPCB	State Pollution Control Board
SVHC	Substance of Very High Concern
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes of Carbon Dioxide Equivalent
TDS	Technical Data Sheet (product context) / Total Dissolved Solids (water-quality context)
TDU	Thermal Desorption Unit
TPA	Tonnes Per Annum
TPD	Tonnes Per Day
TSDF	Treatment, Storage and Disposal Facility
TSS	Total Suspended Solids
UF	Ultrafiltration
UNGC	United Nations Global Compact
VCU	Verified Carbon Unit
VOC	Volatile Organic Compound
WASH	Water, Sanitation and Hygiene
WFO	Waste Fuel Oil
WRI	World Resources Institute
WRP	Water Recovery Plant / Water Reclamation Plant
ZLD	Zero Liquid Discharge

Assurance statement on third-party verification of sustainability information

Unique identification no.: **3153243612**

TÜV SÜD South Asia Pvt. Ltd. (hereinafter TÜV SÜD) has been engaged by, **Himadri Speciality Chemical Ltd, Ruby House, 8, India Exchange Place, 2nd Floor, Kolkata- 700 001**, India to perform an independent assurance of disclosure of sustainability information in the Sustainability and TCFD Report by Himadri Speciality Chemical Ltd (hereinafter "Company") for the period from 01.04.2025 to 31.03.2026. 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 reasonable assurance about whether the sustainability information is prepared "in accordance with" the reporting criteria of the Sustainability Reporting Standards of the Global Reporting Initiative 2021 version and the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations (hereinafter "Reporting Criteria").

1. Global Reporting Initiative (GRI) Sustainability Disclosures

The following selected disclosures are included in the scope of the assurance engagement for reporting year 01.04.2025 to 31.03.2026 the disclosures of following sustainability indicators in the "Sustainability Report", published at Website of Himadri Speciality Chemical Ltd

- GRI 2: General Disclosure
- GRI 3: Materiality Assessment – 3-1, 3-2, 3-3
- GRI 201: Economic Performance – 201-1, 201-2
- GRI 202: Proportion of senior management hired from the local community – 202-2
- GRI 204: Procurement Practices – 204-1
- GRI 205: Anti-corruption – 205-1, 205-2, 205-3
- GRI 206: Anti-competitive Behavior – 206-1
- GRI 301: Materials – 301-2
- GRI 302: Energy– 302-1, 302-3, 302-4
- 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: Effluents and Waste – 306-1, 306-2, 306-3, 306-4, 306-5
- GRI 308: Supplier Environmental Assessment – 308-1
- GRI 308: Negative environmental impacts in the supply chain and actions taken– 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 408: Child Labor- 408-1
- GRI 409: Forced or Compulsory Labor-409-1
- GRI 412: Human Rights Assessment – 412-1, 412-2
- GRI 413: Local Communities- 413-1, 413-2
- GRI 414: Supplier Social Assessment – 414-1
- GRI 415: Public Policy – 415-1
- GRI 416: Customer Health and Safety – 416-1, 416-2
- GRI 417: Marketing and Labeling – 417-1, 417-2, 417-3
- GRI 418: Customer Privacy– 418-1

2. Task Force on Climate-related Financial Disclosures (TCFD) Recommendations:

The following selected disclosures are included in the scope of the assurance engagement for reporting year 01.04.2025 to 31.03.2026 of the following indicators in the "TCFD Report", published at Website of **Himadri Speciality Chemical Ltd**

- TCFD – Governance: (a) Board oversight of climate-related risks & opportunities; (b) Management's role in assessing and managing climate-related risks and opportunities.
- TCFD – Strategy: (a) Climate-related risks and opportunities identified over the short, medium and long term; (b) Impact of climate-related risks & opportunities on the Company's businesses, strategy & financial planning; (c) Resilience of the Company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.
- TCFD – Risk Management: (a) Processes for identifying and assessing climate-related risks; (b) Processes for managing

climate-related risks; (c) Integration of these processes into the Company's overall risk management.

- TCFD – Metrics and Targets: (a) Metrics used to assess climate-related risks and opportunities in line with the Company's strategy and risk management process; (b) Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and related risks; (c) Targets used to manage climate-related risks and opportunities and performance against targets.

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 ESG 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 ISAE 3000 as umbrella requirement; International Standard on Assurance Engagements (ISAE) 3410 and Assurance Engagements on Greenhouse Gas Statements; assurance statement is based on ISO 17029. The applied level of assurance was "reasonable assurance". A reasonable assurance engagement is designed to obtain a high, but not absolute, level of assurance that the selected sustainability and climate-related information is free from material misstatement. Accordingly, the verification procedures performed were more extensive in nature, timing and extent than those performed in a Ltd assurance engagement. The engagement included inquiries of personnel responsible for the preparation and consolidation of the reported information, evaluation and testing of relevant internal controls, inspection of supporting documentation and source records, analytical procedures, recalculation and re-performance of selected data and calculations, and other substantive verification procedures considered necessary to obtain sufficient appropriate assurance evidence.

The verification was based on a systematic and evidence-based reasonable assurance process as stated above. The nature, timing and extent of the assurance procedures were determined based on the verification team's professional judgment, including an assessment of the risks of material misstatement in the selected sustainability and climate-related information.

The procedures included amongst others:

- Inquiries of personnel who are responsible for the stakeholder engagement and 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 Visit:

Sl. No.	Company Name	Site Address
1	HIMADRI SPECIALITY CHEMICAL LTD	8, INDIA EXCHANGE PLACE, 2ND FLOOR 700001 - KOLKATA, WEST BENGAL
2		Mahistikri Haripal, Singur, Dist. Hooghly, West Bengal, Hooghly, India 712407 - Hooghly
3		27B, Gadadhar Bhatt Road, Liluah,, West Bengal, Howrah, India- 711203
4		58/26, N. S. Road , Liluah India- 711204 Liluah-2
5		Korba Village- Jhagarha, Post- Risdi India- 495683, Korba
6		Kenghati, PO Jayantpur, Dist: Sambalpur India- 768112, Sambalpur
7		Plot Nos. 49,50,51, Sector-II, Falta Special Economic Zone, P.O. Bishira, PS.Ramnagar India- 743504, 24 South Parganas
8		Plot No. 67, 68 & 69, AIE, Pedagantiyada, Gajuwaka India- 530044, Visakhapatnam

Conclusion

On the basis of the assessment procedures performed from 5th August 2025 to 31st August 2026, TÜV SÜD provides the following conclusion:

In our opinion, the selected sustainability disclosures (as listed in Annexure I, II and III to this assurance statement) relating to the GRI and TCFD Indicators for the reporting period 01 April 2025 to 31 March 2026 have been prepared, in all material respects, in accordance with the applicable 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 GRI Standards and TCFD Recommendations 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, 2nd September 2026

Prosenjit Mitra
General Manager- Verification, Validation and Audit
Management System Assurance

Prarthana Chand
Verification Team Leader, TÜV SÜD
Management System Assurance

ANNEXURE I: DETAILED GRI CONTENT INDEX – DISCLOSURES COVERED UNDER REASONABLE ASSURANCE

Sl. No.	GRI Standard / Topic	Disclosure(s) Covered under Assurance	Principal Information Covered	Reference Section in Sustainability Report
1	**GRI 2 – General Disclosures**	General Disclosures	Reporting entity and boundary, organisational profile, reporting practices, governance, stakeholder engagement and related general disclosures.	About this Report; About Himadri; Stakeholder Engagement; Board Governance & ESG Oversight; Ethics, Compliance & Integrity.
2	**GRI 3 – Material Topics**	3-1, 3-2, 3-3	Process for determining material topics, materiality assessment process, final material-topic list and management approach for material sustainability impacts.	Double Materiality Assessment; Key Material Topics; ESG Goals & Roadmap
3	**GRI 201 – Economic Performance**	201-1, 201-2	Economic value / financial contribution and financial implications associated with climate-related risks and opportunities.	Strategy & Value Creation; Climate Strategy & Decarbonisation; Climate Risk & Opportunity; CSR & Community Development
4	**GRI 202 – Market Presence**	202-2	Representation of local / national personnel within management and workforce.	Diversity, Equity & Inclusion
5	**GRI 204 – Procurement Practices**	204-1	Local and inclusive sourcing, procurement from local enterprises and responsible procurement practices.	Responsible Supply Chain; CSR & Community Development
6	**GRI 205 – Anti-corruption**	205-1, 205-2, 205-3	Corruption-risk assessment, anti-bribery and corruption training, communication of policies and reported incidents / actions.	Ethics, Compliance & Integrity
7	**GRI 206 – Anti-competitive Behaviour**	206-1	Fair Competition Policy, controls against anti-competitive behaviour and reported incidents.	Ethics, Compliance & Integrity
8	**GRI 301 – Materials**	301-1, 301-2, 301-3	Materials used by weight or volume, recycled / reused input materials, non-virgin and circular feedstocks, and reclaimed products and packaging materials.	Sustainable Products & Innovation
9	**GRI 302 – Energy**	302-1, 302-3, 302-4	Total energy consumption, energy intensity and reduction in energy consumption through efficiency initiatives.	Energy Management
10	**GRI 303 – Water and Effluents**	303-1, 303-2, 303-3, 303-4, 303-5	Water interactions and management, withdrawal, discharge, consumption, reuse, ZLD, water consumption in water-stressed areas, and discharge-quality parameters including Chemical Oxygen Demand (COD).	Water Stewardship
11	**GRI 305 – Emissions**	305-1	Direct Scope 1 GHG emissions, including source-wise and gas-wise emissions.	Greenhouse Gas Emissions
12	**GRI 305 – Emissions**	305-2	Indirect Scope 2 GHG emissions reported using both location-based and market-based methods.	Greenhouse Gas Emissions
13	**GRI 305 – Emissions**	305-3	Indirect Scope 3 GHG emissions reported category-wise for the relevant upstream and downstream categories.	Greenhouse Gas Emissions
14	**GRI 305 – Emissions**	305-4, 305-5	GHG emission intensity and emission-reduction performance / initiatives.	Greenhouse Gas Emissions; Climate Strategy & Decarbonisation
15	**GRI 305 – Emissions**	305-7	NOx, SOx, volatile organic compounds (VOC), particulate matter and other significant air emissions.	Air Emissions & Pollution Prevention
16	**GRI 306 – Waste**	306-1, 306-2, 306-3, 306-4, 306-5	Waste generation, waste-related impacts, waste disposal, waste diverted from disposal, recycling/recovery and waste directed to disposal, including hazardous waste.	Circular Economy & Waste Management
17	**GRI 308 – Supplier Environmental Assessment**	308-1, 308-2	Supplier ESG / environmental screening, on-site and desk assessments, identified environmental risks, corrective actions, and KPIs for supplier assessment, corrective-action closure and supplier development.	Responsible Supply Chain
18	**GRI 401 – Employment**	401-1	Workforce profile, new hires / turnover and employee-retention information.	Human Capital Management
19	**GRI 401 – Employment**	401-2, 401-3	Employee benefits, maternity/paternity benefits, parental leave, return-to-work and retention.	Employee Well-being & Engagement
20	**GRI 402 – Labour / Management Relations**	402-1	Minimum notice periods regarding significant operational changes, including whether notice provisions are specified in collective agreements.	Human Capital Management; Human Rights & Labour Practices
21	**GRI 403 – Occupational Health & Safety**	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10	OHS management system, hazard identification, occupational-health services, worker participation, training, health promotion, contractor safety, OHS coverage, injuries, fatalities, LTIFR separately covering employees and contractors / workers, Tier 1 Process Safety Events, and occupational illness.	Occupational Health & Safety; Supplier Assessment Framework; Injury & Illness Details
22	**GRI 404 – Training & Education**	404-1, 404-2, 404-3	Training hours, employee capability-development programmes, leadership development and performance / career-development reviews.	Learning & Capability Development
23	**GRI 405 – Diversity & Equal Opportunity**	405-1, 405-2	Workforce and governance diversity, women representation and gender remuneration / pay gap indicators including bonus.	Diversity, Equity & Inclusion
24	**GRI 406 – Non-discrimination**	406-1	Non-discrimination framework, grievance mechanisms and reported discrimination cases.	Diversity, Equity & Inclusion; Human Rights & Labour Practices
25	**GRI 407 – Freedom of Association and Collective Bargaining**	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk, and measures taken to support these rights.	Human Rights & Labour Practices; Responsible Supply Chain
26	**GRI 408 – Child Labour**	408-1	Assessment and controls relating to child-labour risk within operations and relevant value-chain relationships.	Human Rights & Labour Practices; Responsible Supply Chain
27	**GRI 409 – Forced or Compulsory Labour**	409-1	Assessment and controls relating to forced / compulsory labour risks within operations and value chain.	Human Rights & Labour Practices; Responsible Supply Chain
28	**Human Rights Assessment (formerly GRI 412)**	GRI 2-23, 2-24, 2-25 and 2-26	Human-rights policy commitments, due-diligence processes, site-level human-rights assessments, identification and remediation of adverse impacts, grievance mechanisms, corrective actions and management oversight. GRI 412: Human Rights Assessment 2016 has been withdrawn and is therefore not cited as an applicable GRI Topic Standard.	Human Rights & Labour Practices; Responsible Supply Chain
29	**GRI 413 – Local Communities**	413-1, 413-2	Community engagement, needs assessment, CSR programmes, impacts on local communities and mitigation / development initiatives.	CSR & Community Development
30	**GRI 414 – Supplier Social Assessment**	414-1	Social / human-rights screening of suppliers and value-chain partners, supplier corrective actions and development and supplier sustainability assessments -on site/desk.	Responsible Supply Chain
31	**GRI 415 – Public Policy**	415-1	Public-policy engagement, industry associations and political contributions.	Public Policy & Industry Collaboration
32	**GRI 416 – Customer Health & Safety**	416-1, 416-2	Product-health and safety considerations, product stewardship, chemical-risk assessment, safe handling and product compliance.	Sustainable Products & Innovation

Sl. No.	GRI Standard / Topic	Disclosure(s) Covered under Assurance	Principal Information Covered	Reference Section in Sustainability Report
33	**GRI 417 – Marketing & Labelling**	417-1, 417-2, 417-3	Product technical and safety information, product composition / regulatory information, customer communication and related compliance.	Sustainable Products & Innovation
34	**GRI 418 – Customer Privacy**	418-1	Data privacy, information security controls, privacy incident management and reported complaints / breaches.	Digital Governance & Data Privacy

Note: The disclosures listed in this GRI Content Index constitute the selected sustainability information covered within the reasonable assurance scope for FY 2025-26, as defined in the main Assurance Statement. GHG emissions covering Scope 1, Scope 2 (location-based and market-based) and category-wise Scope 3 emissions are additionally assured with reference to ISAE 3410.

ANNEXURE II: TCFD RECOMMENDED DISCLOSURES COVERED UNDER REASONABLE ASSURANCE

Sl. No.	TCFD Pillar	Recommended Disclosure Covered	Information Covered under Assurance	Reference for TCFD Report
1	**Governance**	a. Board oversight of climate-related risks and opportunities	Board and ESG Committee oversight of climate strategy, risks, opportunities, targets, capital allocation and climate performance.	Board Oversight
2	**Governance**	b. Management's role in assessing and managing climate-related risks and opportunities	Management oversight through the ESG Council, Sustainability Steering Committees and risk-management governance mechanisms.	Management Level Oversight; Risk Management Committee
3	**Strategy**	a. Climate-related risks and opportunities identified over the short, medium and long term	Physical and transition risks, climate-related opportunities, materiality considerations and implications across business activities.	Integrated Climate Strategy; Double Materiality; Impact on Business Areas
4	**Strategy**	b. Impact of climate-related risks and opportunities on businesses, strategy and financial planning	Effects on products and services, value chain, operations, R&D, capital allocation and financial performance.	Impact on Business Areas; Impacts of Climate-related Risks & Opportunities
5	**Strategy**	c. Resilience of strategy considering different climate-related scenarios, including a 2°C or lower scenario	Scenario analysis covering physical and transition pathways and assessment of strategic resilience under different climate scenarios.	Climate Scenario Analysis; Climate Risk Assessment Methodology
6	**Risk Management**	a. Processes for identifying and assessing climate-related risks	Climate-risk identification, prioritisation, scenario assessment, likelihood/severity evaluation and assessment methodology.	ERM Framework; Identification of Climate-related Risks
7	**Risk Management**	b. Processes for managing climate-related risks	Risk mitigation, adaptation, ownership, monitoring and response actions for material physical and transition risks.	ERM Framework; Risk Mitigation in Action
8	**Risk Management**	c. Integration of climate-risk processes into overall risk management	Integration of climate and ESG risks into the Enterprise Risk Management framework and Risk Management Committee oversight.	Risk Management Committee; ERM Framework
9	**Metrics & Targets**	a. Metrics used to assess climate-related risks and opportunities	Climate and environmental performance metrics covering energy, emissions, resource efficiency and other climate indicators.	Climate at a Glance; Metrics & Targets
10	**Metrics & Targets**	b. Scope 1, Scope 2 and, where appropriate, Scope 3 GHG emissions and related risks	Reported Scope 1, Scope 2 and Scope 3 GHG emissions and emissions-intensity performance.	GHG Emissions & Emission Intensity
11	**Metrics & Targets**	c. Targets used to manage climate-related risks and opportunities and performance against targets	Net Zero 2050 commitment, emissions and energy-related targets, and progress against climate-performance objectives.	Net Zero Roadmap; Metrics & Targets

Note: The above TCFD recommended disclosures constitute the climate-related information covered within the reasonable assurance scope for FY 2025–26, as defined in the main Assurance Statement.

ANNEXURE III: GREENHOUSE GAS EMISSIONS – SCOPE 1, SCOPE 2 AND SCOPE 3 CATEGORY-WISE BREAKDOWN

Scope 1 and Scope 2			
Sl. No.	Emission Type	Methodology	Emissions (tCO2e)
1	Scope 1	Direct emissions from owned/controlled sources	422,398.22
2	Scope 2	Location-Based method	3,534.11
3	Scope 2	Market-Based method	0.00

Scope 3			
Sl. No.	Emissions Category	Category Description	Emissions (tCO2e)
1	Category 1	Purchased goods and services	798,951.00
2	Category 2	Capital goods	7,173.50
3	Category 3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	879.14
4	Category 4	Upstream transportation and distribution	99,022.00
5	Category 5	Waste generated in operations	764.70
6	Category 6	Business travel	957.74
7	Category 7	Employee commuting	217.69
8	Category 8	Upstream leased assets	56.09
9	Category 9	Downstream transportation and distribution	74,260.79
10	Category 10	Processing of sold products	263,583.43
11	Category 12	End-of-life treatment of sold products	1,564.91

Note: The above GHG emissions data covers Scope 1, Scope 2 (both location-based and market-based), and Scope 3 category-wise emissions for the reporting period 01.04.2025 to 31.03.2026. Scope 3 categories are reported in alignment with the GHG Protocol Corporate Value Chain (Scope 3) Standard. This annexure forms an integral part of the Assurance Statement and has been verified as part of the reasonable assurance engagement conducted with reference to ISAE 3410.

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Notes

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Disclaimer

This Sustainability Report has been prepared based on information, data, and assumptions available to Himadri Speciality Chemical Ltd 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.

Himadri

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