



Reimagining a **HEALTHIER** Planet

Sustainable
Value Creation for
People and Planet



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ABOUT THE REPORT



PI Industries Limited ('PI', or the 'Company') is a leading agro-chemical company, headquartered in India, with presence across four countries and regions. PI encourages a culture of integrity, transparency and accountability in all business activities. This report provides information about PI's strategy and performance on key sustainability parameters to our stakeholders with its second annual sustainability report "Re-imagining a healthier planet". This report covers the period from 1st April 2021 to 31st March 2022. Comparable data from previous financial years namely 2019-20 and 2020-21 have been included. The report has been prepared keeping the GRI standards and reporting principles as the foundation.

Scope and Boundary

Our reporting boundary includes operations that fall under the direct control of the organisation. This includes our research and manufacturing units at Panoli, Jambusar, and R&D center located at Udaipur. This report excludes subsidiaries, joint ventures, and associate companies where we have no operational control.

Report Content

The report presents disclosures on PI's material economic, environmental, social, and governance issues for the reporting period. We conducted a structured materiality assessment in FY 2018-2019 with our internal stakeholders. Along with our regular interaction with external stakeholders, it helped us to identify key material topics for the organisation. In the year FY 2020-2021, the Company refreshed the material topics through a review of global and sectoral sustainability trends, benchmarking against peer companies, and limited engagement with internal stakeholders.

The report also highlights our contributions towards the United Nations Sustainable Development Goals (SDGs) and aligns with the principles laid down in the United Nations Global Compact (UNGC). All calculation methodologies and assumptions while reporting on GRI indicators are included in the report, wherever applicable. We have separately disclosed our efforts in combatting COVID-19 crisis.

External Assurance

The content and data disclosed in this report has been externally assured by Thinkthrough Consulting Pvt. Ltd. as per the AA1000 Assurance Standard (AA1000AS v3) – Type 2 Moderate Criteria.

We solicit your feedback on our second sustainability report. You can send us your comments at sustainability@piind.com

INTRODUCTION TO REPORT



Mr. Mayank Singhal

Vice-Chairperson & Managing Director

MESSAGE FROM THE LEADERS

With our new purpose - “Reimagining a Healthier Planet”. Sustainability is at the core to our business philosophy for our future growth. It brings opportunity in the shape of innovation, continuous improvement and long-term success to the business. We as an organization believe in excellence in whatever we do and set a benchmark.

As the nation completes 75 years of independence, it is imperative our goals are aligned with the sustainability of the environment for the next 75. We believe in leading the way to long-term value creation and building a legacy for the future and beyond. The pandemic made us more vigilant, and we adopted a multidimensional approach to responsible business while ensuring compliance with the highest national and international standards established for the Agrochemical industry.

Our enhanced global recognition and credibility have helped us grow economically into a larger organisation. During FY 2021-22, we registered a noteworthy year-on-year growth in revenue from operations. While we continue to pursue our goals, we focus on delivering growth to our investors with robust safety, health and environmental performance.

By investing resources in research and development with the twin objectives of developing innovative and sustainable solutions, we aim to deliver on the ESG expectations of our stakeholders, including our current and future employees, customers, regulators, suppliers, communities and investors. We are constantly reinventing ourselves for a healthier planet with concepts that align with the broader aspect of ESG while being people-centric.

While we conduct our operations, employees' health, safety and general wellbeing remain the utmost priority. All our manufacturing units use state-of-the-art technology, ensuring clean operations as well as strict adherence to the health and safety regulations. There is plenty we intend to do in the coming year with the human capital that we possess, which will be vital for the next phase of growth we are looking at.

Also, the chemical sector is advancing by leaps and bounds. As pioneers in the life sciences industry, we look at opportunities to develop better nutrition and a better standard of living for everyone. The in-house dedicated R&D and Engineering teams focus on more environmentally friendly chemistry, complementing it with more effective utilities and processing facilities. We remain focus to adapt to the rapid technological changes and aim faster adoption of those technologies in our industrial processes to increase efficiency while lowering our environmental impact. We firmly believe that with the right team, processes, and focus we would achieve our goals and bring sustainable agri-solutions to the communities.

Through this report we aim to reflect our steadfast commitment towards environmental, social and governance (ESG) efforts. The report summaries our key focus areas:

1. Enhancing Operational Eco-efficiencies
2. Sustainable agriculture solutions
3. Continuous community engagement to improve the lives of community members through multi-pronged interventions
4. Diversity, Equity and Inclusion

COMPANY PROFILE



We are PI Industries Ltd.

Founded in 1946, PI Industries Ltd. (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) is one of India's leading Agrisciences and Fine Chemical companies with a unique business model of providing innovative farm solutions to farmers. Simultaneously, we partner with global innovator companies across the value chain - Custom Synthesis to manufacturing to co-marketing & distribution of their products.

Powered by deep R&D expertise, PI has a significant footprint in the Indian crop protection market and a strong legacy of market-leading brands that bring value-added offerings to over 3 million farmers and retailers in India and globally.

With a strong belief in technology and IP protection as the key pillar, PI has been investing ahead of time and has established a large-scale manufacturing infrastructure focused on Industry 4.0 standards. We have built robust capabilities in each part of the value chain - process synthesis, scaling up, and commercialisation. With strength of over 3,000 employees, the Company currently operates five formulation facilities and 15 multipurpose plants under its four manufacturing locations. These state-of-art facilities have integrated process development teams with in-house engineering capabilities.

PI's world-class R&D facility at Udaipur has a dedicated team of 400+ scientists and researchers and includes advanced research and development labs, kilo plants, and pilot plants with NABL certification. Founded on seven decades of trust and customer-centricity, our teams have a proven track record of delivering transformative solutions, timely product supplies, and cost efficiencies and have established deep symbiotic relationships with over 20 global innovators.

As we enter a new orbit of ESG-driven growth, we continue to lead with science and research to develop innovative products that benefit farmers and our global partners, and bring about long-term sustainable transformation. We are increasingly leveraging technology and redefining our purpose to address the challenges of the future in a more holistic manner. PI Industries is broadening its horizons across chemistry platforms to address the challenges of food security, nutrition, and latent health needs of the planet to create shared value for all and reimagine a healthier planet.

₹ 50,769 mn Revenues in FY 2021-22
3000+ employees
400+ scientists
15 Multi Purpose Plants (MPPs)
130+ patents filed
20+ Global innovator partners
over 3 mn digitally connected farmers

Our unwavering focus on people and the planet is at the heart of our organisation. We reimagine how we do what we do to continuously improve the quality of Food and Health systems while keeping our business pursuits sustainable in every aspect.

5 Manufacturing Sites | **4** Countries (incl. India) 3 continents | **1** R&D Facility

OUR VALUE PROPOSITION



CONTINUING THE GROWTH MOMENTUM AND TAKING CONFIDENT STEPS INTO FUTURE

Favourable Operating Landscape

- Global specialty chemicals sector poised to grow at 4.7% CAGR over the next 6 years
- Record food inflation, coupled with supply chain constraints, is expected to drive healthy agrochemicals consumption
- With accelerated adoption of 'China+1' strategy by global majors, Indian specialty chemicals sector is pegged to witness faster growth
- PI, as India's oldest and largest CSM player in global markets, is rapidly broadening its product offerings across agrochemicals, electronic chemicals and pharma space



Formidable Customer Value Proposition

- Deep CSM relationships with reputed global innovators, fortified with flawless deliveries inspite of pandemic-related restrictions
- Unmatched expertise in complex chemistries thereby making PI the numero uno choice for global majors
- Significant R&D investments in recent years entering payback phase with numerous breakthroughs and a healthy pipeline across processes, products and technology platforms
- Vibrant bouquet of market leading crop protection brands, supported with a strong marketing network of over 10,000 distributors and more than 1,00,000 retailers enabling an enviable pan-India reach of over 3 million farmers



OUR VALUE PROPOSITION



Formidable Customer Value Proposition

- Strong portfolio of products with market leading brands in the domestic space and trusted CSM exports operations built over multiple decades
- Steadily transcending the traditional agchem space with successful foray into electronic chemical and pharma
- Strategic strengthening of domestic operations with farm mechanisation services
- Dedicated 'horticulture only' offerings under Jivagro brand, a first and unique pan India offering



CONSISTENT VALUE ACCRETION

Revenue (FY18- FY22) CAGR of

23.1%

EBITDA (FY18- FY22) CAGR of

23.4%

PAT (FY18- FY22) CAGR of

23.1%

Networth CAGR (FY18-FY22) of

33.5%

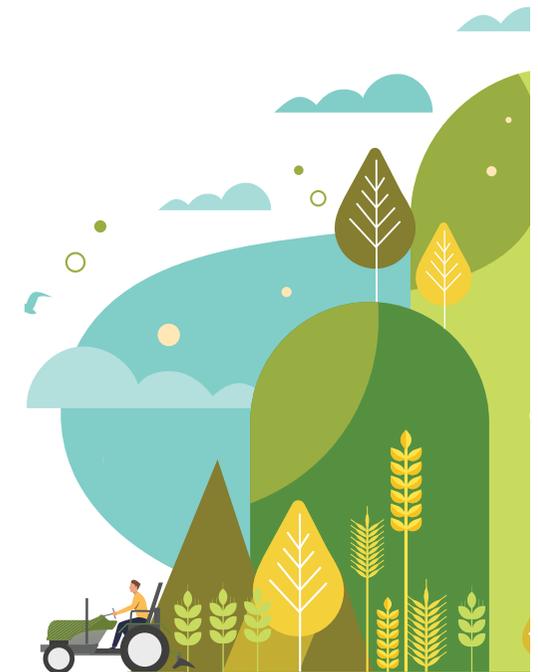
Surplus Cash net of debt

₹ 21,642 million
as on March 31, 2022

Net sales to trade working capital ratio of

4.13
as on March 31, 2022

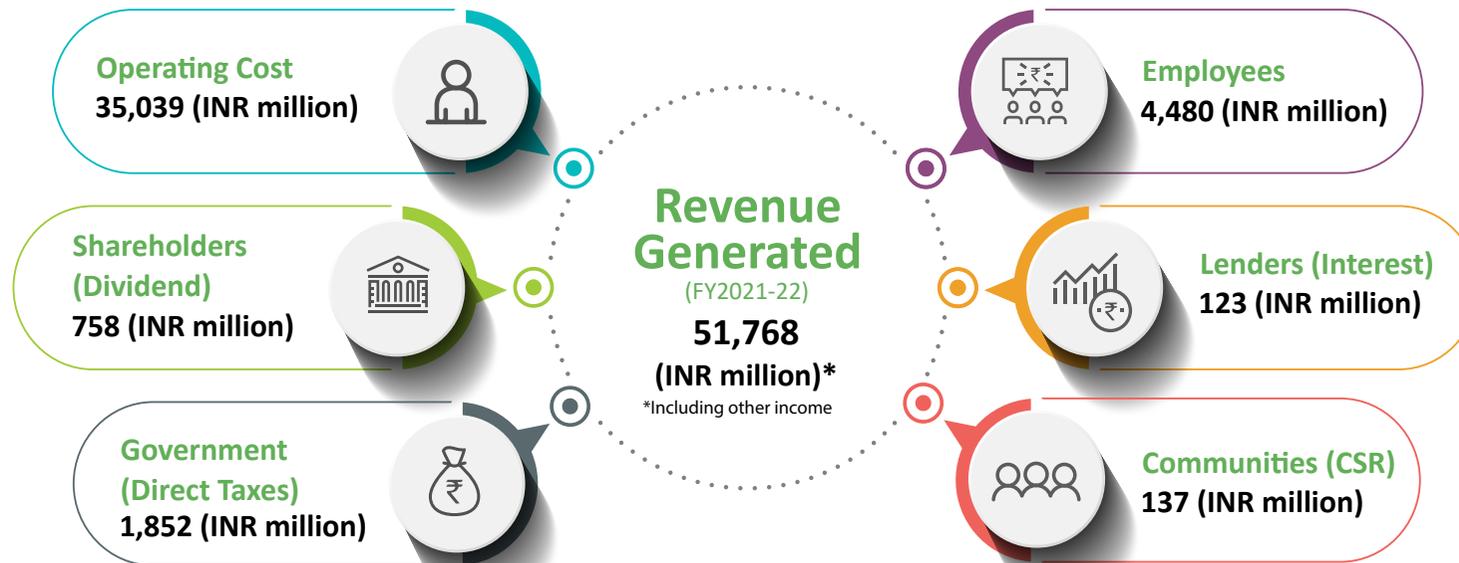
Strong Reputation Built on the Foundation of Credibility, Transparency and High-quality Products



ECONOMIC VALUE DISTRIBUTION

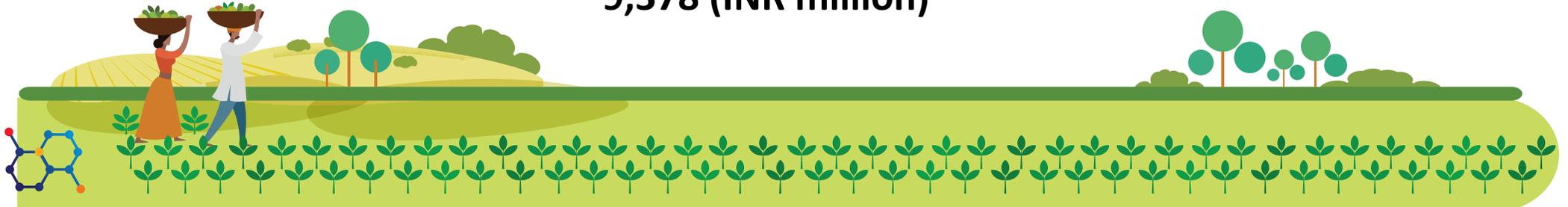


While maintaining the economic health of the company is necessary, we realize it is equally important to create shared value for our stakeholders. We have paid total dividend of **500% for 2020-21** and declared a total dividend of **600% for 2021-22**. We contributed 139 INR million and 59 INR million towards provident fund and gratuity fund respectively. Additionally, we create economic value for our stakeholders by generating employment, paying taxes, investing in social advancements, newer technologies and encouraging local business and vendors.



Economic Value Retained

9,378 (INR million)



KEY ESG PERFORMANCE INDICATORS



CREATING SHARED VALUE FOR ALL

ECONOMIC PERFORMANCE

~22% CAGR growth in Revenue from Operations over last 4 years

~23% CAGR growth in EBITDA over last 4 years

Earnings per share doubled to **INR 54** over last 4 years

Net Worth tripled to **INR 6,039** Cr over last 4 years

Total Shareholder Return Over **10** years



EMPOWERING OUR PEOPLE

PEOPLE

13% Share of women in STEM

38,916 Total employee training hours

INR 99 Lakhs spent on training

12.9 Training hours per employee

100% L&D tool utilization

3.43 HCROI

COMMUNITY

40,323 Farmers covered under DSR programme

90,287 People covered through mobile units for health and hygiene

15,000 Students reached through education and skill development initiatives

7,000 Women impacted through empowerment programmes



REDUCING OUR ECOLOGICAL FOOTPRINT

CARBON

2.1% GHG intensity reduction

3x Increase in renewable energy usage

WATER

20% Reduction in specific fresh water consumption

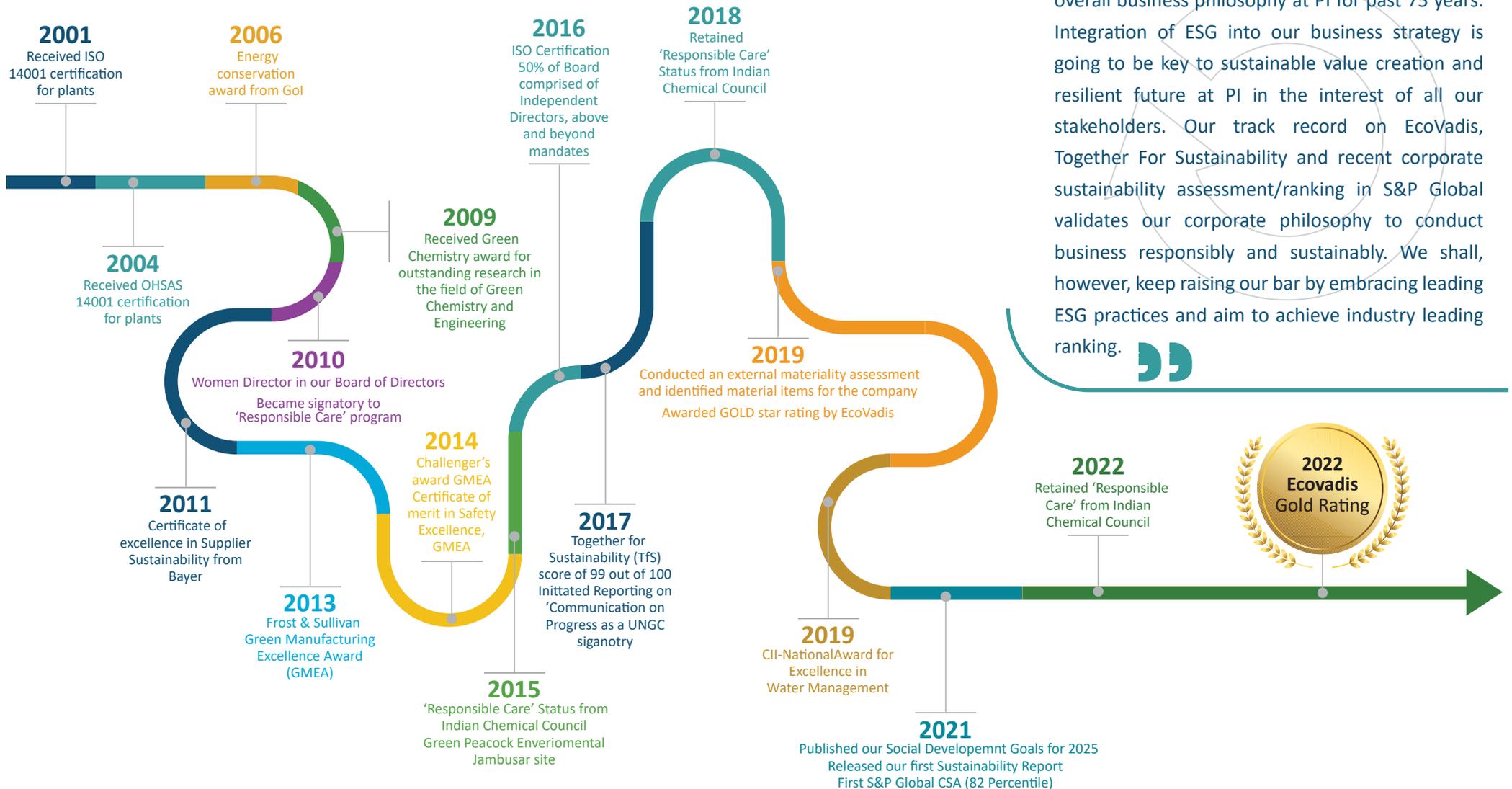
13,716 Kiloliters of water recycled

WASTE

1.5% Reduction in hazardous waste sent to landfill

99% Increase in hazardous waste recycled

OUR JOURNEY TOWARDS SUSTAINABILITY



ESG is central to our Purpose, Vision, Values and overall business philosophy at PI for past 75 years. Integration of ESG into our business strategy is going to be key to sustainable value creation and resilient future at PI in the interest of all our stakeholders. Our track record on EcoVadis, Together For Sustainability and recent corporate sustainability assessment/ranking in S&P Global validates our corporate philosophy to conduct business responsibly and sustainably. We shall, however, keep raising our bar by embracing leading ESG practices and aim to achieve industry leading ranking.

SUSTAINABILITY ETHOS



HOW WE THINK ABOUT SUSTAINABILITY



MESSAGE FROM THE LEADERS

Dear Stakeholders,

It's my pleasure to present the PI Industries' Sustainability Report 2021-2022, a reflection on the company's commitment to responsible business practices with our new purpose - "Reimagining a Healthier Planet".

Our world is undergoing rapid, intense, and all intrusive changes at multiple levels, in multidimensional ways. The Covid-19 pandemic pressed the reset button of our planet, Mother Earth, impacting every single inhabitant. While technological advances accelerate, it is worth noting that people's expectations from life are also fast evolving, and safety, good health, and socio-economic security have become predominant. In a nutshell, we all need a healthier planet!

At PI Industries, we have always believed that consistently expanding our horizons and aligning our goals with the dynamic environment is a sure-shot way of inching toward our goal of creating change. With ESG at the core of our Purpose, Vision, Values and overall business philosophy and R&D efforts for the past 75 years, we have achieved product innovation in a partnership model, bringing innovative products and solutions for our farmers to help improve their productivity and prosperity, constantly expanding our technology offering to global customers and doing our bit towards sustainable agriculture.

Integrating ESG into our business strategy has been essential to sustainable value creation and a resilient future at PI in the interest of all our stakeholders.

The impact of climate change has been visible and reflects increasing food security concerns apart from many other things. It brings us all the responsibility to adapt to the environmental needs and consumer demands while creating sustainable plans that are also beneficial in the long run. There is abundant capital, technological possibilities, and global talent to fulfil our aspirations. As a responsible corporate and signatory to UNGC since 2017, we have embedded all its principles in our business strategy and working culture with a clear goal to improve our sustainability performance constantly.

Technological advances are being re-calibrated and realigned to achieve this overarching objective of making our planet healthy. Whatever the discipline, be it Agriculture, Life Sciences, R&D, Manufacturing, Information Technology, Transportation, or any other, our technology lenses are being realigned to serve our purpose.



Mr. Rajnish Sarna

Joint Managing Director

HOW WE THINK ABOUT SUSTAINABILITY



We converted the continued pandemic-ravaged 2021-2022 into a year of holistic transition. Our focus was on employee safety, followed by the motivation to ensure that no customer of PI faced any supply challenges. Our team's awareness of sustainability increased manifold leading to many innovations, progress on various new technologies and improvements in several key business processes. We have strengthened our presence and positioning in the nutritional security space with a rich portfolio of safe, niche, and premium offerings for the fruits and vegetable segment.

We have resolutely progressed on our goals to constantly reduce our environmental footprint, boost natural resource efficiency, contribute toward carbon-neutral agriculture, raise supply chain sustainability, and enhance social engagement to help the underprivileged. We are also negotiating long-term contracts to make renewable energy the primary source at our manufacturing sites.

As we embark upon our next 75 years and beyond journey, we aim to continuously develop a robust and well-diversified talent pool by creating an enabling environment and equipping them with appropriate resources. We constantly strive to establish the highest standards of corporate governance, which breeds confidence and trust for all our stakeholders. Our consistent efforts are to inch towards increasing the number of new sciences and technologies to steer the world towards a safer future. We are holistically aligning our aims and aspirations

with our business's ecological, social and governance (ESG) aspects.

Learning from the pandemic, we are also making our working conditions safer and more amicable for our people regarding their physical and emotional well-being. From a talent standpoint, we are working progressively to nurture and expand our talent pool to marry our talent requirement with our people's learning and growth aspirations.

As a company inspired by science and technology, we will continue to invest significant resources in research and development. In addition, we will strengthen and explore new partnerships, alliances, collaborations, and innovative business models to benefit from the vast array of possibilities that new technologies provide.

We are committed to reimagining a healthier planet and working backwards while embedding this thinking in all our activities. Our values continue to be the foundation of all our business activities and the way we work. As we embark on our ambitious goal of evolving into a leading life sciences company, we will further strengthen our foundations and leverage our values and capabilities to become a most admired ESG-driven enterprise.

I thank all stakeholders for your continued patronage and support in this new, challenging and wondrous journey. Please participate in our sustainability journey with your critique/feedback on this report mailed to me at sustainability@piind.com



PI has registered with ECOVADIS, an agency that rates supplier companies based on their reported sustainability parameters within the ambit of supply chain. The Company undertakes ECOVADIS assessment for its sustainability ratings. Company retained “Gold” rating under ECOVADIS for the year 2022

GOVERNANCE FOR SUSTAINABILITY

SUSTAINABILITY COUNCIL FRAMEWORK

PI is at the forefront of delivering science-led innovative solutions. Our core values - Courageous, Creative, Curious and Caring - enable us to create value for all stakeholders in a sustainable manner.

In our efforts to further institutionalise sustainability in our governance mechanism, we have formalised a Sustainability Council of cross-vertical team members. The primary objective of the Council is to assist the Board in fulfilling its responsibilities in respect of development, implementation, and monitoring of the Company's sustainable development policies. The Committee will also review reports, if and when required, for inclusion in the disclosure documents for the Company.



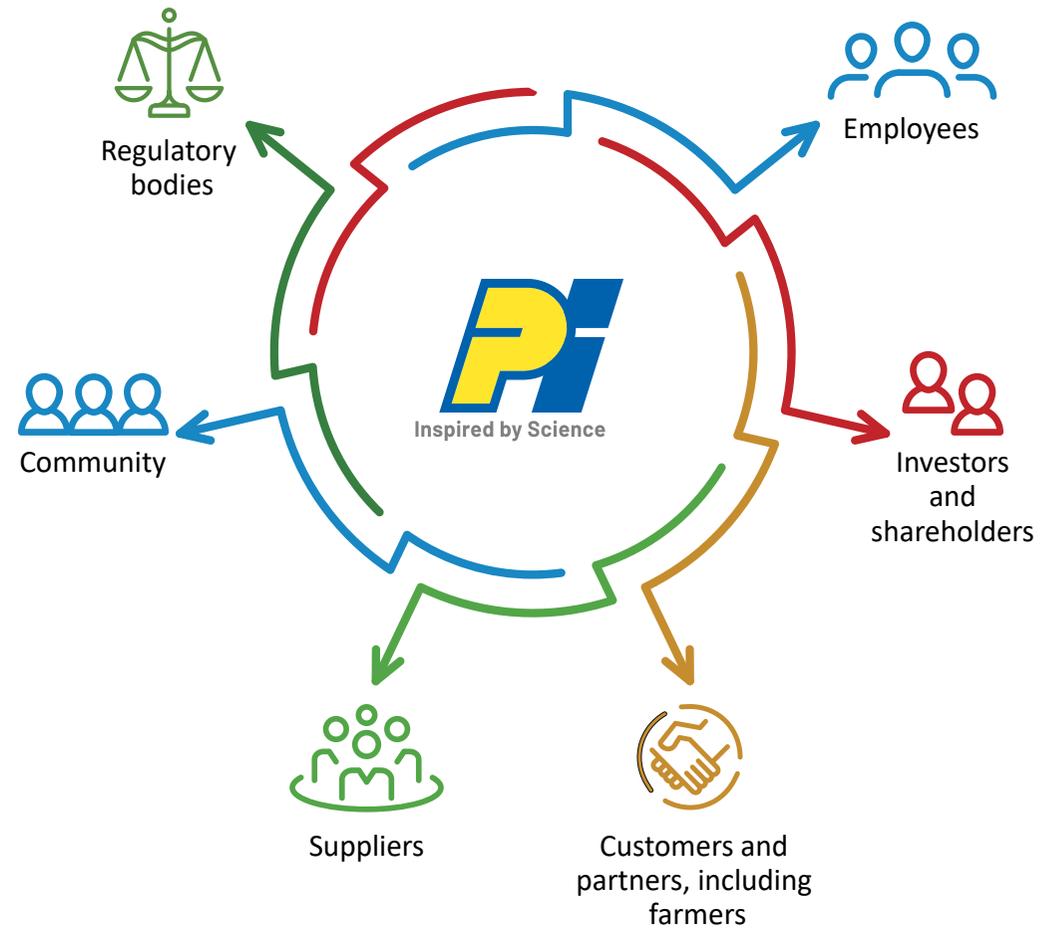
APPROACH OF SUSTAINABILITY COUNCIL



Creating value for stakeholders

We define our stakeholders as entities or individuals that are significantly affected by the organisation's activities, products, and services; and whose actions affect the ability of the organisation to successfully implement its strategies and achieve its objectives. We engage with a wide range of stakeholders throughout the year using both formal and informal engagement methods. During the reporting period, we continued to gather diverse opinions through stakeholder forums, surveys, and on-site visits.

“ Sustainability to PI Industries is not be just part of organisation DNA but also part of each & every stakeholder of PI. It should reflect in the way of we think, act and do whether it is at work, home or in a society. With which we should be able to bring transformational outcomes for our future. In the last year, despite various challenges at professional and personal aspects, we have been able to achieve success towards the efforts put up by our teams. ”



KEY STAKEHOLDER MANAGEMENT



Employees: PI is committed to building a sustainable human capital pool where the skills, capabilities and capacities of PI's stakeholders and communities are continuously built, upgraded, and enhanced.

Stakeholder	Stakeholder classification	Mode of engagement:	Key topics of significance:	Frequency of engagement:
Employees	Internal	<ul style="list-style-type: none"> ▪ Regular engagement emails to all ▪ Town hall meetings ▪ Internal Portal ▪ Employees Engagement survey ▪ Annual performance reviews 	<ul style="list-style-type: none"> ▪ Employee Satisfaction Talent Retention ▪ Remuneration and other employee benefits ▪ Grievance Resolution ▪ Diversity and equal opportunity ▪ Safety, Health and Well-being 	<ul style="list-style-type: none"> ▪ Weekly ▪ Monthly ▪ Quarterly ▪ Yearly

Investors: We leverage the financial capital from our investors and shareholders to invest in our operations, product development, employee empowerment, and community development. Maximising sustainable returns for shareholders and attracting new investors is a priority for PI.

Stakeholder	Stakeholder classification	Mode of engagement:	Key topics of significance:	Frequency of engagement:
Investors and Shareholders	External	<ul style="list-style-type: none"> ▪ Annual General Meeting ▪ Investors meeting 	<ul style="list-style-type: none"> ▪ Shareholding Pattern ▪ Disclosures in public domain ▪ Sustainable growth of business and profitability ▪ Timely receipt of dividends 	<ul style="list-style-type: none"> ▪ Quarterly ▪ Yearly

Customers and partners, including farmers: Customer satisfaction and retention is crucial for our growth. We constantly engage with customers to anticipate & meet their needs of high-quality products and responsive services.

Stakeholder	Stakeholder classification	Mode of engagement:	Key topics of significance:	Frequency of engagement:
Customers and partners, including farmers	External	<ul style="list-style-type: none"> ▪ Annual meetings with sales associates ▪ Website, product brochures, newsletter, social media ▪ Forums, seminars and conferences ▪ Customer Satisfaction survey ▪ Field demonstrations and trainings 	<ul style="list-style-type: none"> ▪ Customer satisfaction ▪ Product innovation and new product development ▪ Market competition ▪ Investment opportunities ▪ Communication to the customer and partners ▪ Customer health and safety ▪ Productivity 	<ul style="list-style-type: none"> ▪ Quarterly ▪ Yearly

KEY STAKEHOLDER MANAGEMENT



Suppliers: We rely on our vast supply chain network to procure raw materials for product development and supply our products to customers.

Stakeholder	Stakeholder classification	Mode of engagement:	Key topics of significance:	Frequency of engagement:
Suppliers	Internal	<ul style="list-style-type: none"> ▪ Annual and half-yearly supplier audits ▪ Tendering process ▪ Supplier survey ▪ Meetings by purchase department 	<ul style="list-style-type: none"> ▪ Suppliers assessment and training 	<ul style="list-style-type: none"> ▪ Quarterly ▪ Yearly

Community: We leverage the financial capital from our investors and shareholders to invest in our operations, product development, employee empowerment, and community development. Maximising sustainable returns for shareholders and attracting new investors is a priority for PI.

Stakeholder	Stakeholder classification	Mode of engagement:	Key topics of significance:	Frequency of engagement:
Community	External	<ul style="list-style-type: none"> ▪ CSR initiatives 	<ul style="list-style-type: none"> ▪ Sustainable agriculture ▪ Community well-being ▪ Infrastructure development ▪ Local employment ▪ Women empowerment 	<ul style="list-style-type: none"> ▪ Monthly ▪ Quarterly ▪ Yearly

Regulatory Bodies: We adhere to the environment and socio-economic laws of the region. We also pro-actively engage with regulators for pro-active compliance. Engagement is also necessary to understand the emerging regulations on sustainability and climate change.

Stakeholder	Stakeholder classification	Mode of engagement:	Key topics of significance:	Frequency of engagement:
Regulatory bodies	External	<ul style="list-style-type: none"> ▪ Compliance reports ▪ Corporate website ▪ Annual reports 	<ul style="list-style-type: none"> ▪ Statutory compliance ▪ Product safety ▪ Sound corporate governance mechanisms ▪ Environment impact of our operations 	<ul style="list-style-type: none"> ▪ Ongoing

OUR SUSTAINABILITY FRAMEWORK, PRINCIPLES, AND STRATEGY



PI stands committed to its responsibility towards society and our goal is to ensure that our economic growth is socially and environmentally sustainable. Our business efforts will be towards inclusive development, and we aim that people grow with us and we grow with people. We attract, nurture and help people grow.

Mr. Mayank Singhal, our Vice-Chairperson and Managing Director is a firm believer of strengthening the Company responsibly on the principles of environment conservation, social empowerment and good corporate governance, which demands constant and uninterrupted improvements. We view sustainability as a source of competitive advantage and it is key to our business continuity and success.

SUSTAINABILITY PRINCIPLES

At PI, sustainability means more than just countering risks. We believe that shared value can only be co-created by cumulative contributions from all stakeholders and their representation can be ensured through relevant policies and proxies at the highest governing and operational levels. Our priorities are:

Reducing our ecological footprint

↑ We strive to constantly reduce the consumption of resources (water and energy), improve raw material efficiency, enhance circularity in operations, and reduce emissions and waste production.

Empowering our people

↑ We aim to become an employer of choice by empowering individuals to reach their full potential. We aim to build an inclusive culture where diversity is valued. We respect human rights of all and strive to uphold them across our operations. High standards of safety and good health of our employees across operations and locations is paramount to us.

Creating Shared Value for all

↑ Through our products and services, we contribute to sustainable agriculture and livelihood development of farmers. Ensuring satisfaction of our customers is of paramount importance to us. Key tenets to meeting the customer requirements in a responsible manner include innovation, product stewardship, and operational excellence. We also strive to create long-term economic value for our shareholders. Our community development programs drive socio-economic development in the areas we operate.

SUSTAINABILITY FRAMEWORK

PURPOSE		
Inculcate the principles of Environmental, Social and Governance (ESG) in our conduct, operations, and processes		
OBJECTIVE		
Assist the Board in fulfilling its responsibilities with respect to development, implementation, and monitoring of the Company's initiatives related to sustainability		
ASPIRATIONS	STRATEGIC PRIORITIES	SUSTAINABILITY POLICIES
Trusted partner	Creating shared value for all	Environmental Policy
Impacting lives & communities	Empowering our people	Tax Strategy
Carbon neutrality	Reducing our ecological footprint	Sustainability & Climate Change Policy
Innovating sustainable agri-ractices		Labor Commitment Policies

Our product management framework has sustainability at its core. This has been arrived at after detailed assessment of Stakeholder expectations. The product development process leverages information technology, meets customer expectations and is compliant with laws.

STRATEGY



To build a safer and sustainable future of supporting a greener planet, citizens of the world, and building a green circular economy, we published our sustainability commitments in the year ending March 2021 for the next five years and these have also become the basis of our business strategy. To meet these 2025 targets, we have further developed a multi-pronged strategy.

Environment: Accountable for actions

- **Product responsibility** by exercising due care in the design of our products to ensure that they are safe for people and environment, when manufactured and used appropriately
- Adopt a **lifecycle driven approach** and assess the impacts of our products across all stages of development, manufacturing, use and disposal
- Continually look for opportunities to minimise our **environmental footprint** by conserving natural resources, investing in efficient production methods
- Develop **high quality products** which are safe for the environment and meet our customer requirements
- Focus on **green chemistry** through the in-house dedicated R&D team supported by efficient utilities and process plants from engineering team
- **Digitalisation** in our manufacturing processes combined with the insights gained through AI to reduce our environmental footprint

Social: Empowerment Culture and DEI

- **Work together with individuals** and the community to meet their needs, realize their potential and prosper in a healthy environment
- **Identify types of stakeholders** within the company such as employees, suppliers, consultants, partners, customers and outside the company such as local community and society at large impacted by our existence
- Adopt below practices to achieve a **sustainable social ecosystem** for the company
 - ▶ Fair Labour Practices
 - ▶ Legal Compliance
 - ▶ Health and Safety Practices
 - ▶ Equality, Diversity and Inclusion
- Develop **high quality products** which are safe for the environment and meet our customer requirements
- **Adopt GRI standards and ISO 26000** sustainability standards and conduct effective trainings to familiarise the workforce

Governance: Ethical Economic Performance

- Promote **corporate governance reform and good practices** in the company while doing business and promoting the 'sustainability vision'
- Spread awareness on the company's **Code of Conduct** and other practices
- **Integrate all departments and units** of the company with facilitating departments i.e., 'Sustainability and EHS' team
- Implement adequate **internal financial** controls for ensuring efficient conduct of business

OUR 2025 SUSTAINABILITY GOALS



With a strong focus on building a safer and more sustainable future, and contribute towards a greener planet, PI had launched its sustainability commitments in the year ending March 2021 for the ensuing five years, and we renew our commitment this year.

Climate change is one of the most critical challenges faced by humanity. As a part of its commitment to combat climate change, PI is pleased to provide its support to the Task Force on Climate - related Financial Disclosures (TCFD). Going forward, we will leverage TCFD to understand the gaps in our sustainability and climate initiatives and align our disclosures with its recommendations.

INCREASE OPERATIONAL ECO-EFFICIENCY AND REDUCE ECOLOGICAL FOOTPRINT

- Increase renewable energy usage to 20% of total
- Reduce Specific CO2 emission by 25%
- Reduce landfill Hazardous waste by 25%
- Reduce specific freshwater consumption by 25%



'ACHIEVE BEST-IN-CLASS EMPLOYEES' SAFETY, HEALTH AND WELLBEING STANDARDS AND DIVERSIFIED CULTURE AT THE WORKPLACE

- Reduce lost-time injury frequency rate to 0.20
- Ensure NIL fatal injury in plant operations
- Increase employees' average training hours per FTE by 25%.
- Increase women's participation in leadership positions by 25%



CONTRIBUTE TO IMPROVE FARM PRODUCTIVITY AND PROSPERITY OF THE FARMERS AND INCLUSIVE DEVELOPMENT AND WELLBEING OF THE SOCIETY

- Introduce new technologies/products/services and intensify farmers' education to improve farm productivity and reduce the environmental impact of agriculture by reducing water usage
- Conduct skill development training for women and youth to improve their employability and independence
- Contribute to education and healthcare of underprivileged in the society



LONG TERM AMBITION

Embracing and adapting with agility the wide array of emerging technologies makes our journey more exciting. As we move ahead, we are working on setting new and more urgent goals, as we believe speed is of essence to safeguard our planet. While we remain committed to achieve our mid-term goals till 2025, we do plan to achieve below by 2035. Additionally, through on-site expertise, strong R&D ecosystems, expert research partners and technology, PI strives towards a carbon neutral future by reducing environmental impact and conserving energy while continuing to be:



Highest Revenue generating & Profit earning Company in 'Chemical Synthesis Manufacturing' sector.



Most Preferred Employer and be among the most admired companies in India



Most Trusted Partner with global players for delivering world class product and services



An inspirational leadership



Respectful of human rights



RISKS AND RISK MANAGEMENT



RISK GOVERNANCE

At the core of PI success lies its ability and commitment towards building a culture of awareness, acknowledgement and management of risks that can impact the business including those related to ESG.

The Board of Directors take responsibility for the management of comprehensive risks faced by the Company. The Company's Risk Management Committee comprises of four members, all of them being Board members, including one Independent Director. The Risk Management Committee is continuously provided with risk-specific training through which they are informed about latest risk management practices and are equipped to assess various forms of risks.

The Managing Director and Vice Chairperson hold responsibility and provide direction to risk management processes. The Risk officer, appointed by the Board Committee acts as an administrator for institutionalising and monitoring the risk management framework. The Risk officer is further responsible for monitoring and auditing risk management performance at an operational level, through directly reporting to the Vice Chairperson and Managing Director.

OUR COMPANY'S RISK MANAGEMENT FRAMEWORK IS AS BELOW:



RISK STRATEGY

In line with PI's Risk Management Policy, and through a comprehensive enterprise risk management (ERM) process, PI has established a structure to identify, manage and monitor risks at periodic levels.



At PI, we follow a stringent process to identify, mitigate and monitor risks. All businesses, new projects and related activities go through a detailed feasibility study by internal or external teams to assess risks associated with them. In this year, we had conducted cross functional team workshops to identify and re-assess the risks to update the risk registers. Robust risk management is inextricably linked with business continuity.

To ensure a robust and effective risk and crisis management, our 'Risk Management Committee' meets on a half yearly basis and the leadership team discusses the risks with the Chief Risk Officer on a quarterly basis. All the risks are assessed and monitored across all businesses on a regular basis as an integral part of operations and business. Basis the Enterprise Risk Management exercise, PI also implements internal control processes to comply with existing regulations. Additionally, to identify uncommon risks, residual risks or latent risks a periodic stress testing is done for assets, portfolios or positions of interest to determine their reactions to different events that are not usually captured in more traditional value or during risk analysis. Our internal process of evaluating a long-term financial project involving high level capital or operational expense mandates a detailed and rigorous sensitivity analysis.

OUR SUSTAINABILITY RELATED RISKS



MAJOR ESG RISK, MITIGATION MEASURES AND METRICS

For each of the above risks, we have identified mitigation measures and different targets and Key Performance Indicators (KPIs) for PI and all the departments within PI.

RISK	RISK DESCRIPTION	MITIGATION MEASURES	KPIS IDENTIFIED
Raw materials and waste	Chemicals are a resource intensive process and improper usage leads to over-consumption and wastage of raw materials. Manufacturing of agro-chemicals produces significant amounts of hazardous materials, including raw materials, intermediate, and final products. The handling, storage, and transportation of these materials should be managed properly to minimize environmental and health impacts.	<ul style="list-style-type: none"> Optimizing the use of virgin materials. Solvent recovery and reuse. Using smart packaging. Improving the yield of intermediate products to reduce waste generation and raw material consumption. Implementing proper waste management procedures at sites. Setting up formal procedures and training employees on implementation of chemical us guidelines for manufacturing. 	<ul style="list-style-type: none"> % of solvent recovered E-Factor % of waste recycled
Product use	The misapplication of agro-chemicals can represent a serious threat to local biodiversity, environment, and water resources. The release of active ingredients and toxic runoff from fields into groundwater and rivers can spread toxic chemicals throughout the watershed, causing potentially irreparable biological damage.	<ul style="list-style-type: none"> Undertaking bio-efficacy studies. Phasing out particularly harmful ingredients with less dangerous substitutes during product design. Supporting the proper use of products, largely through the provision of information to customers. Following proper labelling of products in accordance with international standards and norms. 	<ul style="list-style-type: none"> Bio-efficacy studies. 100% compliance with regulatory norms for labelling of products
Employee health and safety	There are a wide range of occupational safety hazards in the chemical sector, notably biological impacts caused by toxic chemicals and physical injuries occurring during the production process. Health and safety incidents, most notably chemical explosions, have been heavily publicized around the world due to the number of injuries that occur when system failures occur.	<ul style="list-style-type: none"> Implementing a robust and effective occupational health and safety management system to prevent exposure to toxic chemicals and to prevent physical injuries in the production of chemicals. Conducting regular audits and safety training for workforce. Ensuring regular checks for spills and discharge. 	<ul style="list-style-type: none"> LTIFR Safety training hours
Non-compliance with environment, health, safety, and labour laws (Climate-related risks: Transition)	The industry is subject to various laws and government regulations on safety, health, environmental protection, and labour. Further, we anticipate that regulations with respect to climate change and greenhouse gas emissions may become more stringent. Non-compliance may lead to legal ramifications and reduce our brand reputation.	<ul style="list-style-type: none"> Regular monitoring of emerging regulations. Impact and magnitude of such risks monitored by the Risk Management Committee. 	<ul style="list-style-type: none"> We have not faced any environmental violations for last year
Energy usage and greenhouse gas emissions (Climate-related risks: Transition)	With the adoption of Paris Agreement, countries will strengthen their measures to reduce greenhouse (GHG) emissions. It is expected that government will further tighten regulations related to GHG emissions. This requires the Company to reduce its energy consumption and GHG emissions.	<ul style="list-style-type: none"> Monitoring and reporting on energy consumption and GHG emissions. Adopting energy efficiency measures, cleaner fuels, and renewable energy. 	<ul style="list-style-type: none"> Scope 1 emissions Scope 2 emissions % of energy from renewable sources % area under green belt % of sustainable suppliers

RISK	RISK DESCRIPTION	MITIGATION MEASURES	KPIS IDENTIFIED
Climate-related risks (Physical) – Crop productivity	Being an agrochemical company, the sale of our products is determined by the volume of crops planted. Adverse weather conditions early in the season, especially drought conditions, can result in lower than normal plantings, thereby reducing the demand for our crop protection products. It may also cause volatility in the prices of commodities, which may affect growers' decisions about the types and quantum of crops to plant and may consequently affect the sales of our products.	<ul style="list-style-type: none"> ■ Diversifying our product portfolio. ■ Diversifying to different areas for production via various manufacturing channels and in different regions. ■ Leveraging our vast supply chain network. 	<ul style="list-style-type: none"> ■ % of sustainable suppliers
Water – quantity related risks	Overall, a fairly water intensive sector, our manufacturing operations may be impacted by decreased availability of water. Further, with increased concerns over climate change and its associated impacts, we anticipate enactment of more stringent regulations on water rights. In addition, the effluent discharge from our units comprises of various organic and inorganic material, suspended solids etc., which may be toxic in nature, depending on the production process of the agrochemicals.	<ul style="list-style-type: none"> ■ Our plants are not located in water stressed areas nor do we directly draw water from either surface or sub- surface water bodies. Our water requirements are fulfilled by municipal pipeline and water tankers which adhere with the regulatory norms. ■ We have had no water related conflicts. 	<ul style="list-style-type: none"> ■ Exposure to water stressed areas ■ Quantity and Quality related water risks
Climate-related risks (Transitional) – Land cover depletion	Effective climate transitions will require society to protect and restore high carbon stock and high conservation value lands, including forests and peatlands. Under climate transitions, government mandated land use restrictions will further threaten to render assets stranded.	<ul style="list-style-type: none"> ■ We conduct bio efficacy studies to reduce the effect of our products. 	<ul style="list-style-type: none"> ■ Bio-efficacy parameters
Policy risks	Proposed climate reforms to Environmental Impact Assessment Notification (2020) and Pesticide Management Bill (2020). These are currently facing opposition from industry and public at large.	<ul style="list-style-type: none"> ■ We conduct periodic checks on the revisions or proposals to the relevant legislations 	<ul style="list-style-type: none"> ■ Monthly checks ■ Regular engagement with statutory authority

IDENTIFYING AND EMBEDDING MATERIAL ISSUES



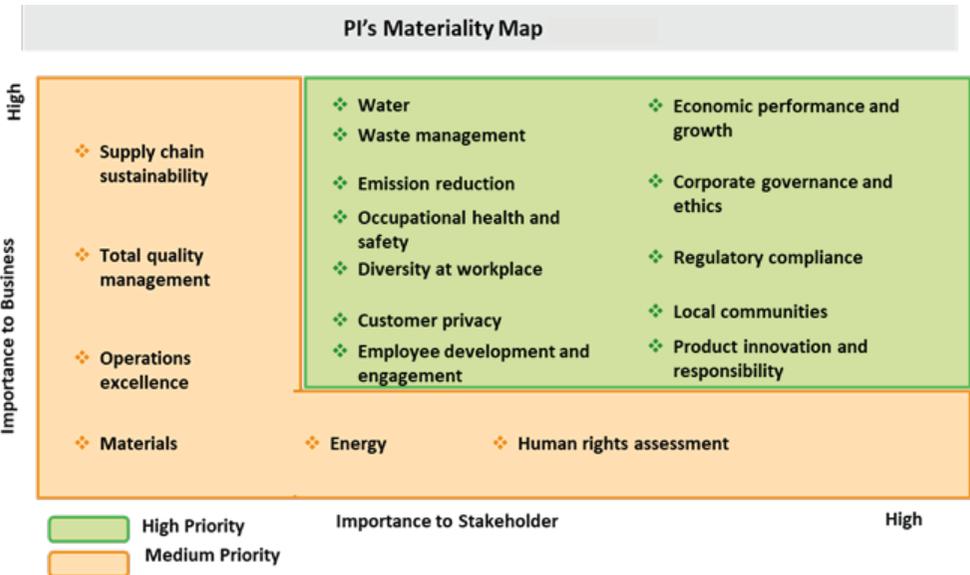
MATERIALITY ASSESSMENT

Approach

At PI, stakeholder value creation is always a top priority, and we consistently strive to identify, evaluate, and assess what are the topics of materiality. PI's high ambitious outlook towards sustainability enables it to define material topics as issues that have an impact on our ability to create economic, environmental, and social value of ourselves, our stakeholders, and the environment both from a financial and non-financial perspective.

At PI the materiality assessment is conducted biennially in lines with the GRI requirements and additional mapping to the United Nations Sustainable Development Goals (UNSDGs). In FY 2021-22, PI continued to follow a refreshed approach to materiality assessment adopted in FY 2020-21 by considering the sectoral trends, peer benchmarking and insights from the senior leadership. PI further embedded the material topics in the organizational strategy and action plans.

In FY 2021-22, PI continued to monitor the identified 18 material topics spread across the high and medium priorities and tracked the performance through various functional heads at PI.



The above graph is for FY 2021-22

PROCESS OF MATERIALITY ASSESSMENT



MATERIAL TOPICS AND PI'S UNDERSTANDING

In FY 2021-22, PI continued to address the material topics identified in FY2020-21 represented below:

Material Topic	Impact Boundary	Why is it Material?	SDGs Mapping
Economic performance and growth	Within PI	Financial sustainability is required for continued operations and growth of the Company.	
Corporate governance and ethics	Within PI	Sound corporate governance practices is necessary to build an environment of trust, accountability, integrity, and transparency within the organization. It also aids in building trust between company and stakeholders.	
Regulatory compliance	Within PI	Non-compliance with the laws of the land has the potential to disrupt businesses and tarnish the reputation of the Company	
Materials	Within and outside PI	Optimum utilization of the materials is directly linked to the operating cost. Reduced operating costs enhances profitability, which also impacts PI's investment in employees and other stakeholders.	
Energy	Within and outside PI	Energy efficiency is Important to reduce cost of production and the carbon footprint. Since energy has a significant sustainability connotation from national perspective, it is important to use it efficiently.	
Water	Within and outside PI	Being a water intensive industry, unsustainable water consumption will pose an added stress on our resources, especially in water-stressed areas. Further, water is a shared resource for communities as well, making efficient water consumption important.	
Emission reduction	Within and outside PI	Climate change is shifting the way businesses operate. GHG emissions have increased due to anthropogenic activities. Reducing GHG emissions and mitigating climate change is essential to de-risking our business and responding to stakeholder expectations	
Waste management	Within and outside PI	Chemical industry generates substantial hazardous waste. Safe disposal is must for regulatory compliances, stakeholders, and the ecosystem.	
Supply chain Sustainability	Within and outside PI	It is essential to work with our supply chain to cascade sustainable business practices.	

Material Topic	Impact Boundary	Why is it Material?	SDGs Mapping
Employee development and engagement	Within and outside PI	Employees are the backbone of any organisation. Retention of the workforce requires us to understand their concerns, focus extensively on training, and providing competitive benefits.	
Diversity and inclusion	Within PI	There is a strong business case for fostering diversity and inclusion at the workplace and productivity of the Company & financial returns	 
Occupational health and safety	Within and outside PI	Chemical handling is a high safety risk. Thus, ensuring safety of the employees is critical	
Local Communities	Within and outside PI	Maintain a long-lasting relationship with the local communities and giving back to the society is of prime importance.	          
Human rights assessment	Within and outside PI	Human rights touch all aspects of a company's operations. Respecting human rights of all stakeholders is both a legal and ethical imperative.	
Product innovation and responsibility	Within and outside PI	Due to the nature of its business, PI has to make sure that there are no harmful effects of its products on its customers and to the environment. Creation of value-added products of our customers requires innovation and research & development.	
Customer privacy	Within and outside PI	As custodians of customers sensitive information, it is important to keep confidentiality of all the customer related information.	
Total quality management system	Within PI	As a customer-focused organisation, ensuring quality of our products is essential to meeting their needs and expectations.	
Operations excellence	Within PI	Exceeding customer expectations by continually improving our processes will contribute to the growth the Company	

OUR RESPONSE FOR MATERIAL TOPICS

PI considers the significance of each material topic and the potential impact it can have on the Company. Hence it is critical for PI to effectively manage and monitor the progress against the action plan set out in the organisational strategy. Further we went ahead and mapped material topics to strategic KPI's across Environment, Social and Governance, which were further trickled down to various key business unit heads of all business units, to track and measure progress. Our intention to review and track progress is focused on our commitment to create shared value for all stakeholders and address all possible risks in the entire value chain of the business.

EMERGING RISKS

In FY 2021-22 PI continued to address the emerging risks identified in FY2020-21 represented below

NAME OF THE EMERGING RISK	GRADUAL SHIFT TOWARDS DE- GLOBALISATION AND PROTECTIONISM	INTERNATIONAL LOGISTICS AND SHIPPING SECTOR CHALLENGES /BOTTLENECKS
CATEGORY	GEOPOLITICAL	ECONOMICAL
<p>Description</p>	<p>With fast changing geopolitical situations, trade wars between countries and Country First kind of political mandates, lot of protectionism is settling in major economies which is making international alliances / co-operations little uncertain. COVID-19 pandemic has added fuel to this trend with national security; public health concerns are providing new rationales for protectionism. Countries are looking inward and wanting to de-risk their supply chain overdependence on other countries. While India is having cordial relations with most of the major economies and in fact gaining from current trade wars / change in geopolitical relations with some of the major economies, any change in India's political/economic relations with some of these major countries may have impact on Company's export oriented Custom Synthesis Manufacturing exports business model.</p>	<p>Due to the continued spread of COVID-19 & its increasing impact and the on-going Russia-Ukraine Conflict, bottlenecks in shipping and international logistics sector has remained as an emerging & major challenge in terms of timely availability of ships, steep increase in shipping and inland freight, regular congestion at ports resulting in significant delays of consignments.</p>
<p>Mitigating actions</p>	<ul style="list-style-type: none"> ▪ Focusing on specialty products backed by technologies and having long term commitment / stickiness instead of getting into opportunistic generic products, the demand scenario for which may quickly change. ▪ Diversify into adjacencies and target larger market opportunity and reduce business concentration / risk. ▪ Backward integration and development of local sources of key input material to reduce dependence on other geographies. ▪ Look for global M&A opportunities in the vicinity of major markets/ global customers. 	<p>Operating with multiple no. of shipping companies instead of limiting to a few. Maintaining higher inventory levels for both raw materials and finished goods. Operating with multiple shipping ports instead of limiting too few to avoid port congestion.</p>

ENVIRONMENT



ENVIRONMENT HIGHLIGHTS

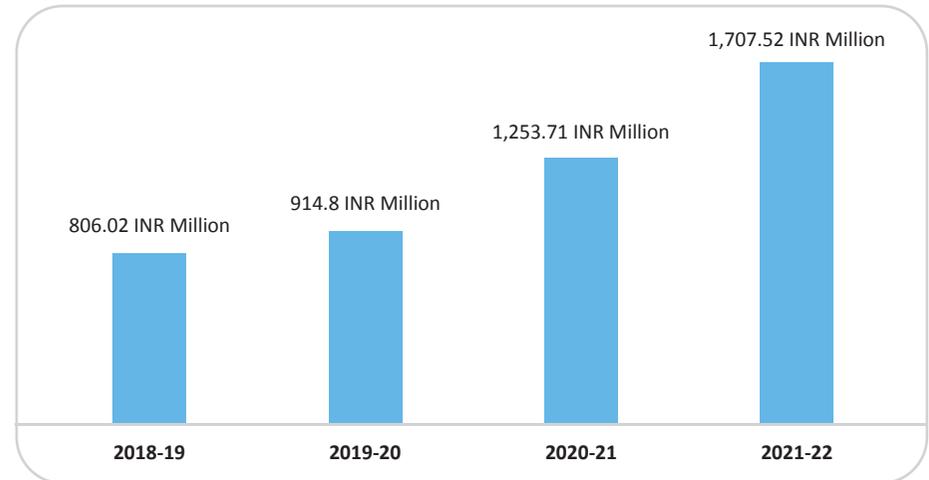


At PI, to become significantly energy and resource efficient, we continue to adopt and invest in new technologies dedicated to the promotion of low-carbon sources of energy and the efficient use of energy and resources. While the Company's environment commitment promotes enterprise, innovation and productivity, and encourages the development of innovative environmental technologies, we have shown a considerable degree of stability over the past three years in environmental investments which has been possible due to our initiative towards 'step to reach innovation and value excellence'.

We have environment management systems which allow us to track capital investments, expenses, cost savings and avoidance from environmental investments for all or a part of our business. During the year (FY 21-22), we did not record any case of non-compliance with environmental laws.

In FY2021-22, our environment expenditure amounted to INR 1707.52 million (capital and operating expenses). We have increased our environmental investments each year as evident from the graph

Investment in Environment Management



Additional highlights

Carbon	Water	Waste
<p>2.1%</p> <p>GHG Intensity reduction *</p> <p>As compared to previous year (2021)</p>	<p>4.4%</p> <p>Specific freshwater usage reduction</p> <p>As compared to previous year (2021)</p>	<p>1.5%</p> <p>Reduction in Hazardous waste sent to landfill</p> <p>Absolute reduction in current year (2022)</p>
<p>3x</p> <p>Renewable Energy usage</p> <p>Increased renewable energy usage to 4% of total, a 3x increase from previous year (2021)</p>	<p>13,716 Kilo liters</p> <p>Recycled water</p> <p>Done through Rainwater Harvesting Project @PM01 and recycled 11,595 KL RO-F @ Udalpur</p>	<p>99%</p> <p>Increase in Hazardous waste recycled</p> <p>As compared to previous year (2021)</p>

*Calculation of intensity is based on finished goods production

MOVING TOWARDS COMMITMENT



2021 continued to be challenging due to the end of the COVID-19 wave and its increasing impact. We have remained focused on protecting the health and safety of people while continuing to support our commitments to our SDG 2025.

As a result of our steadfast approach, we have been able to sustain our progress towards these commitments and, with planned projects, we expect to achieve these commitments by 2025. Below is an overview of our progression and also the roadmap for coming years which shall help us move towards our segment wise commitment.



Renewable Energy

Consumption increased 24x over the last 2 years



100% eco-friendly packaging material for Domestic Agri Brands



23.2% increase in Q1 under the environmental investment segment from 2020-21



~14 million litres of water recycled in FY22



~77% of total incinerable waste disposed off through co-processing



4.4% water consumption (specific) levels per ton of production even with double digit increase in production



1.5% reduction in absolute land fill waste. 20% reduction in specific landfill waste. Baseline year: FY 20-21



20% reduction in specific fresh water consumption Baseline year: FY 19-20



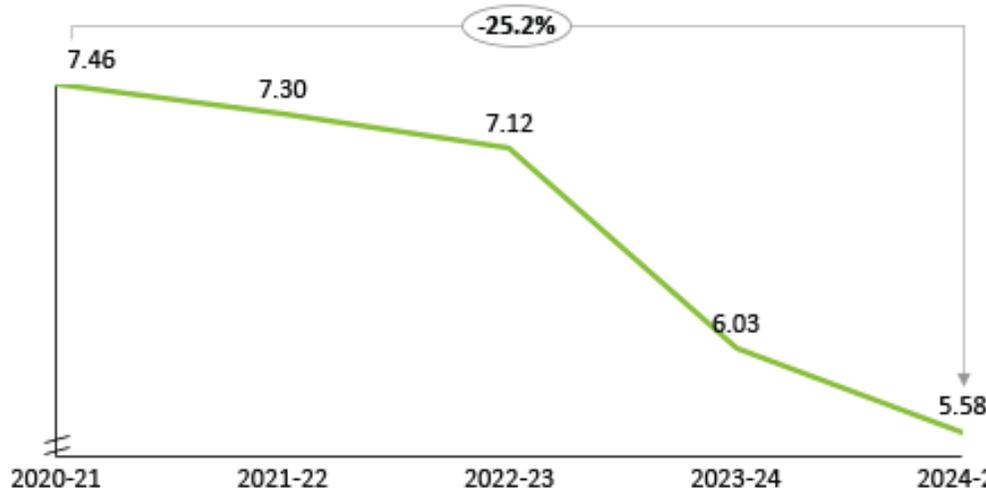
CO₂ Emission reduction projects planned till 2025

Year	Projects
2022-23	Roof top solar project phase-1 Roof top solar project phase-2 Increase in renewable energy contribution by open access purchase of hybrid energy (solar + wind)- Phase 1
2023-24	Increase in renewable energy contribution by open access purchase of hybrid energy (solar + wind)- Phase 1 Increase in renewable energy contribution by open access purchase of hybrid energy (solar + wind)- Phase 3 Replacement of FO/LDO boiler fuel with cleaner fuel LNG
2024-25	Increase in renewable energy contribution by open access purchase of hybrid energy (solar + wind)- Phase 4

Freshwater reduction activities planned till 2025

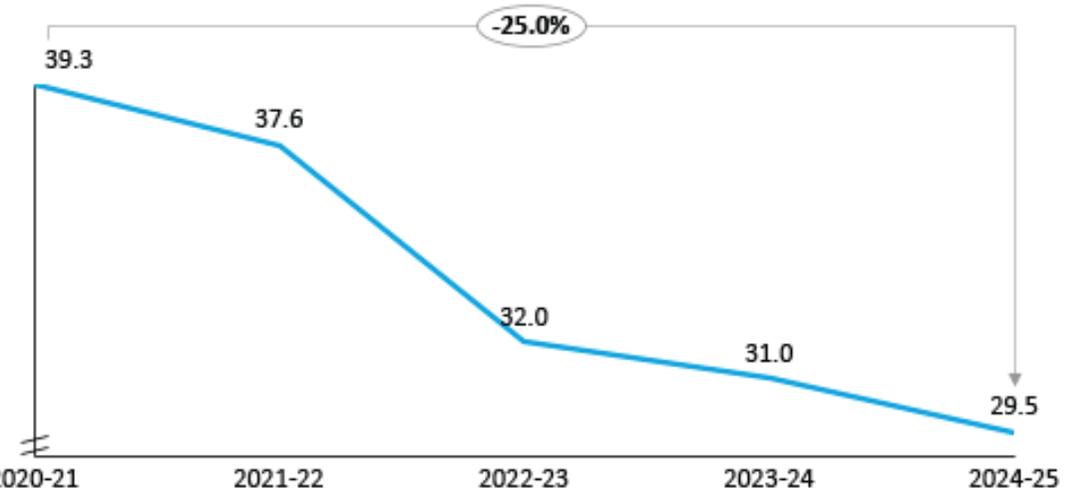
Year	Projects
2022-23	650 KLD RO project to recycle effluent 10% reduction in fresh water consumption through STRIVE projects
2023-24	Rain water harvesting at R&D unit Meeting steam demand through purchase from common steam generator facility

Projected Specific emissions



MTCO₂ emitted per metric tonne of output*

Projected Specific consumption



Kilolitre per metric tonne of output*

*Calculation of intensity is based on finished goods production

OUR ENVIRONMENTAL POLICIES



We at PI are committed to serve our customers in a diligent manner and aim to achieve the highest levels of excellence in the field of Environment, Health & Safety (EHS). Care for the environment is deeply imbibed into our culture through several policies related to different stakeholders as well as a robust EHS Management System. We have dedicated Committees related to environment for each of our business units. They are headed by the CEOs of respective business units, demonstrating our commitment at the highest levels.

We have robust policies for different aspects of environmental care. Each of the following policies has been curated to inculcate the principles of safety, health, and environmental care in our processes, and guide our efforts in preventing misuse and waste of resources in our operations.



Environmental, Health and Safety Policy
To establish a management system defining activities for managing the EHS for the company



Quality Policy
To exceed our customers' expectations



Environmental Policy
To manage and monitor our environmental impact



Energy Management Policy
To consume energy in the most cost-effective, efficient and environmentally responsible way



EHS Risk Assessment Policy
To identify potential safety, environmental hazards and their impact

Current ISO certifications with different units of PI

	PN01	PN02	PN03	PN05 ¹	PN06 ²	R&D	Revenue Contribution
ISO 9001:2015	✓	✓	✓	✓	✓	-	100%
ISO 14001:2015	✓	✓	✓		✓	✓	90%
ISO 45001: 2018 ³	✓	✓	✓		✓	✓	90%
ISO 50001: 2011			✓				25%
ISO 27001: 2013 ⁴				✓			100%

¹Commissioned in 2021

²Integrated with PI in 2022

³Subsumes OHSAS 18001:2007. PN01, PN02, PN03 and R&D unit at Udaipur were OHSAS 18001:2007 certified till 2021

⁴Organisation wide certification



**ISO 14001:2015
Environmental
Management
Systems**



**ISO 50001:2011
Energy Management
Systems**

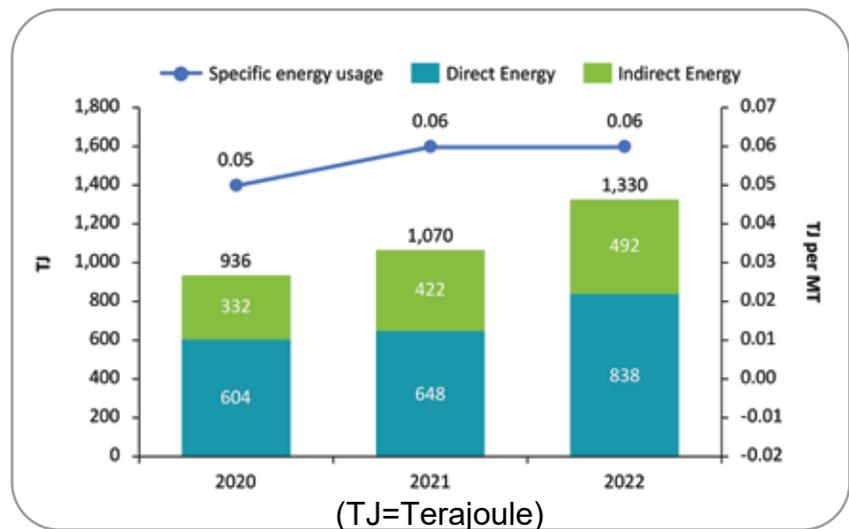
ENHANCING OPERATIONAL ECO-EFFICIENCIES



ENERGY

Power Consumption

In the last year, we added one more site during the year 2021-22 after fully integration of newly acquired site of Isagro (Asia) Agrochemical Pvt. Ltd which has resulted into overall increase of energy usage, but have been able to contain energy intensity of our operations. It has remained the same in last year, at 0.06 TJ/MT of production, including both direct and indirect sources for use within the organisation

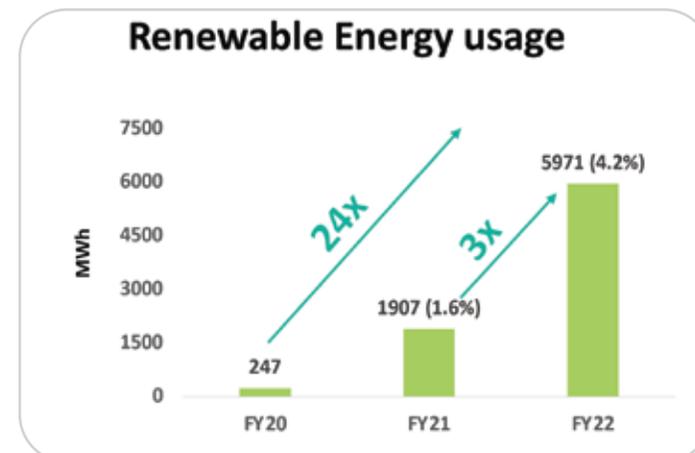


To reduce the dependence on fossil fuels, the following initiatives have been taken:

- Increased sourcing of renewable energy, to nearly three times from previous year: Two of our plants are operated partially through wind power and we have installed solar panels at our Udaipur site. In FY'22 a total of 5,971.4 MWh of renewable energy was used last year, making up for 4% of our total indirect energy consumed (~142,663 MWh).
- We are also increasing purchase of wind energy through open access in coming years. Solar panel installation is also underway for the other manufacturing units.

We have undertaken several other initiatives which would contribute to further efficiency improvements:

- Replaced fuel oil with Natural Gas for steam generation to run production blocks and waste treatment units in our plants at Panoli. Similar initiatives for the Jambusar plant are also in progress
- Zero loss drain valve in compressed air system
- Installation of standard scroll compressor with insulation panel on walls in cold room and remove inefficient reciprocating compressor and non-standard blower at Panoli
- Energy saving e-glass epoxy FRP fan blades for CT's at Panoli
- Steam supply through community boiler at Panoli
- Fitz Fuel Catalyst for efficiency improvement in NG consumption at Panoli
- 100TR Screw Chiller (1.7 KW/TR) in place of reciprocating voltas systems (~3.0 KW/TR) for -15 brine at Panoli
- Installation of micro turbine in return line of cooling tower and running the fan with pressure drop at Jambusar
- VFDs in process cooling tower fans and -35°C Brine & -15°C Brine Primary pumps at Jambusar



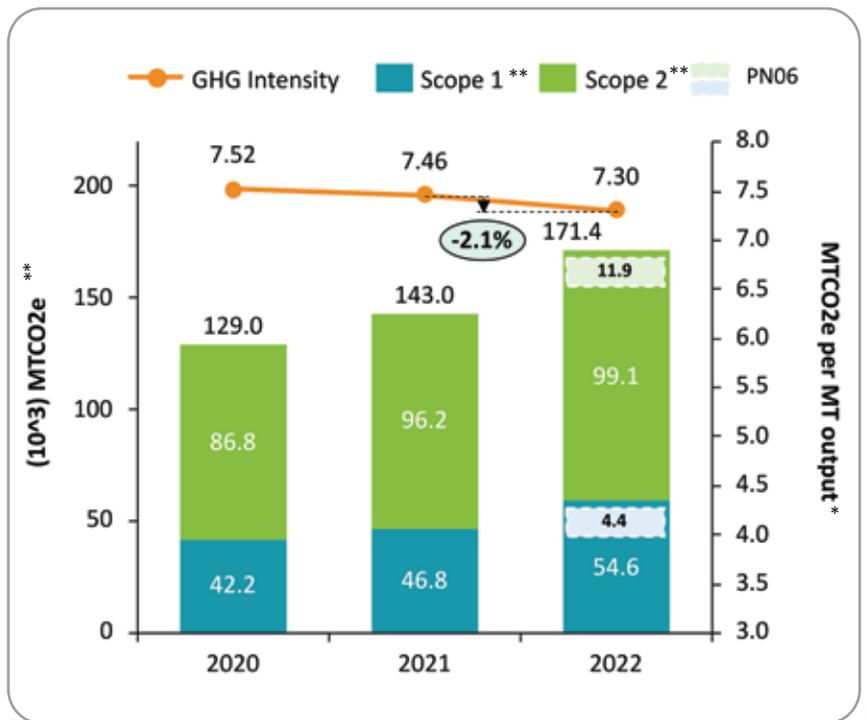
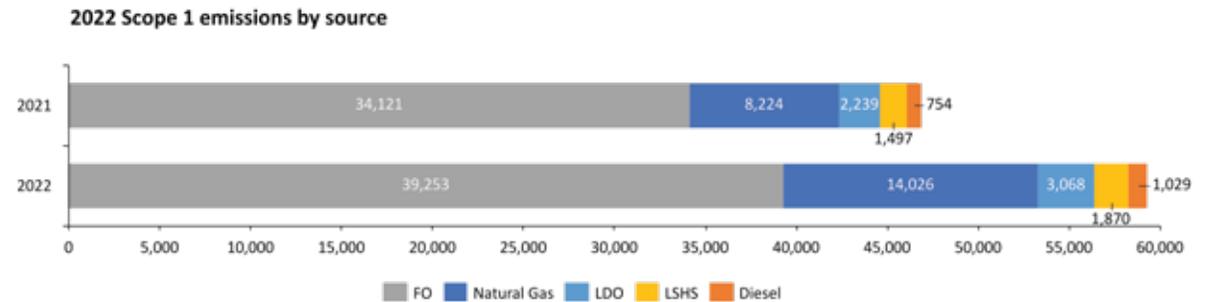
*Calculation of intensity is based on finished goods production

CARBON EMISSIONS REDUCTION



We constantly monitor Scope-1 (emissions from owned assets) and Scope-2 (electricity used for our manufacturing processes and utilities) from our manufacturing sites and continuously focus on various emission reduction measures. We recorded 2.1% reduction in intensity GHG emissions (MT CO₂e). In 2020-21 our CO₂ emission (Scope-1 and Scope-2) was 7.46 MT/MT of production which decreased to 7.30 MTCO₂/MT of production in 2021-22.

The following graph shows the split up of our carbon emissions from different sources:



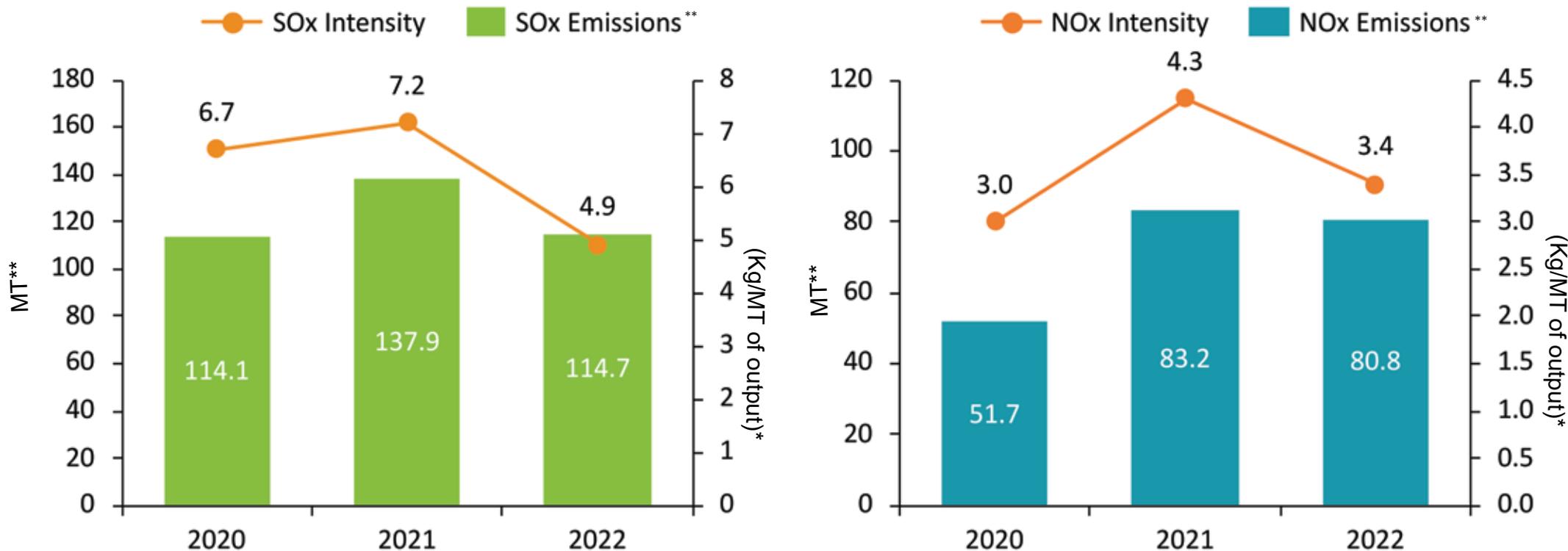
*Calculation of intensity is based on finished goods production
 ** Absolute Emissions (in metric tonnes)

Responsible Care® certification



OTHER GASES EMISSIONS REDUCTION

At PI, we also monitor emissions of NOx and SOx released from our manufacturing processes and flue gas emission point sources. The process and flue gas stacks emissions are monitored on a monthly basis to ensure the emissions are within the permissible limits prescribed by the Pollution Control Board. We also monitor fugitive VOC (volatile organic compounds) emissions through online VOC monitors installed at our sites. The graph below shows trend of the quantity of air emissions released from PI's operations. We achieved a reduction in SOx compared to previous year due to continued usage of low sulphur fuel in boilers and improvement in boiler efficiency at Jambusar. While there is marginal increase observed in NOx emission which is primarily due to one additional site considered this year for reporting purpose, there is a decrease in NOx emissions intensity.



* Emission Intensity (Calculation of intensity is based on finished goods production)

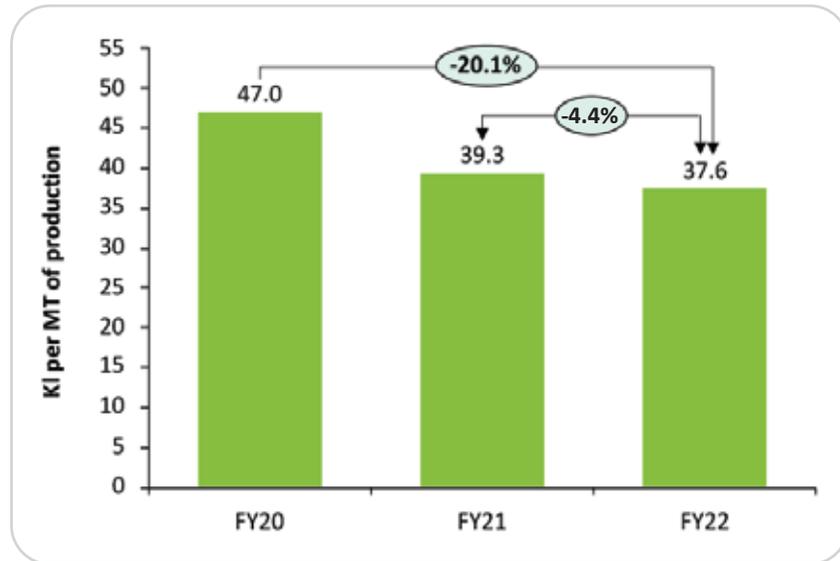
** Absolute Emissions (in metric tonnes)

WATER



WATER USAGE

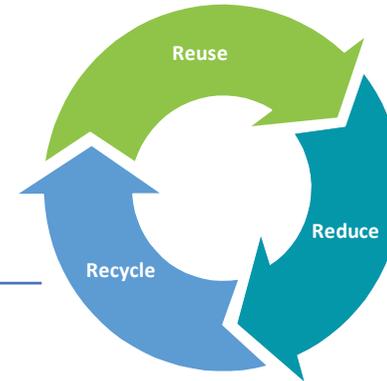
At PI we have identified water stress as one of the imminent environment risks and we systematically track freshwater usage pattern across all our manufacturing and R&D sites. Our freshwater use is mainly in manufacturing, utilities and for domestic uses. Being a Responsible Care® organization we are committed to reduce freshwater consumption across our value chain. The graph below shows trend of the specific water consumption (Kilo litre/MT of production).



WATER CONSERVATION

Our specific freshwater consumption reduced by 4.4% in the year 2021-22 compared to previous year. As a result of various initiatives in water conservation and usage reduction across our manufacturing and R&D sites. We are also committed to reduce our specific freshwater consumption by 25% considering the baseline year of 2020-21 by 2025. Some of key water conservation measures taken are summarized below:

- Reuse of aqueous layer from process into scrubber
- Reuse of aqueous layer from one process stage for neutralization in another stage



- Recycle of RO permeate and treated sewage

- Reduction in water washings in manufacturing process
- Replacement of DM water to raw water usage in the manufacturing process

20% reduction
on water usage since FY 19-20

*Calculation of intensity is based on finished goods production

WASTE

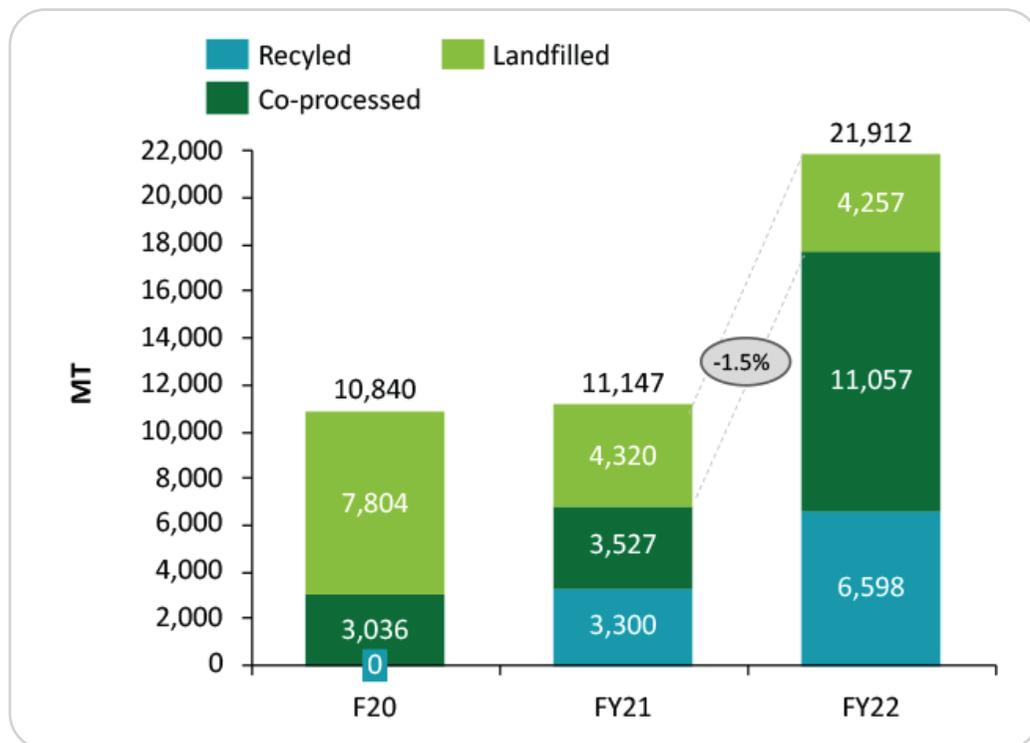


PROCESS WASTE MANAGEMENT

In FY 21-22, we adopted improved methods and systems for hazardous waste disposal which led to a significant amount of hazardous waste being sent to cement plants for co-processing or as a raw material to the fertilizer industry. We are also committed to meeting all the regulatory requirements set by the government authorities consistently and are continuously monitoring waste generation during manufacturing. We are working relentlessly to reach our goal of reducing landfill waste by 25% by 2025. In the year 2021-22 we sent 6,598 MT of hazardous waste for recycling with authorized recyclers under rule-9 of Hazardous Waste Rules which was 2 times more than previous year. 11,057 MT of hazardous waste sent for co-processing with cement plants which was 3 times more than previous year. In FY 21-22 total hazardous waste sent for incineration was 3,290.61 MT.

All non-hazardous waste (viz. plastic waste, wooden waste, metal scrap, paper waste etc.) is sent to authorized recyclers for disposal. We are highly committed and continuously working on reducing the hazardous waste generation by process optimization, yield improvement and recycling. The graph table shows trend of the hazardous waste disposal.

Waste treatment methods used by PI



PROCESS WASTE WATER MANAGEMENT

We handle our wastewater in a scientific manner starting with segregation at source followed by treatment of streams as per their characteristics. Lean streams are treated in Effluent Treatment Plant (ETP) comprising primary, secondary and tertiary stages where the effluent gets treated to satisfy the discharge norms set by the Pollution Control Boards. High organic load and high TDS streams are treated in multiple effect evaporator (MEE).

Our R&D Udaipur facility and the Formulation plant at Panoli are zero liquid discharge units and we are working on converting our technical units to zero discharge liquids as well in phase wise manner. The plants which are not zero discharge are having full-fledged ETPs.

In the year 2021-22 we discharged treated effluent from ETP having COD value of 43.9 MT which is slightly higher than compared to last year. Increase in COD value discharge is due to the additional technical plant considered for reporting this year.

BIODIVERSITY AND REDUCING ATMOSPHERIC CARBON



SUSTAINABLE AGRICULTURE PRACTICES TO HAVE STRONGER FOOD SYSTEM

Our Company's Purpose 'Reimagining a healthier planet' has been designed with an aim to advance biodiversity in a significant way. We target to develop products that support biodiversity, minimize environmental impact, reduce soil toxicity, increase soil formation, reduce water consumption and enhance water conservation. We have planned to do carbon offset through extensive tree plantation and working towards collaborating with the external parties to scale up and achieve our commitment. We have planned to do carbon offset through extensive tree plantation. PI also developed direct seed technology for paddy.

Agricultural productivity growth is growing globally at an average annual rate of ~ 1.8% with an objective to meet the demand of the growing population which is a major threat to the biodiversity. At PI, we are putting significant efforts to combat this impact by producing responsibly with the aid of cleaner & greener chemistry and helping local farmers increase their farm yield with the reduced environmental impact.



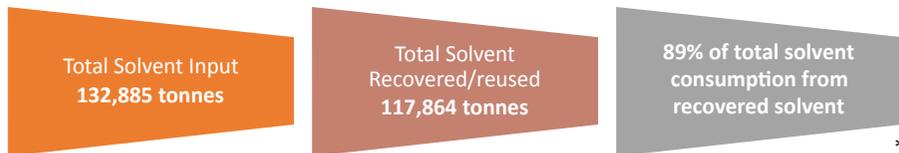
INPUT MATERIAL EFFICIENCY



Our raw material consumption primarily consists of different organic and inorganic chemicals and solvents. It is our endeavour to optimise the use of virgin material in our operations and reuse recovered raw materials without compromising on the quality of our products. Solvent recovery is our prime focus and we take several initiatives to recover and reuse solvents in our manufacturing facilities. During the year, 89% of our total solvent input was recovered and reused. We also recover and recycle catalysts in various processes resulting in reduction of resource consumption. We optimize input quantities of chemicals and solvent without impact on quality and output resulting in reduced resource consumption. At PI, we firmly believe in utilising the material that is derived from plentiful resources that reduce our environmental impact and are quickly replenished by ecological cycles.



117,864 of 132,885 tons of solvent in our processes was recovered and reused in FY21-22



*Solvent recovery % depends on multiple factors such as Product mix, nature of solvents used, degradation & consumption of solvent in Process as reagent, Safety challenges in recovering solvent from residues or waste stream etc. This data represents CSM business (B2B).

PACKAGING EFFICIENCY

Our packaging material includes various containers, drums, bottle, bags, plastic sheets, cardboard, paper labels etc. We have standardised our packaging, making it tamper proof. Due to safety concerns, we do not reuse most of our packaging materials and it is classified as hazardous waste which is disposed of in a prescribed manner. The Company also modified the packing of various finished products to reduce the usage of plastic and increase use of recycled paper. During the year, the Company also encouraged procurement of raw materials in bulk, IBC containers, or jumbo bags. This helped in reducing generation and handling of various types of packing materials, better adherence to environment and safety guidelines, better material handling in the process and maximum use of container space thereby reducing overall number of trips. New Packaging is tamper proof, design architecture is customer friendly having mechanism of identification and material right usage. Company has filed Patent for new design of liquid packaging. We also have filed a patent application which covers the tamper evident cap as well as the bottle.

Highlights:

- 35.85% of our raw materials are from renewable sources catering to close to 30% of our total products.
- In 2021, we procured around 5,526.6 MT of renewable raw materials.
- We have banned usage of all single use plastics (plates, glasses, cups etc.) as well as items made from polystyrene or expanded polystyrene in our premises.
- We have designed our labelling from plastic label to paper label on products.
- We are using all Paper based packaging material manufactured from 100% recycled material.

OPERATIONAL EXCELLENCE

At PI, a global 'Operational Excellence' framework has been adopted to continuously improve the Company's key performance in every dimension of sustainability. We have a full time working 'operational excellence' team dedicated to achieve its key objectives which are related to Productivity, Quality, Customer Excellence, Safety Environment, Resilience and Driving Profitability.



Productivity



Quality



Cost



Customer Excellence



Safety & Environment



Morale

PRODUCT STEWARDSHIP



PRODUCT STEWARDSHIP



PI recognizes that product integrity, product quality and being safe and environmentally responsible are the founding principles of product stewardship. Therefore, PI is committed to ensuring that its product and manufacturing process adhere to prescribed regulatory standards and practices including but not limited to quality, labelling and packaging and that technologies used are safe and environmentally responsible across the product life cycle, including its usage by the intended customer.

As part of our commitment to product stewardship PI has adopted the principles of the program of Responsible Care®, set out by the International Council of Chemical Association. It is an ethical framework towards safe chemicals management and performance excellence which companies desire to adopt to set standards beyond chemical manufacturing to other activities especially those associated with the safe use and handling of products along the value chain, health and safety of workforce etc.

Per their charted framework Responsible Care® is the global chemical industry's voluntary initiative, which - beyond legislative and regulatory compliance – commits companies, national chemical industry association and their partners to:

- a) Continuously improve the environmental health, safety and security knowledge and performance of our technologies, processes and products over their life cycle so as to avoid harm to people and the environment.
- b) Use resources efficiently and minimise waste.
- c) Report openly on performance achievements and short comings.
- d) Listen, engage and work with people to understand and address their concerns and expectations.
- e) Cooperate with governments and organisations in the development and implementation of effective regulations and standards and to meet or go beyond them.
- f) Provide help and advice to foster the responsible management of chemicals by all those who manage and use them along the product chain

HIGHLIGHTS:

- a) In our continuous efforts to make safer products we have introduced water based rice herbicides “Bis-pyribac sodium” -a SC formulation in place of fossil fuel based rice herbicides Glyphosate thereby eliminating the consumption of solvents.
- b) Reduction in the surfactant quantity by 4% ~ by using generic surfactant. (agro chemical domestic.)
- c) PI brought in a new generation insecticide “TOLFENPYRAD EC” to replace the existing hazardous product like Ethion 50% EC.
- d) Development of new products without solvents such as Dinoace and Distruptor.
- e) Newly launched crop protection products such as Brofrefya, PB rope L, Awkira etc. will help farmers improve the farming productivity, reduce water consumption and labour use. These products are also less toxic for the farmer. These products have better quality and shelf life.
- f) Chemical products which are supplied to the institutional customers are also produced through ecological friendly processes resulting in reduced GHG emissions and water consumption. They also carry much higher purity allowing our customer to achieve more efficiency in formulation, less wastage and higher yield.

SUSTAINABLE PRODUCTS AND PROPER USAGE



At PI, while designing a product we also address its social and environmental impacts, both in the short and long term. We are continuously developing products which can meet several sustainability criteria as defined in the UN SDGs. We also strive to create products of the highest quality, which meets the requirements of our customers and also conduct the detailed risk analysis as part of the product designing. We adopt a 'Product Lifecycle Approach' to assess the impacts of our products across all stages of development, manufacturing, use, and disposal, as per the graph presented here in which is not an exhaustive.

At PI, several technology initiatives are taken up by way of which, the manufacturing areas footprint drastically comes down and energy emissions are reduced to an extent. We are on a journey to develop Green and ecofriendly biological processes by way of which we can manufacture our raw materials. Round the clock, criteria related to but not limited to raw materials, direct operations, use phase impacts, bio-based, ecological consequences, packaging or end of life scenarios are considered to design the products by internal teams with the support of internal/ external stakeholder.

Product stewardship is one of our leading principles which mandates opting for mindful choices at the time of procurement of good quality raw materials, services which would accelerate the production of safe products and reduce impact to both people and environment. This is achieved by integrating our process to the life cycle assessment approach and collaborating with our suppliers, customers and other stakeholders along the value chain.

Product Lifecycle Approach

- Regulatory compliance
- Raw Material (efficient, renewable)
- Safe Adjuvants
- Toxicity
- Safe Chemistry
- Bio-Based
- Renewable Energy
- Transportation Efficiency
- Packaging
- Use Phase impacts
- End of life cycle
- Ecological consequences

UN (SDG)	NEW CP THAT MEETS CRITERIA				BIOSTIMULANT		
SUSTAINABLE CRITERIA	BROFREYA	PB ROPE L	AWKIRA	DISTRUPTOR	BIOVITA	HUMESOL	UN SDGS
Crop yield improvement / Protect and improve food production	✓	✓	✓	✓	✓	✓	
Improve Water Conservation	✓	✓	✓	✓	✓	✓	
Responsible Consumption and Production	✓	✓	✓	✓	✓	✓	
Improve soil quality or restore degraded land	✓	✓	✓	✓	✓	✓	

RESPONSIBLE MARKETING AND LABELLING



PI has a rich legacy and track record in building strong brands and delivering on its customer promise by leveraging robust marketing and distribution set up. The Company's marketing team adopts a three-pronged approach in building powerful brands and create a strong recall value for its products. Pre-launch efforts include mapping the target users & markets, on-field training, generating testimonials, brand awareness and teaser campaigns. The product launch campaigns include theme, location and venue finalization, stakeholder involvement along with press & media coverage. In addition, the post launch efforts include extensive branding & promotional activities, channel handholding, demand generation activities, geographical & crop label expansion and product stewardship.

Training Content creation in local languages

Stewardship poster & videos shared as training material in 167 locations

Institutional partnership

Working on joint development program by CLI to promote PI stewardship initiatives.

"Pesticides are Plus" with Bayer

Stewardship Day

Successfully conducted 167 meetings in a day with 11,000 targeted audience (farmers)

RESPONSIBLE MARKETING AND LABELLING



LABELLING

PI complies with, and attempts to provide additional information to cater to the labelling requirements required to register and sell products locally. There is robust review mechanism followed to ensure accurate labels requirements are adopted at the time of registration of the product and at the time of applying for the sale of product.

PI continues to provide detailed Material Safety Data Sheet (MSDS) along with its products, detailing the chemical components used for making the formulation, its transparent requirements, hazardous/non-hazardous data, logistics requirements, safer storing conditions etc. These MSDS sheets are also translated in the local languages for farmers and other product bearers such as retailers and sellers, and whenever and wherever it is necessary.



SOCIAL



HIGHLIGHTS FY 2021-2022



Community

Sustainable farming practices	Health, hygiene and sanitation	Education and skill development	Women empowerment
40,323 farmers Covered under DSR programme	90,287 people Covered through 3 medical units	15,000 students Reached	7,000 women Impacted
590 plots Across 7 states where DSR demonstrations were performed	5 thematic health camps Conducted	135 schools Impacted across 82 villages	3,264 women Attended financial and legal literacy workshops
10,000 farmers Benefitted from dissemination of eco friendly cotton growing technology	1,500 people Participated in the camps - especially women, children and elderly	480 students trained, 300 placed In organised sectors	2,800 women Received direct linkages with bank and dairy value chain



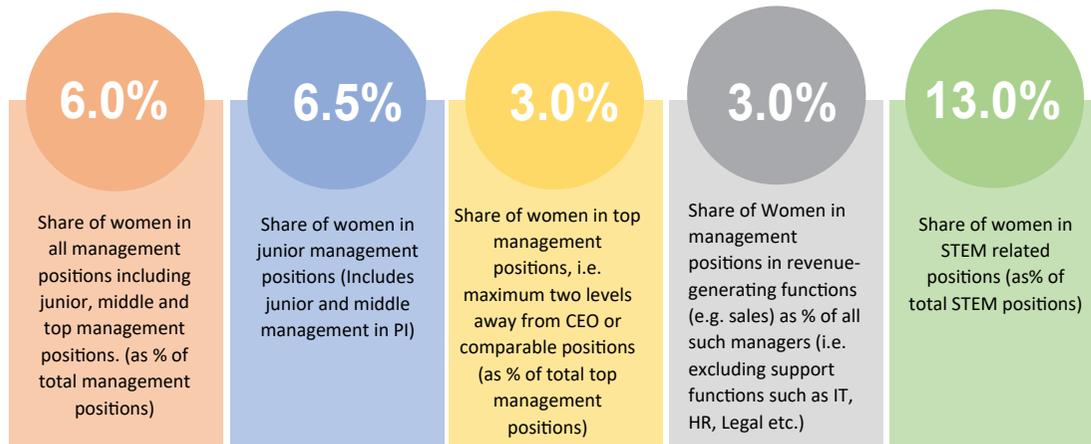
During the year (FY 21-22), we did not record any case of non-compliance with socio-economic laws.

BUILDING A COMMITTED AND EMPOWERED WORKFORCE

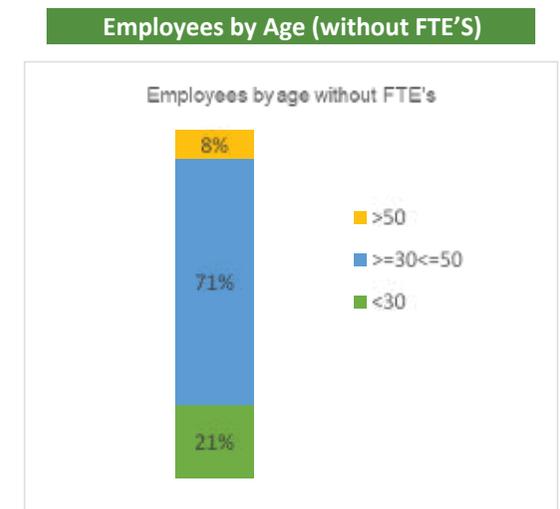
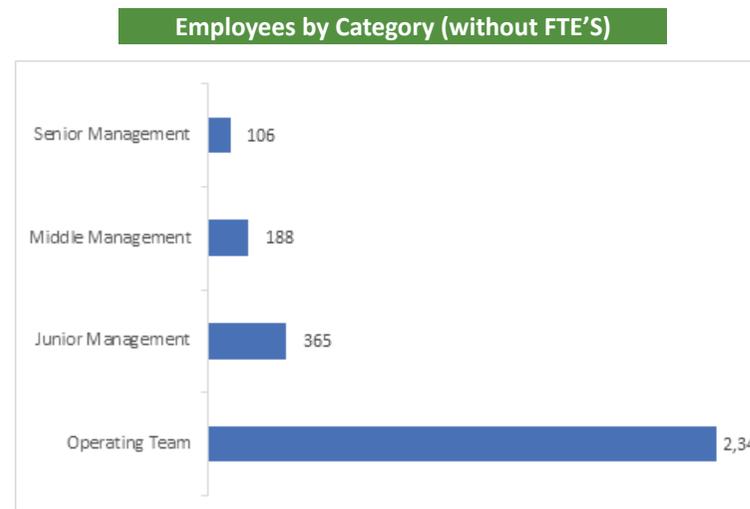
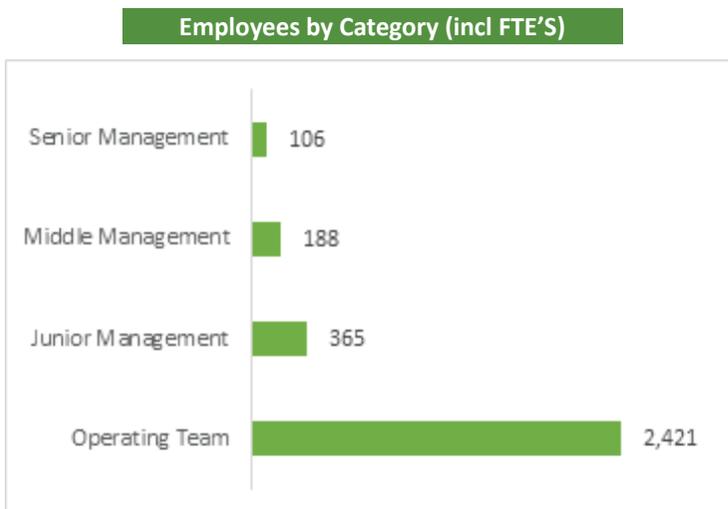


We aim to build a committed and agile workforce comprising of diverse talent from different age groups, gender, culture, ethnicities, skills, and capabilities. PI is committed to being an equal opportunity employer, where merit in qualification and capability is paramount for selection, remuneration, and promotion. We also strive to offer our employees a challenging and nurturing work environment, with a focus on improving their job expertise and cultivating next generation of leaders.

We focus on hiring people with a wide range of talent, both new recruits and experienced professionals to ensure sustained growth of all business segments.

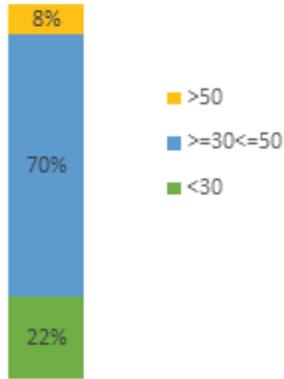


Gender Pay Indicators		
Average Female Salary (in INR)	Employee Level	Average Male Salary (in INR)
19,70,580	Management level (base salary only)	23,42,497
22,13,314	Management level (base salary + other cash incentives)	27,58,534
4,67,426	Non-management level	7,09,549



Employees by Age (incl FTE'S)

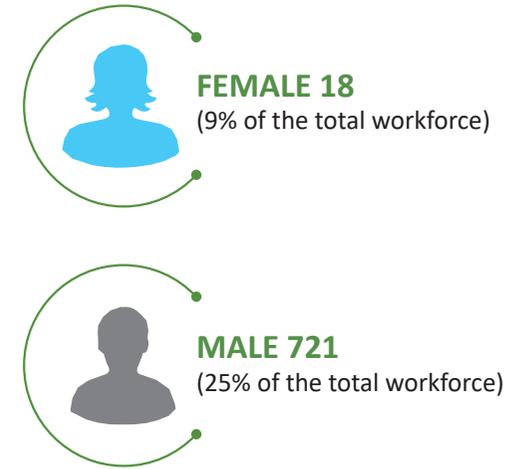
Employees by age incl FTE's



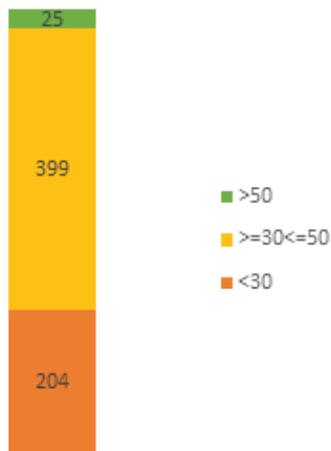
Employees Turnover by Gender (without FTE'S)



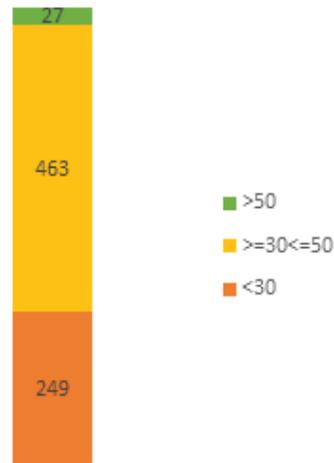
Employees Turnover by Gender (Incl FTE'S)



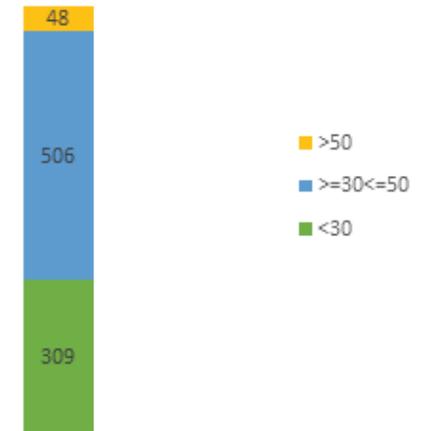
Employees Turnover by Age (without FTE'S)



Employees Turnover by Age (Incl FTE'S)



Employees Hired in 21-22 Age wise (Without FTE'S)



INTEGRATION OF SENIOR EMPLOYEES:

We firmly believe in providing an opportunity to our employees post their retirement age to remain engaged if there is a suitable job opportunity. Apart from familiarisation with the company's requirements and processes, these employees guide the new hires with the Company's ethics and values. We also organise talk sessions and mentorship programmes to ease the generation gap and address age-bound stereotypes.

As on 31st March 2022, we have 8 consultants who continue to be associated with PI post their retirement.

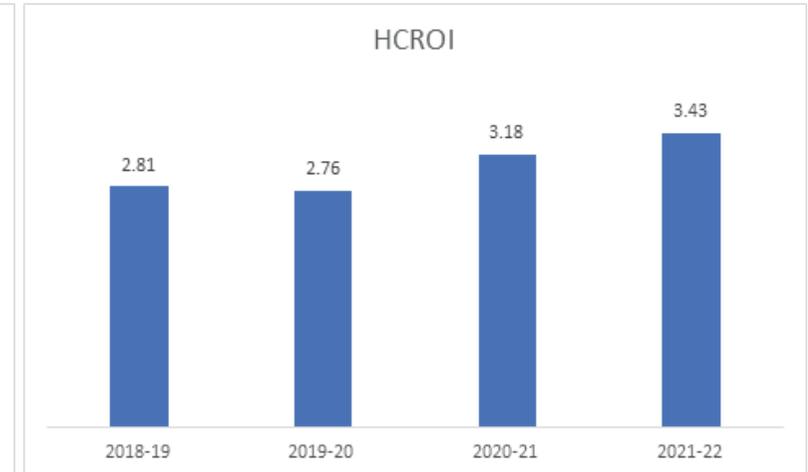
Employees Hired in 21-22 Age wise (incl FTE'S)



Workforce



Human Capital Return on Investment



Learning Hours by Age and gender (Without FTE)

Age Group	Female	Male	Grand Total*
Less than 30	193	6,599	6,792
30-50 Years	162	25,835	25,997
Greater than 50	3	2,835	2,838
Grand Total	358	35,269	35,627

Learning Hours by level and gender (without FTE)

Level	Female	Male	Grand Total*
Senior Management	7	911	918
Middle Management	40	2,083	2,123
Junior Management	48	3,714	3,762
Operating Team	263	28,561	28,824
Grand Total	358	35,269	35,627

Learning Hours by Age and gender (Incl FTE)

Age Group	Female	Male	Grand Total*
Less than 30	193	6,818	7,011
30-50 Years	162	26,182	26,344
Greater than 50	6	2,849	2,855
Grand Total	361	35,849	36,210

*Learning hours herein represent the data of digital tools. For our field associates, we have class room training programs through expert trainers.

EMPLOYEE DEVELOPMENT PLANS



In line with the philosophy of People First, the organisation has focused on developing employees and helping them grow in their roles as well as prepare them for future roles. Some of the learning highlights are:

- Towards our endeavour of democratizing learning, all our employees have access to more than 2,500 online courses from Skillsoft addressing a variety of subject areas from interpersonal development to operations management to EHS and risk. These modules are available for employees through the Percipio LxP providing employees the ability to build their skills through a skills ladder.
- This year there has been a huge focus on ensuring deep functional skilling. A program on Process Safety was designed and conducted in partnership with IIT Madras to develop a strong safety culture.
- We have developed a programme for Science graduates/Post graduates in partnership with DDIT. This programme will enable us to recruit well-equipped science trainees on an annual basis to help build a robust pipeline of operators.
- PI Uday: An effective Workplace Communication program was conducted for junior level employees to improve their communication and presentation skills. This was an experiential program with case studies, role plays etc.
- We have initiated the GET and MT scheme to emphasize on working with a fresh talent pool, train and nurture them to fit in the job role and culture of the organisation, then finally absorb them. This programme helps build PI's brand equity and awareness in campuses across India as well as helps build a robust pipeline of talent within PI. It involves Campus to Corporate sessions, rotations, periodic evaluations, and involvement in cross functional projects to ensure these trainees are ready to hit the ground running on day 1 of being absorbed.
- A behaviour-based safety programme was conducted for non-safety personnel to understand the basics of safety and ways to manage/report unsafe conditions as part of our efforts to enhance the safety culture at PI.

Leadership Development

The ability to attract, motivate, develop, and retain the right talent is critical to PI's continued success. The Talent strategy has been formalized and the same is being implemented. We have made concerted efforts towards enhancing our employer brand proposition and make PI an attractive place for talent to explore opportunities.

Initiatives during the year:

- Enhanced employee connect through company-supported vaccination programme
- Deep Functional Training in the area of Process safety partnering with IIT Chennai
- Renew focus on Talent Management and Succession Planning initiatives aiming at capability planning and driving sustainability

Performance Management

Performance management is the fulcrum to all HR processes and key to building a culture of high performance and growth. In line with our compensation policy, we made market corrections where necessary with a view to retaining high-performing talents well as ensuring that pay levels and structure are competitive vis-à-vis market. Overall, we are taking rapid steps to prepare PI and its employees to be change agile, have a collaborative mindset and be future ready for the new opportunities.

>38,916*
employee learning hours
in FY 2021-22, with an
average of 12.9 hours per
employee.

*This includes data from 'digital learning tool and classroom training session.

ZERO TOLERANCE OF HARASSMENT AND DISCRIMINATION



We are committed to equity at workplace and ensure equal opportunity for all, irrespective of their gender, caste, religion, age (within statutory limits), marital status, nationality, ancestry, ethnicity, geographical origin, sexual orientation, disability, or any other trait protected by law, with respect to any terms of employment such as hiring, promotion, transfer, compensation, benefits, or career development opportunities.

The company exercises zero tolerance for any kind of discrimination and harassment, sexual or non-sexual, at the workplace. PI recognizes and respects the right of every employee to a harassment free workplace. Towards this, employees are prohibited from indulging in harassment of any kind or form - whether physical, verbal, psychological, or sexual in nature. This includes all types of unwelcome, offensive, disrespectful, and intimidating behaviors, whether explicit or implicit.

We conduct regular training sessions on the company's code of conduct to encourage best practices at the workplace as well.

The employees are encouraged to speak with their line managers or HR representatives regarding issues concerning discrimination or harassment of any kind without fear of retaliation. Any employee found guilty of engaging in unlawful freedom will be subject to disciplinary action, up to and including termination of employment.

Additionally, the company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. All the suspected compliance violations can be reported anonymously if desired to an email ID which is operated by our Vigil Mechanism officer. Any person can raise the suspected violations via the e-mail written in any preferred language.



EMPLOYEE SUPPORT PROGRAMMES

DECENT WORK & BENEFITS FOR ALL EMPLOYEES

We are committed to our employees and showcase that through various means, the company provides following benefits to its employees (non-exhaustive but critical ones):



EMPLOYEE SUPPORT PROGRAMMES



OVERALL EMPLOYEE WELLBEING

Well-being of our people remains the center of all the activities and paramount to ensuring employee satisfaction and retention.

We continue to recognize our employees for demonstration of the values, and maintain leadership connect through skip-level meetings, and red-carpet events. We reaffirm our commitment to promoting diversity by celebrating the occasion of International Women’s Day (IWD) across our locations.

HUMAN RIGHTS FOR ALL

Through the organisational policies and programmes, PI ensures protection of human rights for all its employees as well as in our supply chain. PI has enacted policies against child labour, forced labour, human trafficking and holds our service providers, suppliers, vendors, agents, and contractors to the same standards as well. Our policies protecting fundamental human rights also extend to cover probationers, trainees, business associates, contract workers, and consultants.

At PI we believe in a collaborative internal culture and conduct compensation and work environment assessment and benchmarking on a regular basis. Our compensation, benefits and work packages are regularly adjusted as per the best practices in the sector. We nurture and retain our talent pool through several internal initiatives. PI has several mechanisms for adequate representation of employees and workers in the committee governing the rights of the workforce.

Additionally, PI has multiple forums and committees with representation from workforce to jointly decide on measures to improve working conditions in the company. A Safety Committee with equal representation from management and workers evaluates and recommends actions to improve safe conditions in the manufacturing plant and sites. These include decisions on any issues related to personal & process safety & welfare, industrial hygiene, environment management. Canteen committee is responsible for nutritious subsidized food services provided by the company. Employees are encouraged to provide valuable suggestions or voice grievances, in a dedicated platform named “Human Resource Service Management”. These suggestions and grievances are addressed in a time bound manner.



OCCUPATIONAL HEALTH AND PROCESS SAFETY



We have a robust management system to ensure safety of personnel and process and the approach is reflected in our safety policies, risk assessment framework, incident review and audit systems. We closely monitor safety performance parameters and set goal for improvements on incident rates. We perform safety risk assessment leveraging tools such as Hazard Identification and Risk Assessment to analyze and prioritize risks and develop risk mitigation plans. We have *established multi-functional safety committees* at all our manufacturing units who are responsible for driving occupational health and safety. They bring together various stakeholders, evaluate, and recommend actions to improve working conditions, and promote positive safety culture. These include decisions on any issues related to personal & process safety & welfare, industrial hygiene, and environment management.

We encourage our workforce to report any hazards or unsafe conditions, without the fear of any reprisals. We also track reported near miss incidents to monitor our safety performance. *Frequent external and internal audits* form a part of continual efforts in improving various leading and lagging indicators. As part of our process, we carefully analyze the cause for any work-related incidents and make correction in the standard operating procedures to avoid such eventualities.

Safety and occupational health is a mandatory module of induction process. Refresher training programmes and periodic workshops are also conducted to enhance safety awareness and knowledge among employees and contractors. *All our facilities are equipped with dedicated occupational health centers with necessary first-aid facilities, full time medical officer in charge, and a well-equipped ambulance.* We also have tie-up with external hospitals in case of any serious incidents. Mock drills for identified potential threats like fire/leakage/medical emergencies are regularly organized.

At PI, we strive to maintain the highest standards of ethical conduct and employee welfare. In spite of our efforts, we encountered an unfortunate incident on 6th January, 2020 leading to two employee fatalities at one of the manufacturing units. We continue to improve everyday, and have taken several measures to ensure such events do not recur in future. Immediately, post this incident PI pro-actively provided a detailed disclosure of incident to all stakeholders including stock exchange, key customers etc. through written communication, provided additional care to the legal heirs of deceased and, undertook a detailed root cause analysis to understand the reason and corrective action pertaining to the event.

Data point	Unit	FY 21	FY 22
Work-related fatalities – employees	Number	0	0
Work-related fatality rate for direct employees	Fatalities per 100 employees	0	0
Work-related fatalities – contract employees	Number	0	0
Work-related fatality rate for contract workers	Fatalities per 100 contractors	0	0
Lost-time Injury Frequency Rate (LTIFR) – Employees	Number per million hours worked	0.88	0
Lost-time Injury Frequency Rate (LTIFR) – Contract workers	Number per million hours worked	0.35	0
Process Safety Events Rate – Tier I	Number per million hours worked	0.153	0
Severity Rate	Number per million hours worked	38.1	0

COMMUNITY SERVICES



This year proves to be extremely special for PI Foundation. Not only does it commemorate the 10-year journey of our commitment to enhance the social and economic wellbeing of the society's most disadvantaged, vulnerable, and marginalized groups, but it also signifies our dedication to sustainable development through community involvement and collective empowerment. With our targeted, integrated and environmentally sustainable multifaceted approach, we strive to create a positive impact by bringing meaningful change across the underserved communities.



OUR COMMITMENT TO ACHIEVE THE GLOBAL GOALS FORMS THE ESSENCE OF ALL OUR CSR INTERVENTIONS WITH SUSTAINABILITY AT THE FULCRUM OF EACH ARENA.



HEALTH, HYGIENE AND SANITATION

We have taken significant steps to ensure last mile coverage and our Mobile Medical Units have handled 90,287 cases in FY22. Additionally, efforts were made to restore operation of the Kumarpal Blood Bank in Ankaleshwar, impacting 11,200 people.

Through "Swasthya Seva" initiative, PI operationalized 3 fully working MHUs for the benefit of the community in villages near our plant location as part of the National Health Mission Project.

During FY 2021, PI Foundation proactively rolled out a project for setting up 5 oxygen plants across hospitals in Gujarat, Rajasthan and Delhi. Several awareness sessions on precaution against coronavirus in villages around plant locations were also organised. Focus was given on the necessity of social distancing and hand-sanitization. PI, through its CSR grants, provided financial support for setting up of Covid-19 isolation center at Vasant Vihar Welfare Association, New Delhi. We provided 50 beds, 50 mattress and requisite medical equipment such as Pulse-oximeter, Blood Pressure Apparatus to set-up Covid-19 isolation center in Bharuch. Our MHUs extended their services for conducting thermal screening, distributing hand sanitizers, masks and other necessities to villagers

Every year, PI continuously assures the upkeep and maintenance of the 12 school restrooms it installed in Jambusar and Panoli as part of the Swachh Bharat Abhiyan.

Continued support during Covid-19 outbreak

We were able to effectively traverse the Covid-19 outbreak and its aftermath due to the extraordinary efforts of our personnel, who also ensured that our growth momentum continues. Our efforts to ensure a smooth return to work continued to be focused on the health and welfare of the employees. With an effort to establish its caring model for the people and the communities, PI took the following steps:

- The company implemented comprehensive workplace safety guidelines to enable return-to-work plans.
- Programmes including the company-sponsored vaccination campaign and a new Mediclaim policy was introduced, along with an expansion of assistance for covid-19 victims.



EDUCATION AND SKILL DEVELOPMENT

PI has launched an educational effort aimed at enhancing tutoring effectiveness and age-appropriate learning levels. We were able to teach reading, writing, comprehension, and arithmetic to 15,000 students in 135 government schools throughout 82 villages in FY'22. Our mobile education van has been delivering learning to the last mile using interactive techniques for many years in an effort to promote holistic learning for all. The students' performance in terms of learning levels acceptable for the class has increased by 80% this year.

At our skill development center in Gujarat, we also provided employment-related skill-development courses on BPO, Sales & Marketing, Electrician, and Retail during this financial year.

Over
15,000



Government school children benefited from learning enhancement programme

300 

Youth gained employment through skill development programmes



WOMEN EMPOWERMENT

PI launched an entrepreneurship and skill enhancement program for underprivileged rural women to elevate the voices of women and integrate them further into economy. About 7,000 women in 80 villages in Gujarat's Jambusar and Panoli district benefited from the initiative. The concept calls for the creation of self-help groups to assist with bank account openings, skill-building, and training programmes for microbusinesses, agriculture, and the dairy industry.

We have also provided financial and legal literacy training to 3,264 women during the current financial year. We have also arranged monthly savings meetings for 450 SHGs in Jambusar and Panoli and created business opportunities for 385 women.



Improvement in the livelihood of more than **7,000** women members through entrepreneurship and skills enhancement

SUSTAINABLE FARMING PRACTICES



Direct Seeded Rice (DSR) technology has shown to be quite effective in water conservation, particularly in North India where paddy production is prevalent.

During FY 2021-22, our propagation of the Direct Seeding of Rice (DSR) technique has impacted over 20.8 Lac Acres of farm land across the country, thereby saving up to 1.74 trillion litres of water. Adoption has also reduced drudgery to a significant level and helped saving an average of ~6,000 per Acre in the cost of paddy cultivation.

In cotton-growing states, our work on promotion of eco-friendly technology has had a major influence on yield. Contributing to this practice, this year, we disseminated eco-friendly technology for growing cotton amongst 10, 000 farmers.

We have also worked on better handling of rejected plastic containers in farms of Maharashtra and Andhra Pradesh. The project, a joint initiative with BAYER, is one of its kind and is anticipated to aware farmers on the associated environmental and health benefits there by re-iterating our long-term commitment to sustainable development.



1.7 

trillion Liters of water saved through the adoption of Direct Seeded Rice (DSR) technique

40,323 

new farmers benefited through leading agronomic practices

400+ kgs 

Toxic waste plastic collected under Take Back Programme

GOVERNANCE



FINANCIAL HIGHLIGHTS



Key Figures

	(₹ Million)				
Year Ended March 31	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Revenue from operations*	50,769	43,611	33,068	28,409	23,087
EBITDA	11,113	9,848	6,977	5,731	4,920
Profit Before Tax	10,005	9,017	5,944	5,346	4,636
PAT	8,197	7,105	4,423	4,077	3,665
Net Fixed Assets	25,371	24,053	19,373	13,667	10,856
Cash Profit	10,181	8,825	5,755	5,003	4,491
EBITDA Margins (%)	21.8	22.6	21.1	20.2	21.3
PAT Margins (%)	16.1	16.3	13.4	14.4	15.9
ROE (%)	14.5	18.0	17.1	17.9	19.2
ROCE (%)	20.8 [#]	23.0 [#]	19.8	23.3	23.5
D/E Ratio (In times)	0.04	0.06	0.20	0.02	0.04
EPS (Face Value @ ₹1)(In ₹)	54.03	47.98	32.0	29.6	26.6
DPS (Face Value @₹1)(In ₹)	6.0	5.0	4.0	4.0	4.0

#excluding QIP proceeds

Balance Sheet Summary

	(₹ Million)				
Year Ended March 31	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Non-Current Assets	29,233	26,209	24,360	14,573	11,629
Current Assets	47,048	43,439	16,704	16,874	14,521
Total	76,281	69,648	41,064	31,447	26,150
Shareholder's Funds	60,387	52,860	25,911	22,747	19,122
Non-Current Liabilities	3,133	3,968	4,962	578	879
Current Liabilities	12,761	12,820	10,191	8,122	6,149
Total	76,281	69,648	41,064	31,447	26,150

* Comparative figures of Revenue from operations have been regrouped as per the requirement of Ind AS, balance as per reported numbers

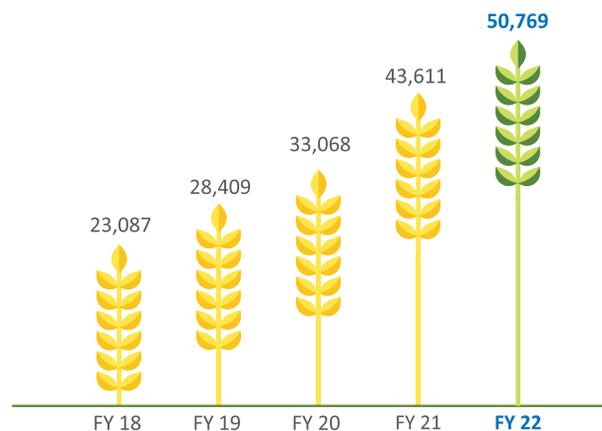
Note: The standalone financial statements for the year ended March 31, 2021 have been restated pursuant to the requirements of Ind AS 103 'Business Combinations' to give impact of the scheme of arrangement as described in Note 43 of the standalone financial statements and include the financial information of Isagro (Asia) Agrochemicals Private Limited (the transferor company) for the year ended March 31, 2021, which was audited by other auditors who vide their audit report dated May 10, 2021, issued an unmodified opinion on its financial statements for the said financial year.



ECONOMIC PERFORMANCE

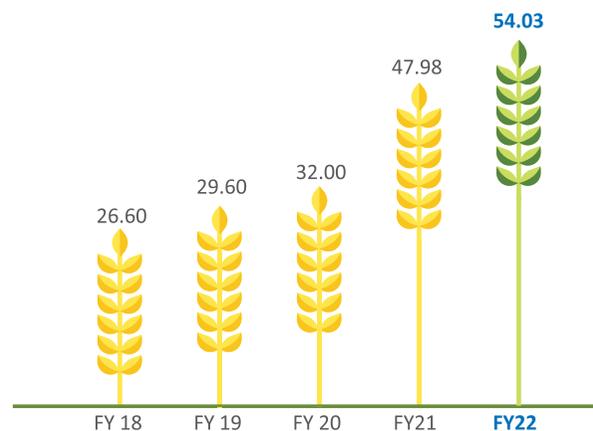
Revenue from operations*

(₹ Million)



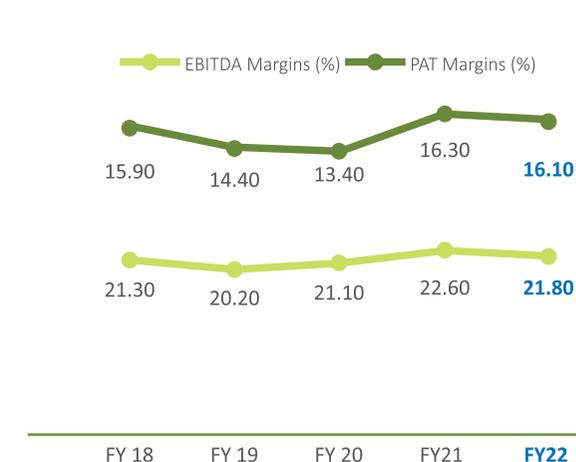
EPS

(₹)



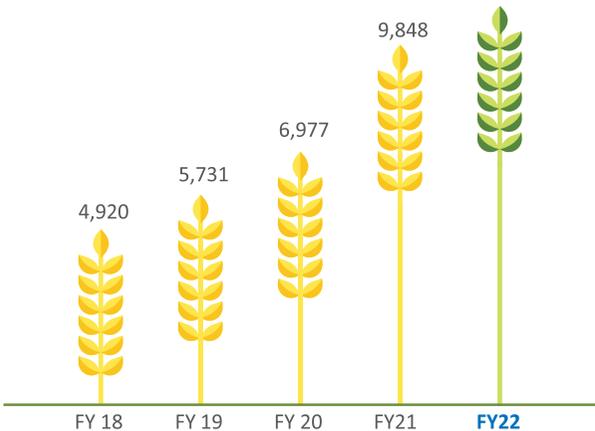
EBITDA & PAT Margins

(%)



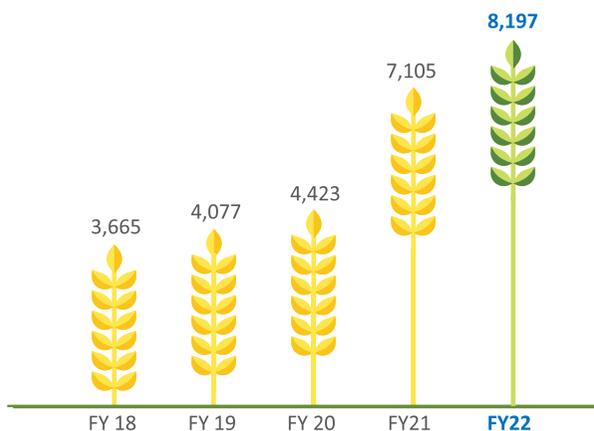
EBITDA

(₹ Million)



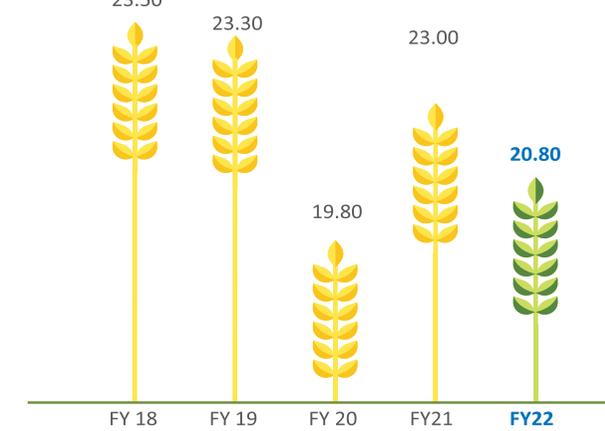
PAT

(₹ Million)



ROCE

(%)



*Comparative figures of Revenue from operations have been regrouped as per the requirement of Ind AS, balance as per reported numbers

MANAGEMENT'S APPROACH TO SUSTAINABILITY



At PI, all our decisions and activities related to business, people and the environment are driven by the Company's Code of Conduct and principles of ethics, integrity, and respect.

PI has always been a science major organisation, thus we acknowledge the broader responsibility that comes abreast with our large operations, and hence, sustainability is woven into all our decisions and work processes. We seek to regularly incorporate the social, ethical, and environmental considerations in the process of new technology development. Through continuous life cycle assessment of our products, the key emphasis is on reducing our environmental footprint by bringing the principle of product stewardship in our approach.

Our commitment to Sustainability is beyond countering risks at PI. We have been closely monitoring global sustainability trends and endeavor to align our strategic approach with evolving best practices. We have adopted the ESG (Environmental, Social and Governance) framework for our business to help us perform better every day on all elements of ESG. As a Responsible Company, we have not limited our efforts under the ESG framework to us but have also extended it across our entire value chain.

Over the past several decades, PI has worked relentlessly to provide value-added solutions to millions of farmers in the country and across the globe, carving a niche for itself in the market, and leaving a long-lasting impact on the minds of the customers.

The strategic, differentiated and partnership approach has enabled the Company to grow at a faster pace, delivering superior returns to all its stakeholders. Discovery, Development and Scale-up during the year were prioritised and achieved as the R&D team successfully carried out synthesis of 46 new development molecules.

HIGHLIGHTS

Scope 1 & 2 Emissions Intensity Ratio

Eco-Factor retained at 20/kg

Granted Patents Owned

25+ Patents filed in FY 21-22

BUSINESS OVERVIEW

The Company has put together adequate Internal Financial Controls with reference to the Financial Statements commensurate with the size, scale, and complexity of its operations. The Company has identified and documented all key internal financial controls as a part of its Internal Financial Control reporting framework.

The Company has laid down well-defined policies and procedures for all critical processes across its plant, offices wherein financial transactions are undertaken. The policies and procedures cover the key risks and controls in all the processes identified to the respective process owner.

In addition, the Company has a well-defined financial delegation of authority, which ensures approval of financial transaction by appropriate personnel.

The Company uses SAP ERP to process financial transactions and maintain its books of accounts to ensure its adequacy, integrity, and reliability. The Company has also deployed an online control tool to enhance the operating effectiveness of internal 16% revenue growth during FY22 as compared to previous year controls. The control system comprises of continuous audit and compliance by an in-house internal audit team supported by appointed auditing firm.



CORPORATE GOVERNANCE AND COMPLIANCE



PI is committed to sound corporate governance and is managed and controlled by a Board comprising of an optimum blend of Executive, Non-Executive and Independent Directors. Below is the Governance structure of the Board:

The Chairperson of the Board is a Non-Executive Independent Director. As on March 31, 2022, the Board of Directors comprised of ten (10) Directors out of whom two (2) are Executive Directors including Vice Chairperson & Managing Director and Joint Managing Director apart from eight (8) Non-Executive Directors, out of which six (6) are Independent Directors including two (2) Women Independent Directors and two (2) Non-Executive Non-Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013.

The Board Member possesses requisite qualifications and experience in general corporate management, strategy, finance, banking, taxation, risk management, merger & acquisitions, human capital & compensation, technology, legal and regulatory fields which enable them to contribute effectively to the Company in their capacity as Directors of the company.

In compliance with the provisions of Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an external agency was appointed to carry out an annual evaluation of the performance of the Board, Individual Directors as well as evaluation of the working of its Committees during the year under review. The evaluation framework for assessing the performance of Directors including the Chairperson of the Board comprised of criteria like quality of contribution to the Board deliberations, strategic inputs regarding growth of Company and its performance, attendance at Board Meetings and Committee Meetings, Independence of judgements safeguarding the interest of the company and commitment to stakeholder interests.

Sub committees

7

Sub-committees report to the Board of Directors, who have the ultimate oversight

Independent Directors

60%

6 out of 10 directors are Independent Directors, including the Chairperson of the Board

Women Directors

20%

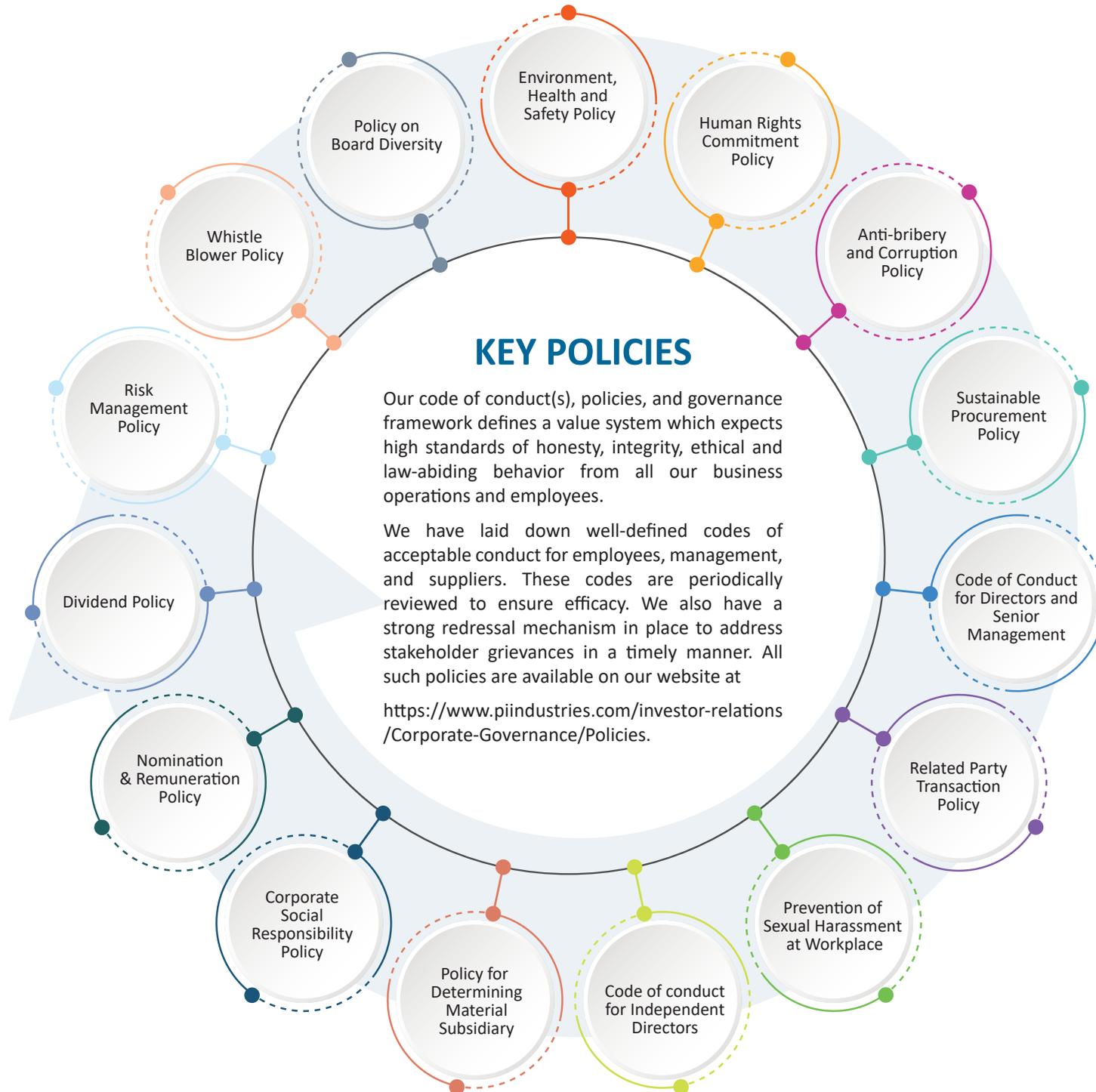
2 Women Independent Directors, one of whom is a British national

Executive Directors

20%

2 out of 10 directors are Executive Directors, including the Vice-Chairperson & MD and JMD





TOOLS AND PROCESSES FOR ETHICAL BUSINESS

Compliance with policies, codes and regulatory framework is one of the drivers to enhance performance and strategies. We have mandatory training modules to train and develop all employees on these codes and policies. Reporting on violations of any provisions of these codes or policies is handled through our strong and robust vigil mechanism and promoted to develop transparent and compliant ecosystem.

At PI, Compliance Management is one of the drivers to enhance performance and strategies. We focus on four pillars under the compliance framework: statutory compliances, compliances from ISO standards, compliance to corporate requirements, and compliance to contractual commitments. We have an online compliance tool that helps us track and manage compliance of various regulatory and statutory requirements. Additionally, we have mandatory training modules in place to train and develop employees on corporate requirements such as 'code of conduct', 'anti-competitive practices', 'information security', etc.

Remuneration

PI has a comprehensive Nomination & Remuneration Policy and Committee in place to govern the remuneration and appointment of Directors and Key Managerial Personnel along with Senior Executives of the Company. PI sustains the philosophy of remuneration through a reasonable scale sufficient to attract, retain and motivate the Directors to run the company in the right direction. Adequate market benchmarking is undertaken and implemented while deciding the remuneration of Directors accordingly. The remuneration paid to Executive Directors is within the overall limits as approved by the shareholders of the Company subject to review by the Board members annually. Detailed Policy and process can be accessed in the Annual Report (21-22) published on company's website <https://www.piindustries.com/investor-relations/Financials/annual-reports>.

Highlights (FY 22)

Percentage increase in median remuneration of employees: 10%



GOVERNANCE COMMITTEE

M & A Committee

Mr. Mayank Singhal, Chairperson
Mr. Narayan K. Seshadri, Member
Mr. Rajnish Sarna, Member

Audit Committee

Mr. Narayan K. Seshadri, Chairperson
Ms. Ramni Nirula, Member
Mr. Rajnish Sarna, Member

Nomination and Remuneration Committee

Ms. Ramni Nirula, Chairperson
Mr. Pravin K. Laheri, Member
Mr. Narayan K. Seshadri, Member
Mr. Arvind Singhal, Member

Stakeholders Relationship Committee

Mr. Pravin K. Laheri, Chairperson
Mr. Mayank Singhal, Member
Mr. Rajnish Sarna, Member

CSR Committee

Mr. Pravin K. Laheri, Chairperson
Mr. Mayank Singhal, Member
Mrs. Ramni Nirula, Member
Mr. Rajnish Sarna, Member

Risk Management Committee

Mr. Mayank Singhal, Chairperson
Mr. Narayan K. Seshadri, Member
Mr. Rajnish Sarna, Member
Dr. Raman Ramachandran, Member

Administrative Committee

Mr. Mayank Singhal, Chairperson
Mr. Rajnish Sarna, Member
Dr. Raman Ramachandran, Member

Highlights (FY 22)

No incidents of non-compliance or fines, or settlements reported related to:

- anti-competitive business practices
- corruption and bribery

EMBEDDING RESPONSIBLE & EFFECTIVE GOVERNANCE



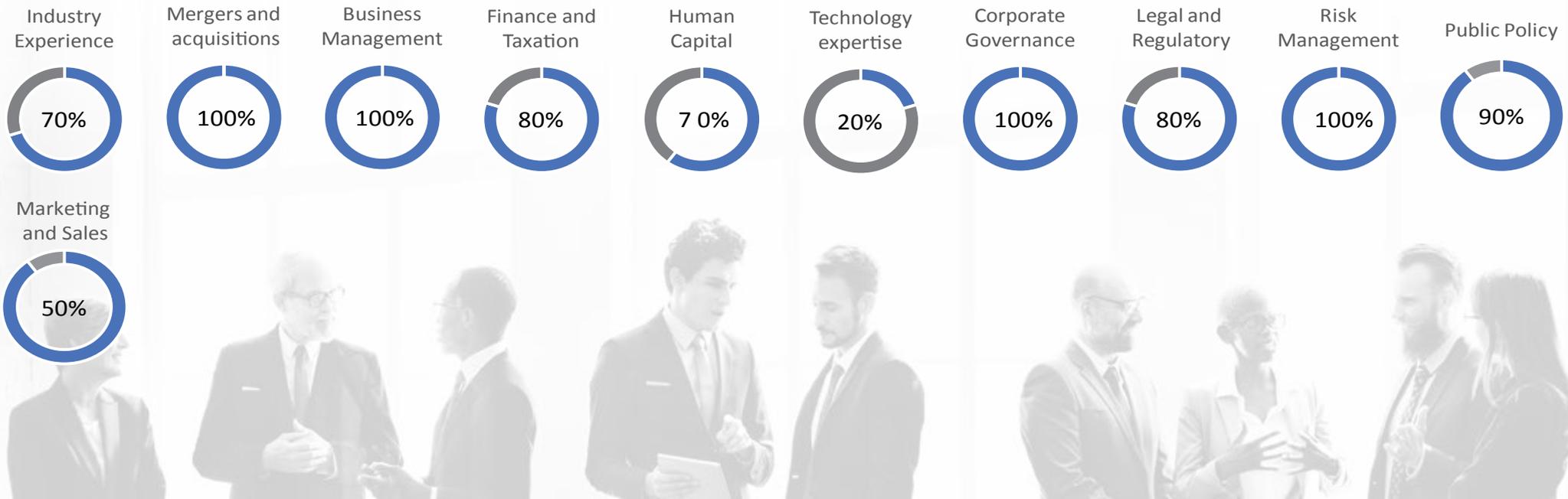
BOARD DIVERSITY

Board diversity is vital to handle various critical factors such as globalization of business, rapid deployment of technology, greater social responsibility, emphasis on sound corporate governance, need for addressing concerns of diverse stakeholders, enhanced need for risk management, etc. to facilitate effective management of the business and corporate governance.

Company does recognise and emphasises the need and benefits of having a diverse Board with an appropriate blend of industry, functional expertise, and skills. The Company has set out a framework to promote diversity (i.e., on basis of ethnicity, age, gender, background, skills, industry experience etc.) on the Board of the Company.

The Board of Directors ensure that a transparent nomination process is adopted to reassure diversity of thought, experience, educational background skills, knowledge, perspective, age, nationality, gender, and cultural. Company's Board Diversity policy is published on Company's website. PI's Board members come from various industries and possess a diverse skill set ranging from industry experience to domain specific competencies such as Business Management, Mergers & Acquisitions, Finance, Human Capital, Legal and Risk Management, Public Policy along with a strong hold on Corporate Governance. Select Board members furthermore have technology and marketing experience to add additional capabilities amongst the group.

Board of Director - skill chart



MEMBERSHIPS AND ASSOCIATIONS

PI firmly believes in connecting with others within its industry. We engaged in policy-related dialogues related to the operations, communities, along with people in the agrochemical industry and the related value chain. PI does not add to any political contributions and is evident by our financial disclosure published on our corporate website. Brief on the summary of trade associations with whom PI is attached to:

Contributions and Other related Spending (in INR)	2020-21 (INR Million)	2021-22 (INR Million)
Trade associations or tax-exempt groups (e.g. think tanks)	2.26	7.61

Disclaimer: We do not make any contributions to political parties as also published in our AR.

Industry Associations: Provides a common platform to exchange ideas and practices

- Confederation of Indian Industry (CII)
- National Council on Agriculture
- Federation of Indian Chambers of Commerce and Industry
- Agro Chem Federation of India
- Agro Chem Federation of India
- BASAI (Biological Agri Solutions Association of India)
- Crop Life India
- National Safety Council
- Indian Chemical Council



CUSTOMER SATISFACTION



At PI, customer satisfaction is focus and we as a Company are uncompromisingly striving to address their needs and desires through our resolution mechanisms across the CSM and Agro Chemical business. Customer satisfaction survey is an essential business driver for the Company and is conducted every two years to assess technical and infrastructural capability, management systems, cost efficiency, product quality, delivery, and sustainability.

In 2019, 70% of our customers were surveyed who contribute to 70% of the total revenue earned, of which 95% reported, as satisfied. In 2021, 91% of our customer were surveyed who contribute to 99.6% of the total revenue earned in the FY, of which 95% reported as satisfied. Additionally, in FY 22 our customer retention rate score is 100%.



Did You Know?

100%
Customer retention
score in B2B business

**In FY 21-22, there were
no non-compliances reported related to**

- Breaches of customer privacy and loss customer data
- Product quality, leading to product recall



SUSTAINABLE PROCUREMENT



At PI, while designing a product we also address its social and environmental impacts, both in the short and long term.

Our policy for sustainable procurement is based on 6 pillars:



We organize regular capacity building programmes for our suppliers and other key stakeholders in the supply chain. These ‘Capacity Building’ programmes are conducted once a year aiming to make them aware of the sustainability parameters and reducing the social and environmental risk of our associated business partners and suppliers. We also have developed due diligence processes and systems, to evaluate the suppliers and other external service providers, not only on the quality parameters and technical strength, but also on the sustainability parameters to create an inclusive business environment. Through this, we want to demonstrate our commitment towards a cleaner, greener environment and fulfilling our social responsibilities.

PI has a comprehensive COC for suppliers based on UNGC standards, ILO principles and other prevailing norms supporting the mentioned principles, which is adhered to by all suppliers. Further in 2021, the COC was revisited and strengthened to bring in more transparency along with adherence to compliances. PI has set an ambitious target to cover 100% suppliers through a formal COC embedded in the supplier contracts by the end of FY 2022. 30 new suppliers (100%) were screened on environmental criteria during the year.

SUPPLIER CODE OF CONDUCT

Through this code, we reinforce our commitment to follow ethical practices both across our operations and our supply chain. It includes, at the minimum, adherence to internationally recognised standards, such as

- Core conventions of the International Labour Organisation.
- United Nations’ Universal Declaration of Human Rights; and
- Other relevant and applicable environmental and socio-economic statutory requirements

INNOVATION AND OPERATIONAL EXCELLENCE



Philosophy

We exercise due care in the entire value chain of our product's life cycle. We ensure absolute compliance with respect to product design, production, and consumption, thereby minimizing the harmful effects to health and environment. Our Research and Development efforts has over the years, replaced some of the hazardous ingredients from the raw material repository with safer elements.

RESEARCH AND DEVELOPMENT STRATEGIES

At PI, we follow a two-pronged strategy in lifecycle assessment: For molecules already developed, all the manufacturing processes of our existing commercial products are periodically assessed to understand their E-factor values and also generate Ecoscale values. All the parameters ranging from yield, procurement prices of RMs, Operational parameters, Safety parameters, Effluent classification and treatment methodologies adopted and so on are taken into consideration and penalty points are awarded based on certain internationally accepted parameters. Post which all the products are classified into various categories and in a continuous effort, all those products which are falling under non satisfactory classification are brought in to satisfactory zone. For this activity, specific timelines are followed. At present, ~70% of our commercial products fall under satisfactory zone and efforts are on to bring the balance within the satisfactory zone in the next two years.

Technical team at R&D and TT (Engineers including EHS and projects) evaluate its feasibility which has multiple parameters to qualify a product to be taken up for the development. Once it is qualified as a feasible work then lab development work gets initiated with intention of synthetic route trace and sample preparation which continues for process development and up scaling to KL and pilot study.

A complete HAZOP study is essential part of the next level qualification of upscaling of the product and then its commercial supply. In continuation to process upgradation and reducing or eliminating hazardous chemicals, process operations, materials, waste management are carried out as part of Eco scale and green card implementation for all and individual products.

Managing the carbon footprint and ensuring that the carbon footprint levels are within the set internal limits is built into our development philosophy. The two factors that are of utmost significance are as below:

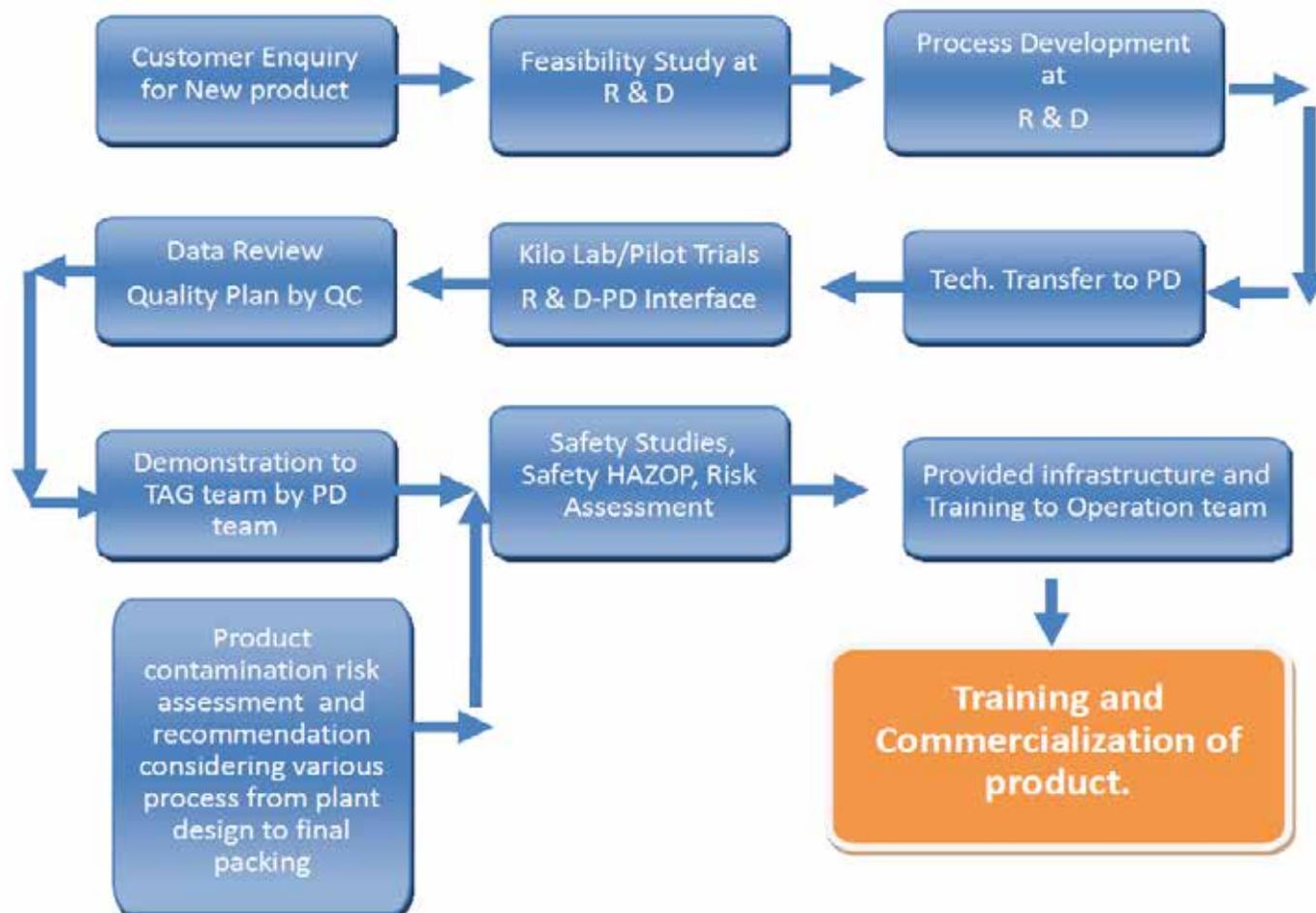
- a) Atom Economy: The aim of a chemical reaction is that the total number of atoms that we use as part of a reaction should all get consumed and reflect in the desired product. If this happens, then it is 100% atom efficient and no waste comes out. The target that we have set ourselves internally is >80%.
- b) EFactor: The quantity of waste generated per kg production of any substance is considered as the Efactor. We have stringent norms employed during the development phase wherein we ensure that the Efactor should be below 20Kg/kg of product.



FOR MOLECULES IN DEVELOPMENT

Most efforts in making chemical processes greener emphasize the need for using safer, less toxic, and more benign solvents, or the elimination of solvents, and reduction in the use of reagents and auxiliaries. Other actions include lowering energy consumption through the use of milder reaction conditions, avoiding derivatization and a preference for substrates based on renewable sources. In order to improve atom economy, highly selective catalytic processes are performed instead of using additional substrates. We have been focused on eliminating or reducing the usage of hazardous chemicals and solvents, in different product development and life cycle management stages, that have been ascertained to be extremely dangerous to human health and environment. In this context, environmentally friendly, green, or clean practices have been implemented in different research areas. After ensuring that the processes are meeting the set guidelines, the processes are transferred to the commercial plants.

By leveraging the expertise of our strong R&D team, we have developed a method where we assess the greenness profile of the product. We have compared it with reported conventional methods using the analytical Eco-Scale and have found it to be acceptable to assess comparison of hazardous chemicals and solvents, energy consumption, and production of waste for any product. Now, Eco-Scale and Green card tool are being applied to life cycle management to develop products with a minimal detrimental impact on human health and the environment. We have made rapid improvement in improving the sustainability of our products in the last year.



R&D PARTNERSHIPS

R&D has multiple collaborations with several leading innovator companies across the globe in developing cost-effective manufacturing processes for commercialization of their products as well as innovative solutions for agriculture. PI is in active discussions with some of the global technology developers who offer green and sustainable technologies for the manufacture of some of the complex products. The objective is to provide cost effective solutions to the customer manufactured by green technologies.

The Company's research & product development capability forms the core of its partnership with global innovators when it comes to in-licensing arrangements for patented / proprietary products for commercializing. In the area of knowledge management, PI is using specific licenses to optimize performance and increase efficiency of the R&D process. We have filed 29 new patent applications in this year to protect novel active ingredients, novel processes for the synthesis of crop protection active ingredient, and formulations.

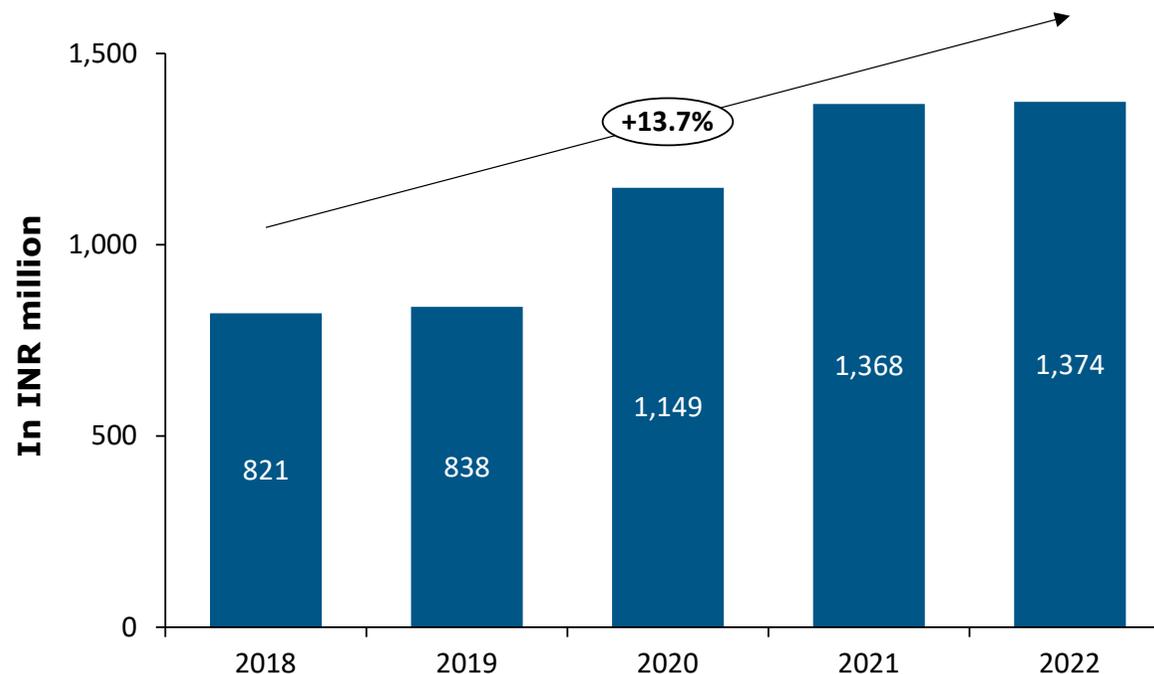
PI has and is planning at a larger scale to further improve the interface of PI and Academia/ Public research institutions in India and globally. Leveraging on this approach, we will be able to contribute towards increasing awareness amongst masses about the role of agro sciences and the involvement of academia in India which is currently missing in our industry.

Additionally, at PI we firmly believe in knowledge sharing and collaborate with external knowledge centers to benefit from our in-house R&D Teams.

We collaborate with external clinical research organisations and universities and, also several leading innovator companies across the globe in developing cost-effective manufacturing processes for commercialisation of their products as well as innovative solutions for agriculture.

HIGHLIGHTS ON EXPENDITURE

At PI, innovation is one of the main drivers of company vision. PI has invested in state-of-the-art innovation capturing the whole development change on innovation management with the focus on environmental and social innovations. Below graph represents the annual expenditure incurred by PI on research and development activities.



DATA, TECHNOLOGY AND TRANSPARENCY



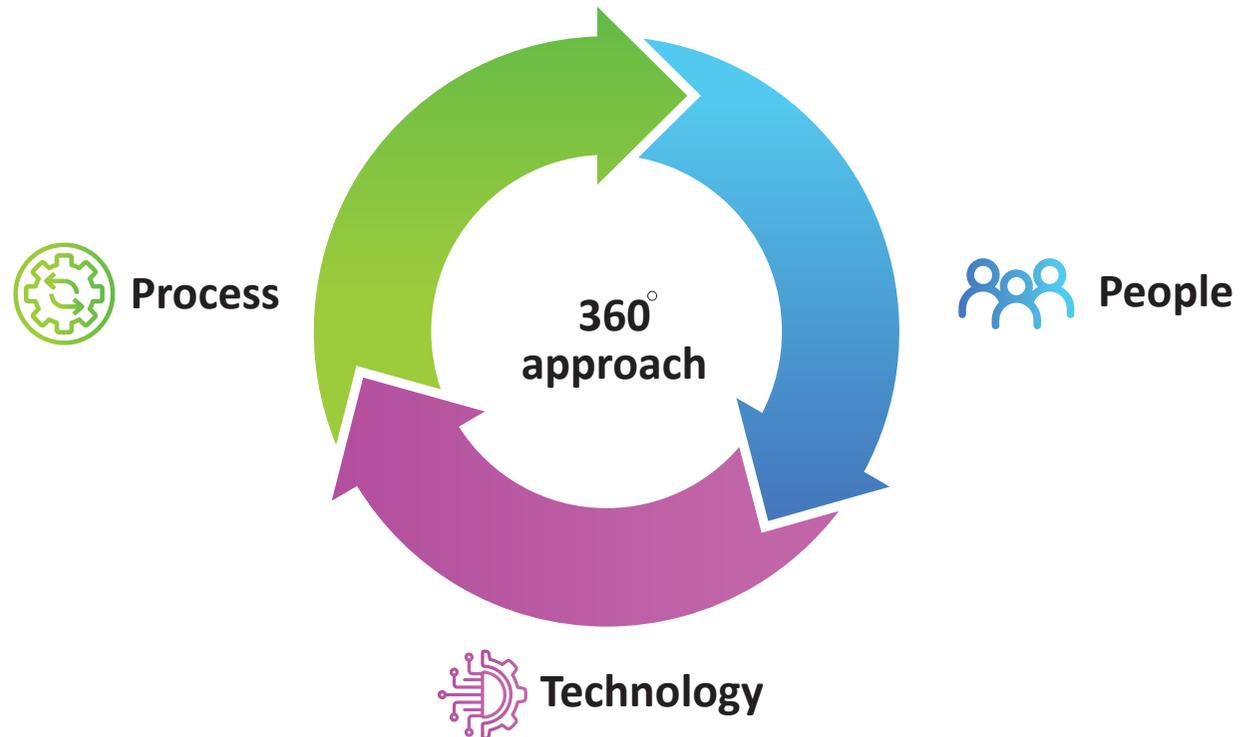
CYBERSECURITY MANAGEMENT

Technology, data management and cyber security over the past few decades have become an integral aspect to the workplace. During the pandemic, rapid digitisation accelerated the risk of cyber-attacks significantly. At PI, we work diligently round the clock to safeguard all the different databases and modes of data transfer.

APPROACH

Cybersecurity management is organisation's strategic-level objective with intent to protect information, information systems and resources by having competitive advantage amidst complex and evolving threat of cyber attacks. Cybersecurity at PI ensures Confidentiality, Integrity and Availability towards its information assets and resources. The same is ensured using a 360-degree approach for protection from any disruption or unauthorised access by addressing all 3 dimensions i.e. Technology, Process and People.

The Vice-chairperson & Managing Director (VC & MD) of the Company, with an expertise in 'information technology and cybersecurity management' space, is engaged in the management of information security /cybersecurity strategy and being a Board member, he is also involved in the review process along with the Board of Directors and Executive Management Team. The Chief Information Officer, a member of Executive Management Team is supported by the Head of Information Security for overseeing cybersecurity and allied risks and threats under the VC & MD directly with accountability to Board, Risk and Audit committees.



DATA GOVERNANCE

Customer privacy and data security are key material topics and imperative for the Company. To secure our customer data and privacy, we continue to adopt world class cyber security measures. We are also transitioning towards a critical infrastructure security ecosystem. Our entire workforce is trained annually on the Company's Information Security and Cyber-security management system (ISMS) policies. The company has also laid down a simple escalation process which workforce/ employees can follow in the event there is something suspicious noted at the workplace.

This standard helps describes the requirements of implementation as well as the documentation of an ISMS. Security risks are minimized and IT security procedures are established that contribute to the long-term optimization of the quality of systems. As per Company's policies and protocols, a quarterly vulnerability analysis is conducted by a third party to analyse the suspected attacks.

CERTIFICATIONS

PI is ISO 27001: 2013 certified, a globally recognized standard for Information Security management system for assessing the security of information and IT environments. This standard helps describe the requirements of implementation as well as sound documentation of an ISMS. Through these adopted processes, security risks are minimized, and IT security procedures are established that contribute to the long-term optimization of the quality of systems.



PI is certified for its IT processes

CYBER RISK MITIGATION MEASURES

Our cybersecurity strategy and roadmap are designed specifically keeping above requirements in mind and is reviewed by top management periodically. Driven by this strategy, latest and advanced technological cybersecurity solutions introduced and deployed in the organisation, which not only protect the perimeter from outside threats or intrusions but also keep a tab on threats from internal vectors.



People

- Cybersecurity Awareness
- Weekly Awareness Posters
- Monthly Newsletters
- Periodic Phishing Simulation Campaigns
- Induction Trainings
- Refresher Trainings
- Cybersecurity Training Module with assessment



Process

- Processes governed under ISO 27001
- Risk Assessment & Management
- Periodic Vulnerability Assessment & Penetration
- Testing
- Threat Hunting & Detection
- Patch Management
- Regular Data Backup and Restoration testing
- Periodic DR Drills
- Incident Management
- Change Management
- Capacity Management



Technology

- Advanced Threat Protection
- Sandboxing
- Next Generation Firewalls
- Next Gen Antivirus
- Data Classification
- Data Loss prevention
- Web application firewalls
- Privilege access management solution



AI BASED TOOLS FOR ACCELERATING EFFICIENCIES

During the year 2021-2022, PI implemented AI based tools & technologies to aid in faster decision making and shortening project lifecycles across key functions such as manufacturing, supply chain, R&D and Human Resources.

SAP ARIBA Platform:

Supplier Lifecycle Management of ARIBA ensures end to end Supplier lifecycle management from supplier on-boarding, selection, assessment to do qualified purchase. Digital Suppliers Network (DSN) in ARIBA, enables processing of digital invoices directly from vendors.

Workforce Analytics:

SAP Successfactors Workforce Analytics solution empowers PI HR Team to answer questions quickly and accurately about PI's workforce. Data-driven insights helping business decisions with an evidence-based HR approach for hiring , on-boarding & attrition of workforce intelligently.

Electronic Laboratory Notebooks:

ELNs rolled out to CSM R&D to collect and organize laboratory data that allow researchers and scientists to record, collaborate on, audit, and standardize laboratory work and research. With ELNs, researchers and scientists reduce compliance risk and improve data quality, while simultaneously increasing productivity and lessen the risk of data misplacement or loss.

mPower platform:

Extension of the mPower platform to our channel partners for carrying out business transactions. Channel order module was added to our platform allowing our channel partners to directly place and track their orders via their mobile application (PI Mitra). The app also allows our channel partners to view their order status and account statements besides many other features

Implementation of Smart Surveillance system at Jambusar:

- 24x7 Surveillance with intelligent system
- Auto notification with evidence of non-compliance
- On-line monitoring of compliance and capturing wrong practices and system with evidence.
- Real time detection of non-compliance , Auto notification generation and recording of deviation
- Automatically generate reports of PPE Violations & other Violations

Implementation of Golden batch from Honeywell:

The usage of the application has brought improvements in time cycle and yield unto 3 to 5 percent for our key products ; acting as an enabler for real time capturing of critical deviation and root cause analysis for optimisation in process control.



AWARDS AND RECOGNITIONS



We are proud to be recognised for our Innovation, Service, and Commitment to operating responsibly while meeting the needs of our customers.

LEADERSHIP PAR EXCELLENCE

BusinessToday

Mr. Mayank Singhal honoured as India's Best CEO in the Agriculture and Allied Sector by Hon'ble Minister Shri Piyush Goyal, Government of India



Mr. Mayank Singhal recognised by The Economic Times as Asia's Promising Business Leader 2021-2022

BEST IN CLASS - QUALITY



Winner of 'Golden Peacock National Quality Award 2022'



Awarded with ISO 9001:2015 Certification for Jambusar (Gujarat) Site

DRIVING SUSTAINABILITY



Golden Peacock Award for Sustainability for the year 2021



PI Industries ranked in the Top Quintile of its First S&P Global Corporate Sustainability Assessment for 2021 with 82% percentile industry ranking

TOP RATED PERFORMER



Awarded for Outstanding Performance at Dun & Bradstreet's Corporate Awards 2022
Ranked amongst India's Top 500 Companies 2022 in Dun & Bradstreet's listing



Featured as one of the 26 Indian companies in Forbes Asia Best under a billion 2021

BUILDING ON A STRONG LEGACY



Heritage Company of India at FICCI's India @75: Chemical & Petrochemical Industry Awards 2021

PRIORITIZING SAFETY



PI Industries, Udaipur receives Certificate of Appreciation, Karkhana Suraksha Puraskar-2022

GRI CONTENT INDEX



GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 102: General Disclosures, 2016			
GRI 102: Organisational Profile	102-1 Name of the Organisation	Reported – Inside Cover Page	
	102-2 Activities, brands, products, and services	Reported – Page 03	
	102-3 Location of headquarters	Reported – Back Cover Page	
	102-4 Location of operations	Reported – Page 05	
	102-5 Ownership and legal form	Reported – Page 03	
	102-6 Markets served	Reported – Page 03	
	102-7 Scale of the organisation	Reported – Page 03,04,05	
	102-8 Information on employees and other workers	Reported – Page 47, 48, 49	
	102-9 Supply chain	Reported – Page 68	
	102-10 Significant changes to the organisation and its supply chain	There are no significant changes to the organisation and its supply chain.	
	102-11 Precautionary principle or approach	PI Industries undertakes risk assessments including hazard & operability studies and safety studies while developing new products. It also places due importance on the raw material selection and incorporation of green chemistry principles in manufacturing of products.	
	102-12 External initiatives	Reported – Inside Cover Page, Page 13,18,21,22,23,24	
	102-13 Memberships of associations	Reported – Page 66	
GRI 102: Strategy	102-14 Statement from senior decision-maker	Reported – Page 02,10,11	
	102-15 Key impacts, risks, and opportunities	Reported – Page 21,22,23	
GRI 102: Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	Reported – Page 63 and Page Annual Report Page 03, 04	
GRI 102: Governance	102-18 Governance Structure	Reported – Page 62, 63, 64, 65	
GRI 102:	102-40 List of stakeholder groups	Reported – Page 14, 15	
	102-41 Collective Bargaining agreements	No Unions	

GRI CONTENT INDEX



GRI Standard	Disclosure	Reference/Explanation	Omissions
Stakeholder Engagement	102-42 Identifying and selecting stakeholders	Reported – Page 13, 14, 15	
	102-43 Approach to stakeholder engagement	Reported – Page 13, 14, 15	
	102-44 Key topics & concerns raised	Reported – Page 13, 14, 15	
GRI 102: Reporting practices	102-45 Entities included in the consolidated financial statements	Reported – Inside cover page	
	102-46 Defining report content and topic boundaries	Reported – Inside cover page	
	102-47 List of material topics	Reported – Page 24, 25	
	102-48 Restatements of information	Page 59, 60	
	102-49 Changes in reporting	Page 59, 60	
	102-50 Reporting period	Reported – Inside cover page	
	102-51 Date of most recent report	August 23, 2022	
	102-52 Reporting cycle	Reported – Inside cover page	
	102-53 Contact point for questions regarding the report	Reported – Inside cover page	
	102-54 Claims of reporting in accordance with the GRI Standards.	Reported – Inside cover page	
	102-55 GRI Content Index	Reported – Page 76 to 83	
102-56 External Assurance	Reported – Page 84		
Topic Specific Standard: Economic			
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 06	
	103-2 The management approach and its components	Reported – Page 06	
	103-3 Evaluation of management approach	Reported – Page 06	
GRI 201: Economic Performance, 2016	201-1 Direct economic value generated and distributed	Reported – Page 06	
GRI 103, Management Approach	103-1 Explanation of the material topic and its boundary	Reported – Page 50, 64	
	103-2 The management approach and its components	Reported – Page 50, 64	
	103-3 Evaluation of management approach	Reported – Page 50, 64	

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GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 205 Anti-Corruption	205-3 Confirmed incidents of corruption and actions taken	Reported – Page 52, 66	
GRI 103, Management Approach	103-1 Explanation of the material topic and its boundary	Reported – Page 52, 66	
	103-2 The management approach and its components	Reported – Page 52, 66	
	103-3 Evaluation of management approach	Reported – Page 52, 66	
GRI 206 Anti-Competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Reported – Page 64	
Category: Environment			
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 32, 36	
	103-2 The management approach and its components	Reported – Page 32, 36	
	103-3 Evaluation of management approach	Reported – Page 32, 36	
GRI 301: Materials, 2016	301-2 Recycled input materials used	Reported – Page 38	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 33, 34	
	103-2 The management approach and its components	Reported – Page 33, 34	
	103-3 Evaluation of management approach	Reported – Page 33, 34	
GRI 302: Energy, 2016	302-1 Energy consumption within the organisation	Reported – Page 32	
	302-3 Energy intensity	Reported – Page 32	
GRI 103, Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 32, 34, 35	
	103-2 The management approach and its components	Reported – Page 32, 34, 35	
	103-3 Evaluation of management approach	Reported – Page 32, 34, 35	
GRI 303: Water and Effluents, 2018	303-5 Water consumption	Reported – Page 35	
	103-1 Explanation of the material topic and its boundary	Reported – Page 31, 32,33, 34	

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GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 103: Management Approach, 2016	103-2 The management approach and its components	Reported – Page 31, 32, 33, 34	
	103-3 Evaluation of management approach	Reported – Page 31, 32, 33, 34	
GRI 305: Emissions, 2016	305-1 Direct (Scope 1) GHG emissions	Reported – Page 33	
	305-2 Energy indirect (Scope 2) GHG emissions	Reported – Page 32	
	305-4 GHG emissions intensity	Reported – Page 32, 33	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Partially Reported – Page 34	Currently, PI is reporting only NOx and Sox emissions due to data unavailability
GRI 103, Management Approach	103-1 Explanation of the material topic and its boundary	Reported – Page 32, 36	
	103-2 The management approach and its components	Reported – Page 32, 36	
	103-3 Evaluation of management approach	Reported – Page 32, 36	
GRI 306: Effluents and Waste, 2016	306-2 Waste by type and disposal method	Reported – Page 36	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 50, 64	
	103-2 The management approach and its components	Reported – Page 50, 64	
	103-3 Evaluation of management approach	Reported – Page 50, 64	
GRI 307: Environmental Compliance, 2016	307-1 Non-compliance with environmental laws and regulations	Reported – Page 28	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 52, 66, 47	
	103-2 The management approach and its components	Reported – Page 52, 66, 47	
	103-3 Evaluation of management approach	Reported – Page 52, 66, 47	
GRI 308: Supplier Environmental Assessment, 2016	308-1 New suppliers that were screened using environmental criteria	68	

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GRI Standard	Disclosure	Reference/Explanation	Omissions
Category: Social			
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 68	
	103-2 The management approach and its components	Reported – Page 68	
	103-3 Evaluation of management approach	Reported – Page 68	
GRI 401: Employment, 2016	401-1 New employee hires and employee turnover	Reported – Page 46, 47, 48	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Reported – Page 51, 52	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 53	
	103-2 The management approach and its components	Reported – Page 53	
	103-3 Evaluation of management approach	Reported – Page 53	
GRI 403: Occupational Health & Safety, 2018	403-1 Occupational health and safety management system	Reported – Page 53	
	403-2 Hazard identification, risk assessment, and incident investigation	Reported – Page 53	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Reported – Page 53	
	403-5 Worker training on occupational health and safety	Reported – Page 53	
	403-8 Workers covered by an occupational health and safety management system	Reported – Page 53	
	403-9 Work-related injuries	Reported – Page 53	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 49, 51, 52	
	103-2 The management approach and its components	Reported – Page 49, 51, 52	
	103-3 Evaluation of management approach	Reported – Page 49, 51, 52	
GRI 404: Training and Education, 2016	404-1 Average hours of training per year per employee	Reported – Page 48	

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GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 46, 47, 48	
	103-2 The management approach and its components	Reported – Page 46, 47, 48	
	103-3 Evaluation of management approach	Reported – Page 46, 47, 48	
GRI 405: Diversity and Equal Opportunity, 2016	405-1 Diversity of governance bodies and employees	Reported – Page 62, 64	
	405-2 Ratio of basic salary and remuneration of women to men	Reported – Page 46	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 46, 47, 48	
	103-2 The management approach and its components	Reported – Page 46, 47, 48	
	103-3 Evaluation of management approach	Reported – Page 46, 47, 48	
GRI 406: Non- discrimination, 2016	406-1 Incidents of discrimination and corrective actions taken	There was no incident of discrimination in the reporting period	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 51, 52, 53	
	103-2 The management approach and its components	Reported – Page 51, 52, 53	
	103-3 Evaluation of management approach	Reported – Page 51, 52, 53	
GRI 412: Human Rights Assessment, 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	100% of our operations are subject to human rights review	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 54, 55, 56, 57	
	103-2 The management approach and its components	Reported – Page 54, 55, 56, 57	
	103-3 Evaluation of management approach	Reported – Page 54, 55, 56, 57	
GRI 413: Local Communities, 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Reported – Page 54, 55, 56, 57	
	103-1 Explanation of the material topic and its boundary	Reported – Page 40, 41, 42	

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GRI Standard	Disclosure	Reference/Explanation	Omissions
GRI 103: Management Approach, 2016	103-2 The management approach and its components	Reported – Page 40,41,42	
	103-3 Evaluation of management approach	Reported – Page 40, 41 , 42	
GRI 416 Customer Health and Safety, 2016	416-1 Assessment of the health and safety impacts of product and service categories	100% of our products are assessed for health and safety impacts	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 72, 73, 74	
	103-2 The management approach and its components	Reported – Page 72, 73, 74	
	103-3 Evaluation of management approach	Reported – Page 72, 73, 74	
GRI 418: Customer Privacy, 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints concerning breaches of customer privacy and loss of customer data was reported. Page 67	
GRI 103: Management Approach, 2016	103-1 Explanation of the material topic and its boundary	Reported – Page 52, 64	
	103-2 The management approach and its components	Reported – Page 52, 64	
	103-3 Evaluation of management approach	Reported – Page 52, 64	
GRI 419: Socioeconomic Compliance, 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Reported – Page 45	

UNGC PRINCIPLE INDEX



PI Industries support the Ten Principles of the UN Global Compact and the Communication on Progress indicates PI Industries' commitment to sustainability.

Principles	Reference Sections	Page Number
Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Building a Committed & Empowering Workforce	Page 50, 52
Principle 2: Make sure that they are not complicit in human rights abuses.		
Labour		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Building a Committed & Empowering Workforce	Page 50, 52
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.		
Principle 5: The effective abolition of child labour		
Principle 6: The elimination of discrimination in respect of employment and occupation.		
Environment		
Principle 7: Businesses should support a precautionary approach to environmental challenges.	Our Unwavering Commitment to Environment	Page 31
Principle 8: Undertake initiatives to promote greater environmental responsibility.		Page 31 – 37
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.		Page 31 – 37
Anti Corruption		
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Embedding Responsible and Effective Governance	Page 64

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To
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Independent Assurance Statement

Introduction and objective of engagement

PI Industries Limited (the 'Company') has developed its Sustainability Report for FY 2021-22 (the 'Report') in accordance with GRI Standards: Core Option.

Thinkthrough Consulting Private Limited (TTC) was engaged by the Company to provide independent assurance of the Sustainability Report for the period 1st April 2021 to 31st March 2022.

Intended Users of this Assurance Statement

This Assurance Statement is intended to be part of Company's Sustainability Report for the Financial Year 2021-22.

Respective responsibilities

The development and presentation of the Sustainability Report are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, either through fraud or error.

TTC's responsibility, as agreed with the management of the Company, is to provide assurance on the Sustainability Report as described in the 'Assurance scope' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Sustainability Report is entirely at its own risk.

Assurance standard

The assurance process was conducted in line with the requirements of the AA1000 AS v3 (2020) Type 2 assurance [Type 2 Assurance: an engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality, Impact and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000ASv3 (2020) Standard.]. We applied a moderate [A moderate level of assurance as per AA1000AS v3 (2020) Standard is commensurate with "limited" assurance as defined in the International Standard on Assurance Engagements (ISAE) 3000] level of assurance.



Assurance scope

The scope of assurance engagement was limited to review of the Report's alignment with the GRI Standards: Core Option, and review of specific environmental and social disclosures as summarized in the tables below:

Social Parameter	Corresponding metrics	GRI Indicators	Environmental Parameter	Corresponding metrics	GRI Indicators
Board diversity	Diversity of the board in terms of gender, race and nationality	405-1 Diversity of governance bodies and employees	GHG emissions	Scope 1 and 2 emissions	305-1 Direct (Scope 1) GHG emissions, 305-2 Energy indirect (Scope 2) GHG emissions
Board composition	Composition of the board in terms of independent directors	102-18 Governance Structure	Emissions into air	NO _x and SO _x emissions	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions
Gender equality	Employee gender diversity	405-1 Diversity of governance bodies and employees	Water usage	Water consumption	303-5 Water consumption
Gender pay indicators	Gender pay gap	405-2 Ratio of basic salary and remuneration of women to men	Renewable raw materials	Percentage of raw material which are renewable	301-2 Recycled input materials used
Human rights	Human rights policies and checks that are in place so as to curb any violations	412-1 Operations that have been subject to human rights reviews or impact assessments	Discharges into landfill	Waste disposed	306-2 Waste by type and disposal method
Freedom of association	Freedom of Association policy and awareness of the same in employees	Not applicable	Hazardous waste management	Hazardous substance management, hazardous waste management	306-2 Waste by type and disposal method
Talent development and retention	Talent Development Programs and Coverage, Employee Engagement Programs and coverage	404-1 Average hours of training per year per employee	Energy usage	Energy use in kWh	302-1 Energy consumption within the organisation
Occupational health and safety	Measures undertaken to ensure employee health and safety, Trainings Conducted, Incidents reported and mitigation measures	403-1 Occupational health and safety management system, 403-5 Worker training on occupational health and safety, 403-9 Work-related injuries			

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Methodology

We conducted review and verification of data collection, collation and aggregation methodologies and general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process comprised of:

- Evaluation of the appropriateness of the quantification methods used to arrive at the sustainability disclosures mentioned in the section of 'Assurance Scope';
- Execution of sample audit trail of claims and data streams, on selective basis, to determine the level of accuracy in collection, transcription and aggregation;
- Review of data collection and management procedures;
- Discussions with the key personnel responsible for data compilation for all the seps mentioned above.

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2021 to 31st March 2022);
- Review of the 'economic and/or financial performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- Review of any disclosures other than the ones listed in 'Assurance Scope'.

As agreed with the Company, data assurance was done through remote assessments using appropriate web-enabled tools. We did not conduct physical verification at locations or offices of the Company. Audit trails and review were conducted through remote discussion with officials of the Company, and gathering of evidence on sample basis.

Our assurance team and independence

TTC is a professional services firm that specializes in accountability on sustainability issues. The assurance was performed by our multi-disciplinary competent team of experts across domains of sustainability as well as global sustainability reporting standards and AA1000ASv3. This team has extensive experience in conducting independent assurance of sustainability data, systems and processes across sectors and geographies. We have implemented measures to ensure that we follow the applicable independence procedures.



Our observations

While the sustainability disclosures of the Company as defined under the 'Assurance Scope' are fairly reliable, The company has made significant efforts to ensure the consistency of data for this report; However, the company can continue to improve the robustness of its data management and collection process.

Our conclusion

Based on the scope of our review, our conclusions are outlined below:

- **Inclusiveness:**
We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with key stakeholder groups. The company transparently disclosed its stakeholder engagement approach and activities in the Report.
- **Materiality:**
We noted that the Company has listed the material topics in the Report. Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company.
- **Responsiveness:**
We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle for dealing with stakeholders (such as customers, suppliers, and local communities) on material topics covering its sustainability performance.
- **Impact:**
We are not aware of any matter that would lead us to believe that the Company does not monitor and measures and is not accountable for how their actions affect their broader ecosystem.
- **Reliability of sustainability performance information:**
Nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in accordance with GRI Standards: Core Option and the Company's reporting principles and criteria.

For Thinkthrough Consulting Private Limited

Parul Soni
Global Managing Partner



Priyadarshi Tiwari
Associate Partner & Leader
Sustainability, Climate Change & ESG



New Delhi
22 August 2022



Inspired by Science

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