

2023-24

ESG REPORT





TABLE OF CONTENTS

01	About the Report	04
02	Message from the Chairman	06
03	Message from the Managing Director	08
04	About Shiva Performance Materials	10
05	Key Highlights	14
06	Governance	16
07	Social	40
08	Environment	60
09	Annexure	86
10	GRI Index	90

ABOUT THIS REPORT

The Shiva Performance Materials Private Limited (SPMPL) Sustainability Report 2023-24 offers a comprehensive overview of our ongoing commitment to responsible business practices, environmental stewardship, and social impact. This report highlights our continuous efforts to integrate sustainability into every facet of our operations, including sourcing, production, distribution, and customer engagement, across the global footprint of our operations.

Aligned with international best practices, our Environmental, Social, and Governance (ESG) Report adheres to the Global Reporting Initiative (GRI) standards, ensuring the credibility and transparency of our sustainability performance. We also align our efforts with the United Nations Sustainable Development Goals (UNSDGs), contributing to global priorities such as responsible consumption, climate action, and decent work and economic growth.

Our approach to climate responsibility follows the Greenhouse Gas (GHG) Protocol, providing a robust framework for measuring and managing our emissions. We have conducted a comprehensive GHG inventory, ensuring accuracy, transparency, and accountability in our emissions reporting.

This report also includes forward-looking statements based on our current expectations, projections, and assumptions about future trends. While we strive to provide accurate insights, actual results may vary due to factors beyond our control.

If you have any questions or feedback about this report or Shiva Performance Materials sustainability efforts, please feel free to reach out to us at shwetal.sakaria@shivaperformance.com



By setting ambitious sustainability goals, embracing sustainable business practices, and continuously enhancing our operations, we aim to create long-lasting positive change. This report reflects our dedication to transparency, accountability, and delivering long-term value, while fostering positive social and environmental impact for future generations.

Reporting principles

We are committed to ensuring the highest standards of transparency and accountability in our sustainability reporting. Our disclosures are guided by key the following key reporting principles.



Accuracy



Balance



Clarity



Comparability



Completeness



Sustainability Context



Timeliness



Verifiability

By adhering to these principles, we strive to provide stakeholders with reliable, consistent, and meaningful insights into our Environmental, Social, and Governance (ESG) performance, enabling informed decision-making and fostering trust in our sustainability journey.

CHAIRMAN'S MESSAGE

Dear Stakeholders,

As Chairman of Shiva Performance Materials Private Limited, I am honoured to share our Sustainability Report for FY2023-24.

This report embodies our strategic commitment to embed sustainability at the heart of our business, reflecting both the challenges and opportunities we face as a responsible corporate citizen.

Our focus this year has been on strengthening governance, reinforcing accountability, and setting ambitious goals that extend beyond compliance, demonstrating leadership in environmental stewardship, social responsibility, and ethical conduct.

We understand that meaningful progress requires collaboration across our entire value chain, and we strive to build enduring partnerships with customers, suppliers, and communities that share our vision.

While technological innovation and resource efficiency remain key drivers, it is our people employees, leadership, and partners who bring life to our ambitions. Their dedication to sustainability and integrity shapes every initiative we undertake.

Looking forward, I am confident that with sustained commitment, transparency, and innovation, SPMPL will continue to deliver long-term value to society and our stakeholders, truly embodying the principles of responsible business.

Thank you for your continued trust and engagement.
With sincere regards,

Rakesh S. Agrawal
Chairman



MANAGING DIRECTOR'S MESSAGE



Rahul Agrawal
Managing Director

Dear Stakeholders,

FY2023-24 has been a pivotal year for Shiva Performance Materials Private Limited. Our Sustainability Report reflects not just our operational results but the heart of our purpose to create value through responsible growth and meaningful impact.

We have intensified efforts to reduce our environmental footprint by embracing innovation, optimising resource use, and expanding sustainable product development.

At the same time, we remain deeply invested in the wellbeing of our employees, fostering a workplace culture that emphasises safety, personal growth, and inclusivity.

Our commitment to a living wage and ongoing training programs reinforces this core belief. Beyond the walls of SPMPL, we actively engage with our supply chain and communities, recognising that sustainability is a shared journey.

The progress we highlight is the culmination of teamwork, passion, and persistence from every member of the SPMPL family.

As we look ahead, our focus remains on agile adaptation, continuous improvement, and seizing new opportunities to balance economic success with social and environmental responsibility.

*Thank you for being part of our journey toward a more sustainable future.
Warm regards,*



ABOUT US

ABOUT SHIVA

PERFORMANCE MATERIALS



At Shiva Performance Materials, Private Limited (SPMPL) we are redefining innovation in the Printing and Packaging industry by delivering advanced, sustainable solutions without compromising on performance.

Since our inception in 2016, we have remained at the forefront of materials science blending cutting-edge technology with ecological responsibility.

“

***“Pioneering
Next-
Generation
Materials with
Technological
Excellence”***



100,000 MT

Per Annum Manufacturing
Capacity



300+

Clients



50+

Products



50+

Countries Served with our
Product Portfolio

Our product portfolio includes high-performance Acrylic Resins, Resin Solutions, and Emulsions, purpose-designed for specialised applications in printing and packaging.

We also offer Toner Resins and Styrene Maleic Anhydride (SMA) Resins, engineered to meet evolving industry demands.

With an unwavering commitment to continuous improvement, we uphold the highest standards in quality, environmental sustainability, occupational health, and safety.

Our team a vibrant mix of experienced professionals are dedicated to solving complex technical challenges and helping our clients stay ahead in a fast-evolving market.

Driven by a passion for excellence, we have steadily expanded our capabilities. Today, we manufacture Styrene-Maleic Anhydride Polymers and UV Photo initiators, supporting a diverse range of global customers.

We remain open to strategic collaborations with global partners involving technology transfer and outsourcing opportunities, strengthening our commitment to building bonds beyond boundaries.

KEY HIGHLIGHTS

Social

 **56%**
Employees under the Age of 30

 **2**
People of Determination (PoD)

 **99%**
Gender Pay Parity

 **100%**
Employees Completed Ethics Training

Governance

 **Zero**
Incidents of Discrimination

 **Zero**
Information Security Incidents

 **Zero**
Cases of Corruption

 **100%**
Buyers Trained in Sustainable Procurement

Environment

 **60%**
Energy Consumption through Biomass

 **24%**
Decrease in Diesel Consumption

 **Zero Liquid Discharge**
All Wastewater Reused in Operations

 **6,000+** Kilolitres
Water Recycled

 **428 tonnes**
Solid Waste Recycled



GOVERNANCE

Governance for Sustainable Excellence	18
Stakeholder Consultation & Materiality Assessment	28
Information Security	32
Suppliers Assessment	36

GOVERNANCE FOR SUSTAINABLE EXCELLENCE

At Shiva Performance Materials, we have established a robust governance framework that serves as the foundation for our sustainable business practices and ethical operations.

Our approach integrates comprehensive policies, clear accountability structures, and continuous improvement mechanisms to ensure alignment with global sustainability standards while creating long-term value for all stakeholders.

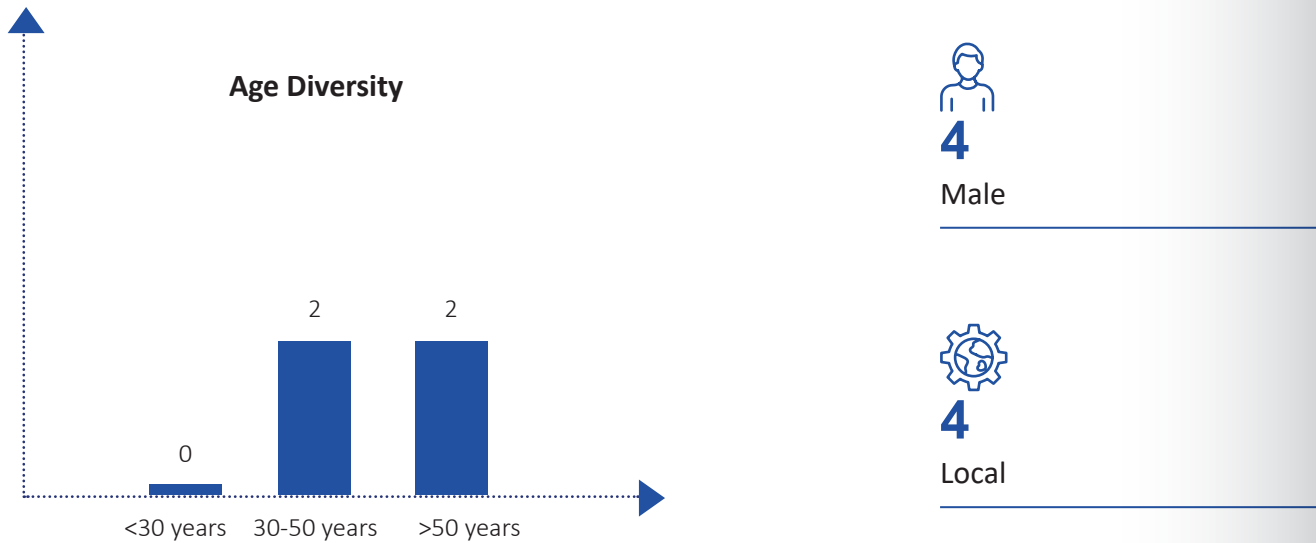
Leadership Structure and Strategic Oversight

Governance Structure

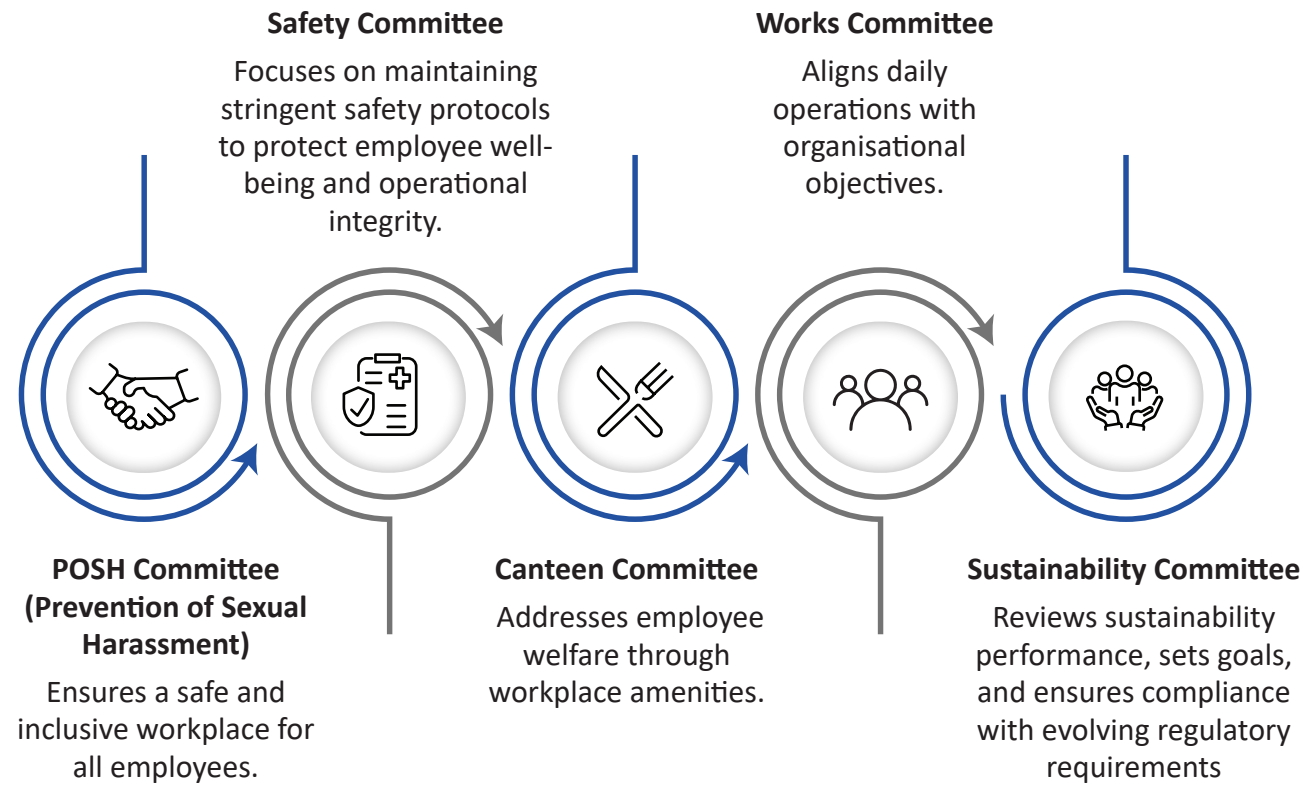
SPMPL upholds a comprehensive governance framework to ensure the highest levels of transparency and accountability.

At the apex sits the Board of Directors, composed of four (4) experienced local male directors—two aged 30–50 years and two above 50 years.

While we have maintained strong governance effectiveness (scoring 4.7/5 in our latest evaluation), we recognise the need for greater diversity and have set measurable three-year targets to enhance representation.



Our governance structure comprises the following key committees headed by Board of Directors:



Board Governance and Sustainability Integration

The SPMPL Board of Directors operates under a well-defined governance framework that embeds sustainability into strategic decision-making.

Our Board Charter explicitly mandates dedicated ESG discussions at quarterly meetings, ensuring that environmental, social, and governance considerations remain central to corporate strategy.

In 2023, we established a dedicated Sustainability Committee composed of three independent directors with specialised expertise in ESG oversight.

This committee plays a critical role in reviewing sustainability performance, setting long-term goals, and ensuring compliance with evolving regulatory requirements.

To maintain high governance standards, we conduct an annual Board Skills Matrix Review, assessing directors' competencies in emerging sustainability topics. In FY2024, our Board of Directors undertook ESG training to further enhance their sustainability vision.

A key feature of our governance model is the Executive Compensation Framework, which links 20% of variable pay to ethical conduct and sustainability metrics. This incentivises leadership to prioritise long-term value creation alongside financial performance.

Our Enterprise Risk Management System has been enhanced to incorporate ESG factors into material risk assessments, allowing for proactive mitigation of sustainability-related risks.

Policy Framework and Ethical Business Conduct

SPMPL's Code of Conduct (Ethical Business Conduct)

The SPMPL Code of Ethical Business Conduct serves as the cornerstone of our governance framework, establishing clear behavioral expectations for all employees, suppliers, and business partners.

The Code is built on three foundational principles:



Uncompromising Integrity

We maintain a strict zero-tolerance policy toward bribery, corruption, and unethical inducements. Our gifts and hospitality policy imposes a ₹5,000 cap, with mandatory disclosure for any exceptions. Procurement staff handling sensitive contracts are subject to a six-month cooling-off period to prevent conflicts of interest.



Accountable Decision-Making

We enforce a “four-eye” approval principle for high-value transactions and require annual conflict-of-interest declarations from all employees. Sustainable procurement guidelines are embedded into purchasing decisions, ensuring alignment with our ESG commitments.



Respectful Workplace Culture

Discrimination, harassment, and abusive conduct are strictly prohibited. Health and safety protocols are treated as non-negotiable priorities, with oversight at the Board level. Our whistleblower protection mechanisms guarantee anonymity and safeguard reporters from retaliation.

To ensure widespread adoption, we have implemented a digital certification process, achieving 100% employee compliance. The Code is available in English and local regional language and features accessibility accommodations. Our mobile-enabled reporting platform allows for real-time case tracking, while quarterly compliance audits provide ongoing assurance.



Risk Management and Compliance Performance

Compliance and Ethical Performance

SPMPL has maintained an exemplary compliance record, with 100% timely submission of all mandatory regulatory filings and zero material breaches of corporate governance policies.

Our proactive risk management approach has resulted in reduction in minor compliance incidents since 2020, reflecting the effectiveness of our controls.

Employee confidence in our ethics reporting channels remains high, with an 87% satisfaction rate in recent surveys.

Supplier adherence to our governance standards continues to improve, with 100% compliance against our Supplier Code of Conduct. We attribute this success to our rigorous onboarding process, which includes mandatory ethics training and periodic compliance assessments

Stakeholder Engagement and Grievance Management

Multi-Channel Reporting and Resolution System

SPMPL has implemented a comprehensive stakeholder engagement framework designed to foster transparency and accountability.

Our Integrated Ethics Hotline operates 24/7 with multilingual support, ensuring accessibility for all stakeholders.

The system guarantees an initial response within 24 hours and resolves most cases within 15 business days.The Leadership Accessibility Program complements

formal reporting mechanisms by offering monthly “Open Door” sessions with C-suite executives. An anonymous question submission portal and quarterly town hall meetings further enhance engagement.

For supply chain partners, our Vendor Compliance Portal provides a dedicated channel for ethics-related concerns.

The platform features transparent case tracking and is supported by biannual supplier satisfaction surveys.

“
SPM provides regular training to raise awareness and prevent discrimination and harassment.

Grievance Management Trends and Outcomes

In FY2024, we observed zero grievances, suggesting improved preventive measures.

Following metrics demonstrate our commitment to not just resolving issues, but eliminating their root causes.

SPMPL has clear, measurable policies to prevent unethical conduct

Policy	Key Measures	Cases reported in FY2022	Cases reported in FY2023	Cases reported in FY2024
Anti-Corruption	Mandatory training, whistleblower protections, third-party due diligence.	0	0	0
Conflict of Interest	Annual disclosures from leadership & employees.	0	0	0
Fraud Prevention	Internal audits, segregation of duties, fraud risk assessments.	0	0	0
Anti-Money Laundering	Transaction monitoring, suspicious activity reporting.	0	0	0
Information Security	Cybersecurity training, data encryption, IT controls.	0	0	0

“
We ensure transparent and proportionate remediation procedures are in place to support victims.

Diversity, Equity, and Inclusion Governance

DEI Policy Framework

SPMPL’s approach to diversity and inclusion is codified in several key policies

-  The Equal Opportunity Policy establishes a non-discrimination framework covering recruitment, promotions, and compensation.
-  Our Workplace Accommodation Policy ensures accessibility for differently-abled employees.
-  The Gender Equity Strategy outlines measurable 2025 targets for leadership representation.
-  The Inclusive Leadership Program provides mentorship and sponsorship opportunities for underrepresented groups.

Sr. No.	Parameters	Unit	Response
1	Total number of incidents of discrimination	Number	0
2	Incident reviewed by the organisation	Number	0
3	Remediation plans being implemented	Number	0
4	Remediation plans that have been implemented, with results reviewed through routine internal management review processes	Number	0
5	Incident no longer subject to action	Number	0



Collective Bargaining Agreements

At SPM, collective bargaining forms a core aspect of our commitment to fair labor practices and employee well-being. We recognize employee representatives and representative bodies as vital partners in shaping workplace policies through open dialogue and mutual agreement.

SPM has established written collective bargaining agreements covering key areas, including employee health and safety, working hours, overtime, and leave entitlements, ensuring compliance with applicable labor laws.

SPM addresses critical issues such as discrimination and harassment through formal agreements with employee representatives, creating a safe and inclusive workplace for all.

These practices reflect our belief in collaborative governance and respect for employee voices in organizational decision-making.

Ethics, Integrity & Anti-Corruption

SPMPL maintains a zero-tolerance policy towards corruption, bribery, and unethical conduct. Our Code of Ethics and Business Conduct forms the foundation of trust with our employees, suppliers, customers, and investors.

As part of ongoing capacity building, the following actions were implemented in FY 2023–24

Key Ethics & Compliance Metrics

Parameter	Value
Employees completing ethics training	100%
Ethics/Code of Conduct violations	0
Whistleblower complaints received	0
Corruption incidents reported	0
Internal audits on ethics/compliance	2
Incidents of conflict of interest mitigated	0
Sensitive transactions routed through special approval	100% of high-risk cases

SPMPL conducts bi-annual anti-corruption training and annual third-party internal audits, ensuring continuous improvement of our internal controls.

Measures Implemented to Prevent Corruption

- Formal anti-corruption policy integrated into all business functions.
- Annual risk assessments performed in partnership with external audit firms.
- Establishment of a structured whistleblower policy, accessible via internal portal and third-party hotline.
- Mandatory compliance certification for sensitive roles (procurement, finance, and contract management).
- Defined approval matrix for high-value and high-risk transactions.

Governance Innovation and Recognition

Next-Generation Governance Initiatives

SPMPL continues to pioneer innovative governance practices

Digital Transformation

Implementing blockchain for contract transparency and AI-driven compliance monitoring.



Capability Building

Launching a Board education series on climate governance and an Ethics Ambassador certification program.

Transparency Enhancements

Developing a real-time ESG performance dashboard for investor communication.



STAKEHOLDER CONSULTATION & MATERIALITY ASSESSMENT

We adopt a comprehensive approach to stakeholder engagement and materiality assessment, in accordance with international best practices and the requirements of GRI Standards, ensuring a robust and transparent framework for sustainability.

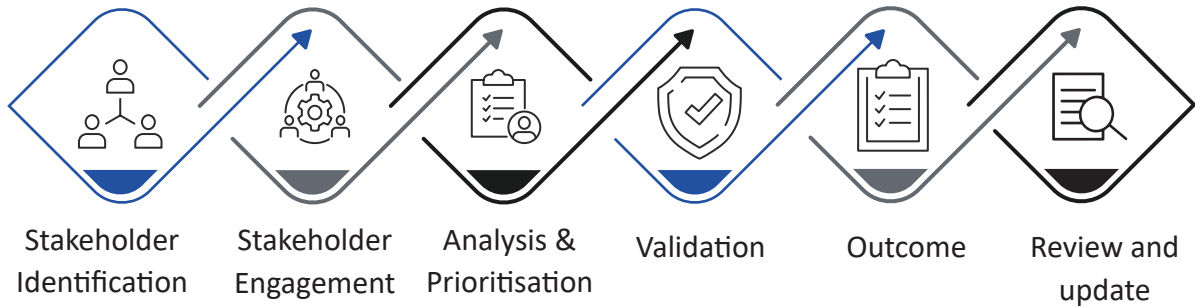
This approach ensures that the company’s sustainability initiatives align with the priorities of its diverse stakeholder base and address the most pressing environmental, social, and governance (ESG) issues.

The Materiality Assessment Matrix, a key tool used by Shiva Performance Materials for strategic decision-making, is the direct outcome of extensive stakeholder engagement. To maintain relevance and alignment with business needs, the materiality assessment is conducted every two years.

This matrix plays a critical role in identifying and prioritising sustainability topics that are vital to both stakeholders and the long-term success of the company.



The main steps for identifying material topics include



Stakeholder Identification

We Identify all relevant internal and external stakeholders based on their influence, impact, and interest in the company’s operations and sustainability efforts.

These stakeholders include

Stakeholder Group	Mode of Engagement	Frequency
Board of Directors	Board Meetings, Reports	Quarterly, Annually
Employees	Surveys, Meetings, Feedback	Annually, Bi-Annually
Suppliers/Contractors	Meetings, Audits, Reports	Annually, As Needed
Business Partners	Partnership Meetings, Collaborations	As Needed, Project-Based
Customers	Surveys, Feedback, Engagement Events	Annually, As Needed
Community Representatives	Consultations, Focus Groups	Annually, As Needed

Stakeholder Engagement

To gain a thorough understanding of stakeholder priorities, we conducted in-depth interviews and consultations with both internal and external stakeholders. This engagement process involved the following key steps



Analysis & Prioritisation

After collecting and analysing the feedback, we prioritised the most significant topics for the reporting year. This prioritisation was based on two main criteria: the level of concern expressed by stakeholders and the potential impact of each topic on our business operations.

Validation

The prioritised topics were then validated with the senior leadership and relevant departments to ensure alignment with the company’s strategic objectives.

Outcome

Through this rigorous process, Shiva Performance Materials identified several key material topics that will be further disclosed in our sustainability report.

These topics reflect the intersection of stakeholder concerns and the company’s strategic sustainability goals.

The resulting materiality matrix graphically represents these priorities, providing a clear visual tool for understanding and communicating our sustainability focus.

Review and update

We periodically review and update the materiality assessment process every 2 years to reflect changing stakeholder expectations, regulatory requirements, and shifts in the business landscape.

By systematically engaging stakeholders and incorporating their feedback, we ensure the material topics remain relevant while demonstrating our commitment to transparency, accountability, and continuous improvement in sustainability practices.



ENVIRONMENT

- GRI 302 : Energy 2016
- GRI 303 : Water and Effluents 2018
- GRI 305 : Emissions 2016
- GRI 306 : Waste 2020



SOCIAL

- GRI 401 : Employment 2016
- GRI 403 : Occupational Health & Safety 2018
- GRI 405 : Diversity & Equal Opportunity 2016
- GRI 413 : Local Communities 2016



GOVERNANCE

- GRI 204 : Procurement Practices 2016
- GRI 205 : Anti-corruption 2016
- GRI 418 : Customer Privacy 2016

INFORMATION SECURITY

Shiva Performance Material considers information security a fundamental pillar of its governance and sustainability strategy.

SPMPL's approach is anchored in a robust Information Technology (IT) policy that establishes comprehensive measures to protect all digital assets, sensitive data, and communication channels throughout the organisation.



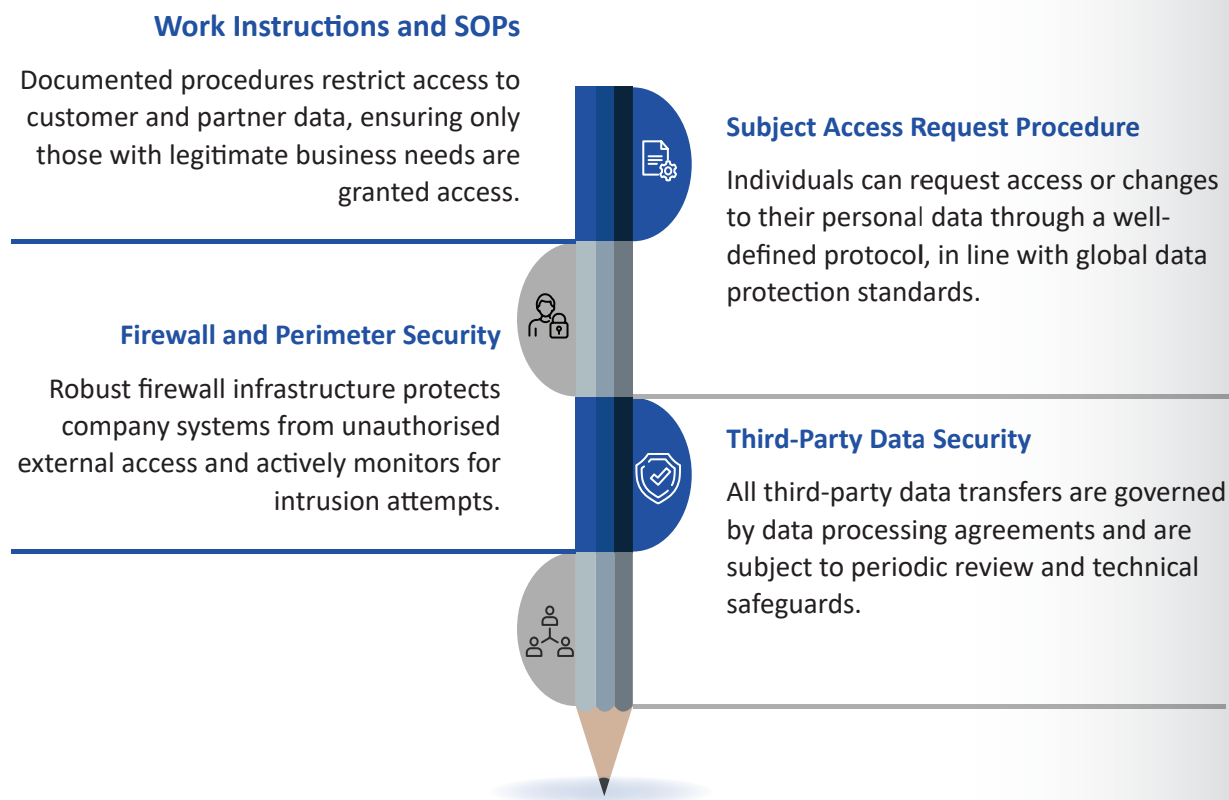
Information Security Framework

SPMPL's Information Security Management framework consists of the following core elements:

-  **Comprehensive IT Policy**
Governs secure management, storage, and processing of digital assets and communication.
-  **Data Encryption**
All sensitive data—both in transit and at rest—is protected using industry-standard encryption protocols.
-  **Secure Access Controls**
Strict authentication mechanisms and access restrictions ensure that only authorised personnel can access critical systems and data.
-  **Periodic System Audits**
Regular audits and vulnerability assessments of IT infrastructure are conducted internally and periodically by third parties to ensure ongoing compliance and rapid identification of potential risks.
-  **Cybersecurity Training**
100% of SPMPL employees have completed formal training on information security best practices and responsible data management.
-  **Whistleblower Procedure**
An accessible and confidential mechanism allows stakeholders and employees to report information security concerns, with a strong non-retaliation policy.
-  **Risk Assessments**
Information security risk assessments are performed regularly and include:
 - Periodic review of risks across all operations and business functions.
 - Detailed risk descriptions scored on likelihood and impact.
 - Corrective action plans implemented for any identified vulnerabilities or process gaps.
-  **Internal Controls & Monitoring**
SPMPL implements internal system monitoring, real-time alerts for suspicious activity, and periodic reviews of access logs.

Protection of Third-Party Data

SPMPL is acutely aware of its responsibility to protect the data of customers, suppliers, and business partners. The following measures are in place:



Incident Management and Reporting

- Zero information security incidents have been reported over the past three years.
- Any suspected or actual breach triggers immediate investigation and a pre-defined incident response protocol, followed by root-cause analysis and corrective actions.

Business Ethics & Information Security Metrics

Metric	Value
Employees trained on business ethics	100%
Employees trained on information security	100%
Reports via whistleblower (ethics/information sec.)	0
Confirmed corruption incidents	0
Confirmed information security incidents	0
Compliance audits (annual)	2

Continuous Improvement

Information security risks are subject to quarterly management reviews and are part of the company’s wider risk management and sustainability agenda. Our management is committed to ongoing enhancements in technology, policy, and employee awareness to ensure digital resilience and stakeholder trust.

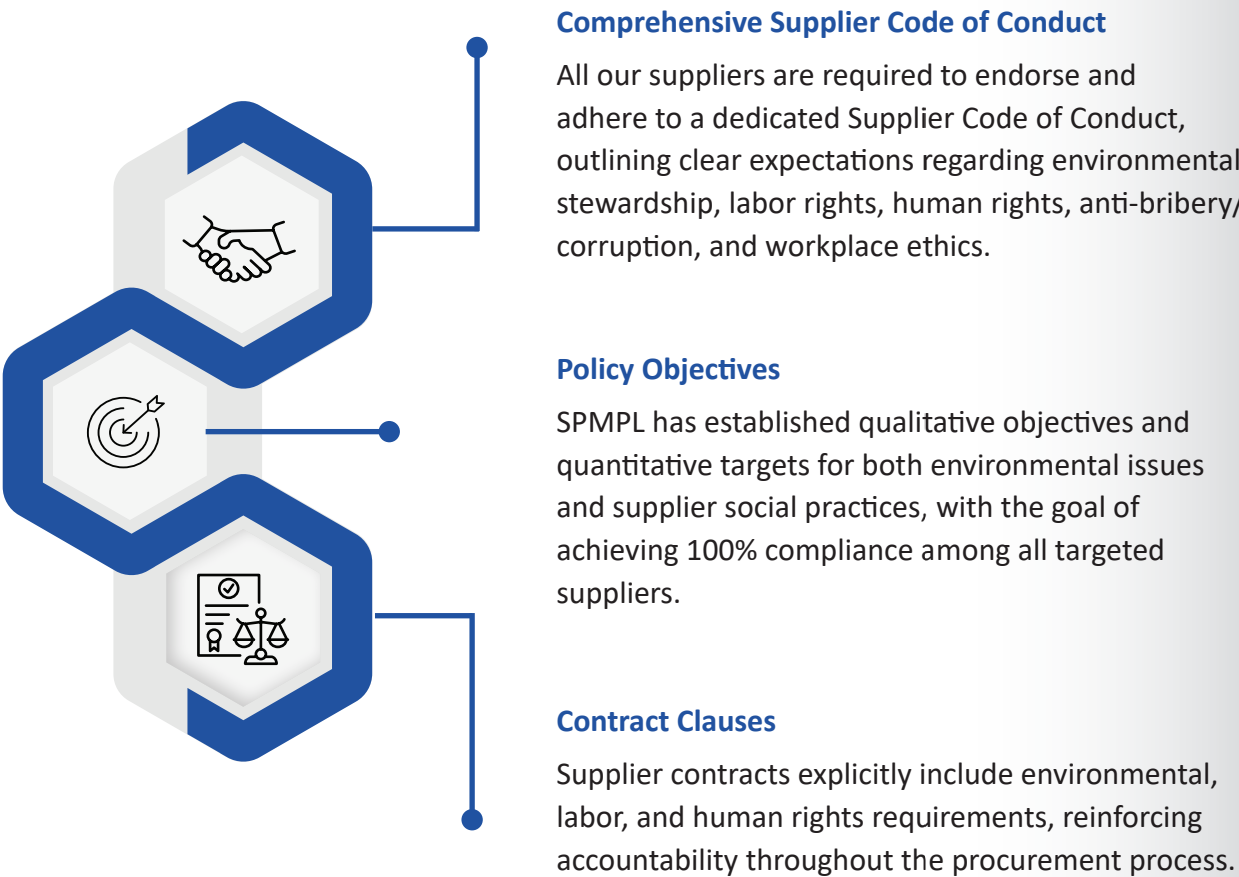
SPMPL’s strong performance, highlighted by zero reported incidents, is evidence of unwavering commitment to safeguarding data integrity, confidentiality, and availability across all operations.

SUPPLIER ASSESSMENT

Shiva Performance Material Private Limited is committed to advancing sustainability and responsible practices throughout its supply chain. SPMPL’s supplier assessment framework integrates strict codes of conduct, comprehensive evaluations, and inclusive engagement to foster a supply network that is ethical, socially inclusive, and environmentally responsible.

We prioritise local suppliers to support regional economic growth and reduce environmental impact. Our goal is to increase the proportion of spending on local suppliers as part of our commitment to community development and a more resilient supply chain.

Supplier Code of Conduct and Policy Alignment



Sustainable Procurement Program

SPMPL’s program incorporates multiple actions to ensure social and environmental considerations are fully embedded in procurement:

-  **Integration of social and environmental clauses within all new supplier contracts.**
-  **Supplier risk assessments**
Systematic evaluation of suppliers for adverse sustainability risks.
-  **Sustainability assessments**
On-boarding and periodic review assessing environmental and social practices.
-  **Buyer training**
100% of buyers have received comprehensive training on sustainable procurement and the significance of sustainability within the supply chain.
-  **On-site audits**
Scheduled audits evaluate real-world compliance with social and environmental standards.
-  **Capacity building**
Suppliers receive targeted guidance and training to enhance awareness and capabilities in sustainability, with incentive programs that recognise strong environmental and social performance.
-  **Buyer performance linkage**
Sustainable procurement objectives are integrated into buyer performance appraisals.
-  **Worker engagement**
Mechanisms exist for supplier employees to submit grievances or participate in “worker voice” surveys to ensure fair treatment and continuous improvement.

Inclusive Sourcing and Ethical Supply Chain

- 

Inclusive Sourcing

SPMPL has processes to ensure non-discriminatory supplier selection and explicitly addresses inclusivity within its supplier engagement and tendering processes.
- 

Prevention of Discrimination

Contracts and supplier assessments address prevention of discrimination and harassment within the supplier workforce, reinforcing fair labor standards.
- 

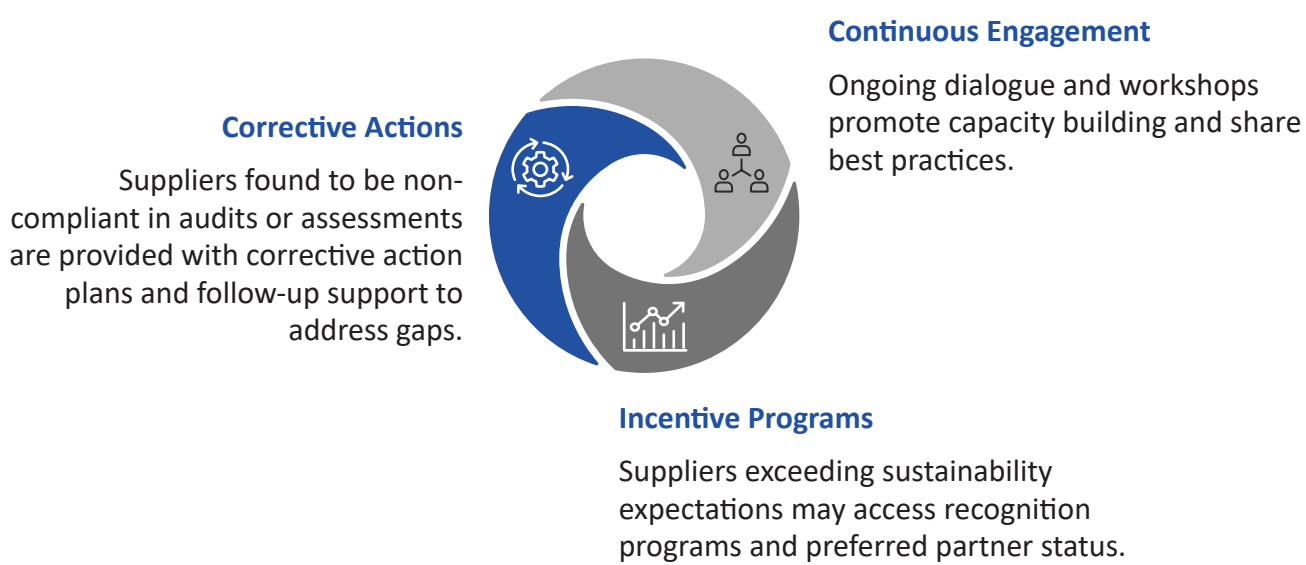
REACH Compliance

Formal supplier assessments verify compliance with the European REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) regulation, ensuring suppliers monitor and progressively align with all applicable requirements.

2023–24 Performance Metrics

Indicator	Target (%)	Achieved (%)
Targeted suppliers who signed the Supplier Code of Conduct	100	100
Targeted suppliers with contracts including environmental, labor, and human rights clauses	100	100
Targeted suppliers covered by a sustainability assessment	100	84
Targeted suppliers covered by a sustainability on-site audit	80	67
Buyers trained on sustainable procurement	100	100
Audited/assessed suppliers engaged in corrective actions or capacity building	100	75

Key Supplier Assessment Initiatives



Responsible Sourcing and Material Disclosure

- 

Conflict Minerals

SPMPL confirms that no tin, tantalum, tungsten, or gold (“3TG” minerals) are present in the products manufactured, subcontracted, or sold.
- 

Grievance Mechanisms

Supplier workforce grievance procedures are in place to provide voice and recourse for workers at all tiers.

SPMPL’s comprehensive supplier assessment approach ensures that all procurement activities reinforce its values of sustainability, ethics, and inclusivity - encouraging a responsible supply chain network that delivers both operational excellence and positive social and environmental impact.



SOCIAL

Building a Diverse and Inclusive Future	42
Corporate Social Responsibility	48
Occupational Health and Safety	52

BUILDING A DIVERSE AND INCLUSIVE FUTURE

At SPMPL, we believe our strength lies in the diversity of our people. We are committed to fostering an inclusive, equitable, and growth-oriented workplace where every employee regardless of age, gender, nationality, or ability can thrive.

Workforce Demographics

Our team of 299 employees reflects a vibrant mix of ages, backgrounds, and perspectives

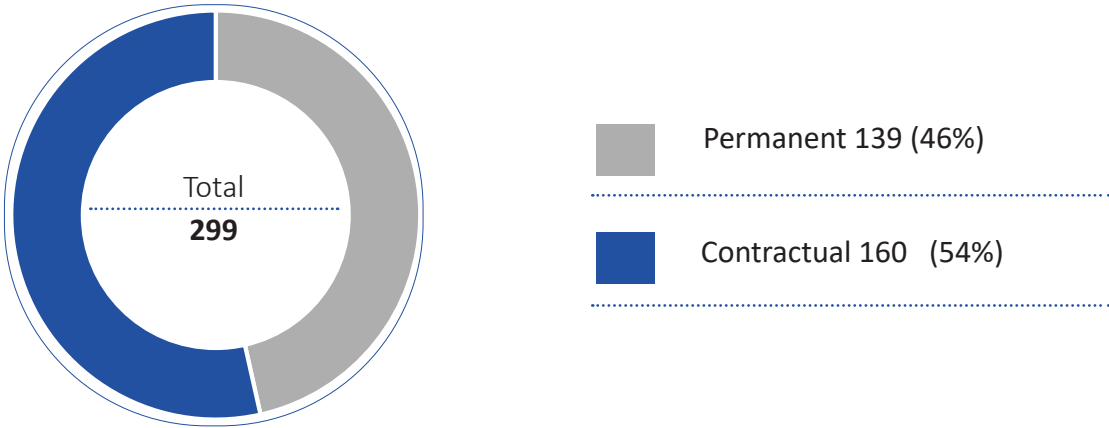
-  **Youthful dynamism**
56% of employees are under 30, driving innovation and adaptability.
-  **Gender diversity**
Currently, we have a lower women representation (2 employees) across all functions and technical roles.
-  **Inclusive hiring**
SPMPL employees 2 People of Determinations (PODs) to promote inclusivity at the workplace.



Permanent and Contractual Employees

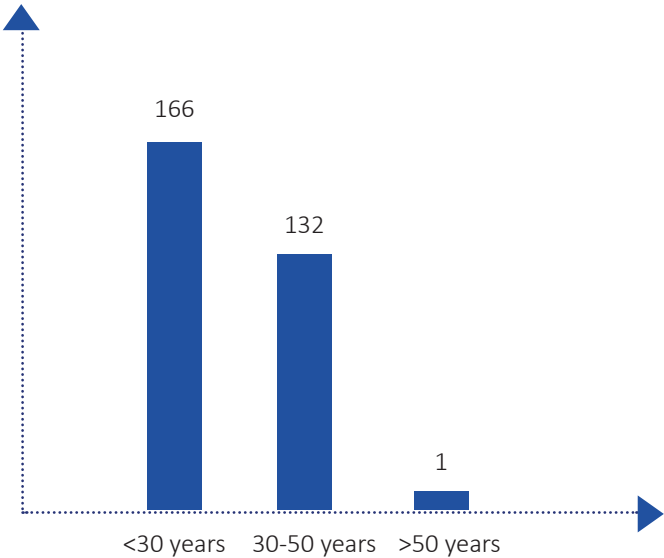
We maintained a balanced workforce model by employing both permanent and contractual staff. This approach allows the company to ensure continuity in core operations while also maintaining agility in project-based or seasonal functions.

This near-equal distribution highlights our hybrid workforce strategy, reflecting flexibility and operational responsiveness while sustaining institutional knowledge through a strong base of permanent staff.



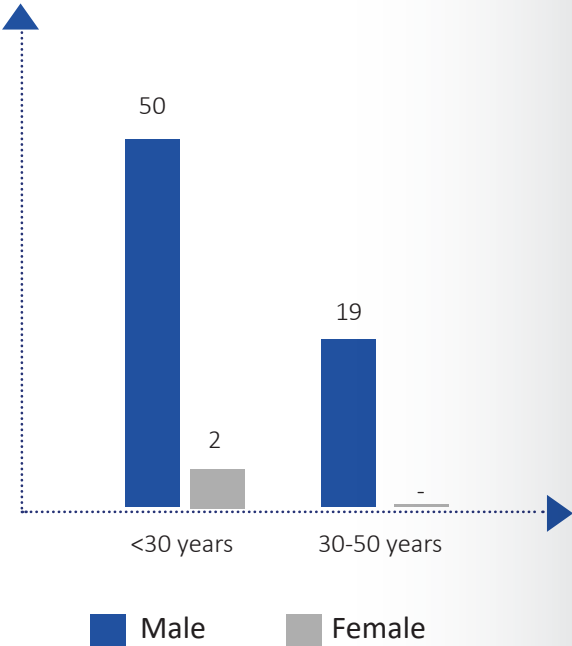
Age Distribution

Our workforce is predominantly composed of younger professionals, positioning the company advantageously for long-term capacity building, innovation, and digital fluency. A generationally younger workforce also indicates SPM’s attractiveness to emerging talent pools.



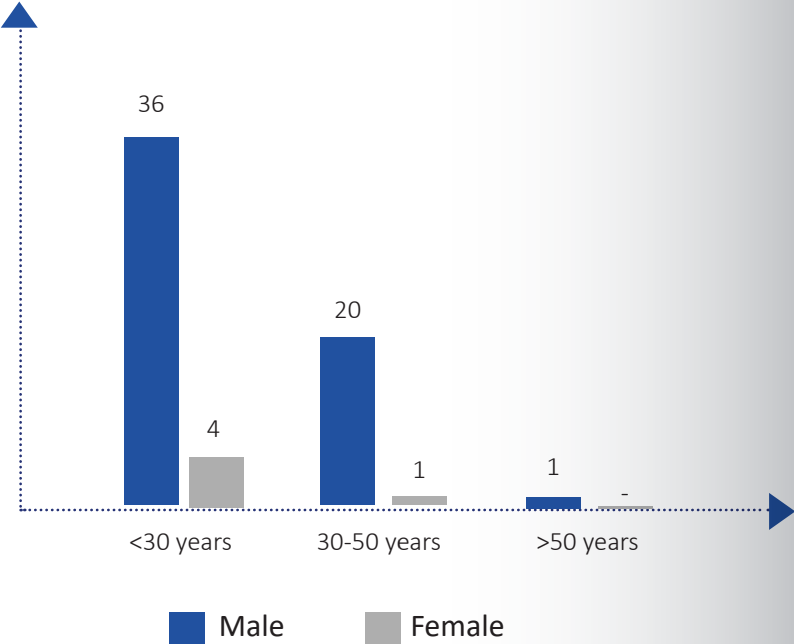
New Joiners

SPMPL onboarded 71 new employees, continuing its talent acquisition efforts with a strong focus on attracting the next generation of workers. Generation accounted for 73% of all new hires, reinforcing the company’s strategic alignment with youthful energy, innovation, and digital aptitude.



Turnover

We experienced a total of 62 employee exits in FY24 due to retirement, transfers, and other reasons. Attrition among older age groups remained low, signaling strong retention in mid-to-late career stages.



“SPM provides regular training to raise awareness and prevent discrimination and harassment.”

Employee Benefits and Protection

At SPMPL, the health, safety, and security of our employees are paramount. We provide essential benefits ensuring our employees are protected against unforeseen circumstances. All our full-time employees are provided with the following benefits.

- Life Insurance
- Health Insurance
- Disability and Invalidity Coverage
- Parental Leave
- Retirement Provision

These benefits reflect our commitment to building a resilient and supportive work environment that prioritises employee well-being at every stage of life.

Gender Pay Equity: Near Parity Achieved

At SPMPL, gender pay equity remains a key priority in fostering a fair and inclusive workplace.

In FY 2023-24, the average basic salary for women was approximately 99% of that of their male counterparts, reflecting a minimal pay gap across the organisation.

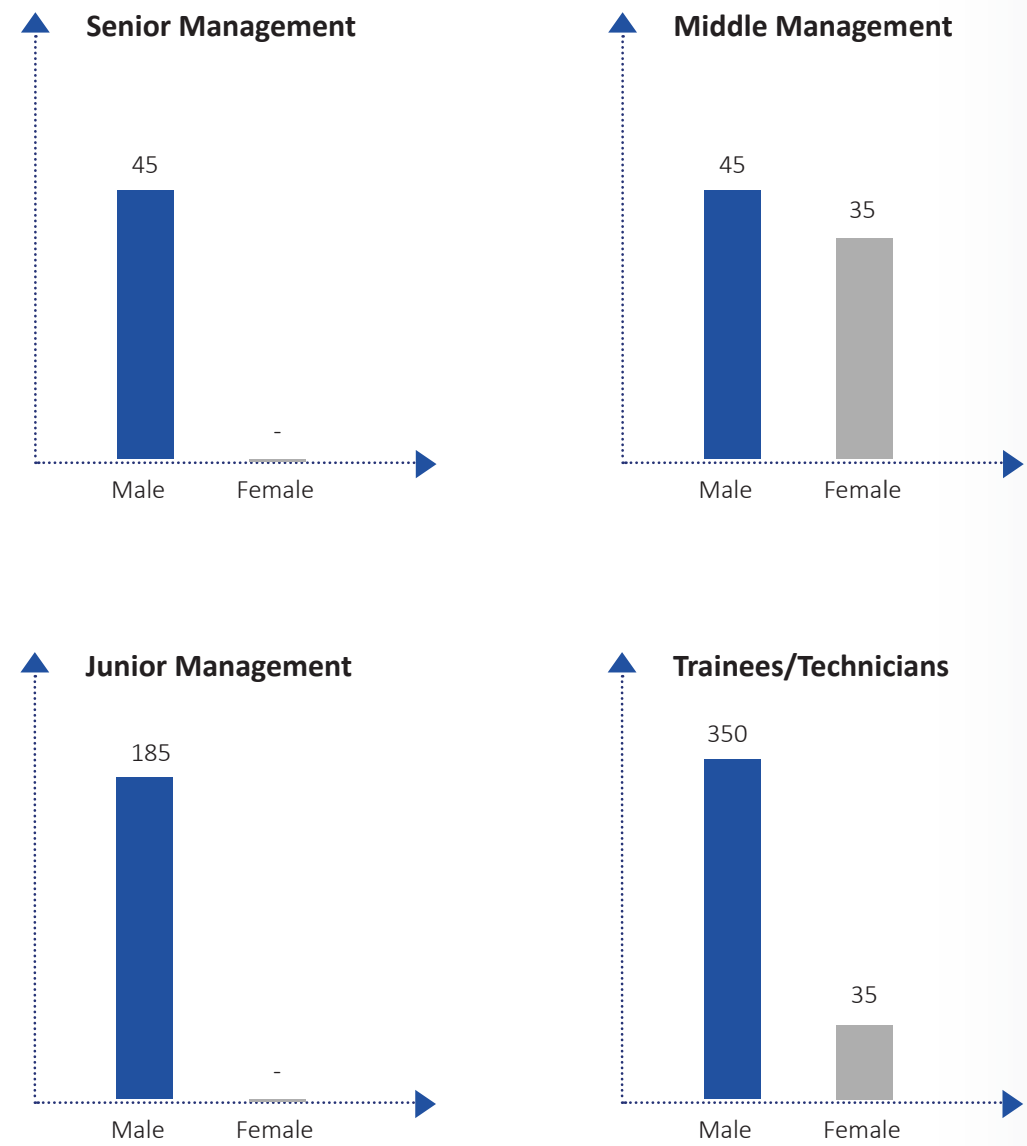
This near-parity underscores our commitment to equitable compensation practices and reinforces its broader diversity and inclusion goals.

While the difference is marginal, it also signals the need for ongoing monitoring to ensure equality remains consistent across all roles and functions.

Training and Development: Investing in Workforce Growth

SPMPL continues to prioritise employee capability development through structured training programs across all organisational levels. The training strategy is tailored to different employee categories, focusing on skill enhancement, operational excellence, and leadership readiness.

Average Annual Training Hours (Per Employee)



Key Insights

-  **Trainees and Technicians**
Received the highest training exposure, indicating strong investment in foundational workforce development and technical upskilling.
-  **Female employees**
Received training in selected eligible bands, Middle Management and Technician categories reflecting ongoing inclusion, though opportunities remain to expand access at the senior and junior levels. All female employees will be eligible for the training opportunities as per the respective roles.
-  **Gender Gaps**
While male employees had significantly higher training hours across roles, especially in technical and junior managerial levels, we are working to enhance gender-equitable learning access across the different roles.

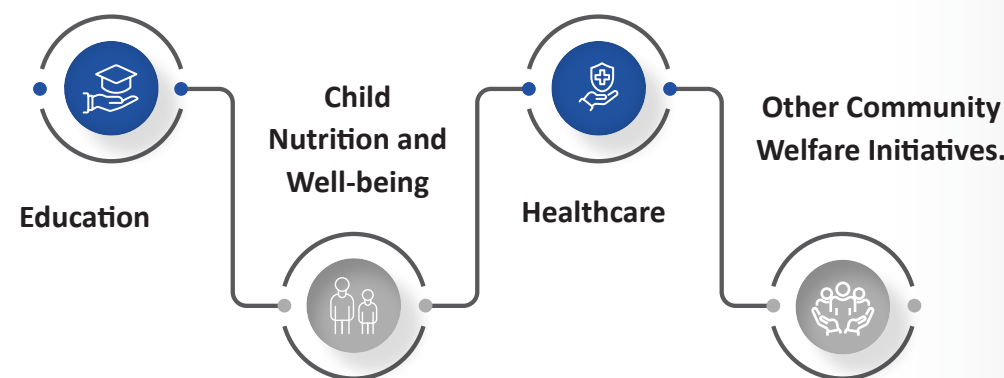
“
SPMPL remains committed to expanding learning programs across the different employment bands to build a more resilient, agile, and inclusive workforce.
”



CORPORATE SOCIAL RESPONSIBILITY

SPMPL remains committed to the responsibilities under Section 135 of the Companies Act, 2013, and Schedule VII, actively contributing to the well-being of the communities in which we operate.

Our CSR initiatives aim to create a meaningful, long-term impact, encompassing support for local communities, advancing education, and improving well-being. To drive this commitment with clarity and purpose, we have aligned our efforts under four key focus areas:



A key partner in our CSR journey is the Shiva Sevashram Trust, a charitable organisation founded by Mrs. Ruchika Agrawal. The Trust plays a crucial role in implementing community-focused programs that foster inclusive growth, with a particular emphasis on children’s development, health, and education.



Mid-Day Meals and Nutritional Support

Since 2022, the Shiva Sevashram Trust has operated a mid-day meal programme, “Seva Kitchen”, which provides nutritious, freshly prepared meals to students in government-aided rural schools. Ingredients are partly sourced from an in-house kitchen garden and orchard, where we cultivate organic fruits and vegetables. This initiative ensures that children receive essential nutrition, supporting their health, well-being, and academic attendance.

Educational Support and Infrastructure Enhancement

We continue to promote access to quality education by addressing both learning materials and infrastructure needs. At the start of the academic year, notebooks, pencils, and essential stationery were distributed to 724 students at Chokari Shreshtha Primary School in Vadodara district.

In addition, following rain-related damage at Gram Swaraj (U.B.) Vidhyalaya in Jalal Pura, Padra, the company supported the construction of a new shed and carried out waterproofing to ensure a safe and functional learning environment.

Child Welfare through Clothing, Toys, and Recreational Spaces

To support the holistic development of children, SPMPL and its employees organised a clothing and stationery donation drive at Gram Swaraj High School in Jalalpur, Vadodara. The Trust also donated an extensive collection of toys to children in Charanka village, Patan district, encouraging imagination, social engagement, and cognitive growth.

Summer Relief Initiative

In response to extreme summer temperatures, the Shiva Sevashram Trust distributed umbrellas to the Basti community.

This initiative provided immediate relief to vulnerable groups, particularly children and the elderly, while raising awareness about the health risks associated with heatwaves and unpredictable weather patterns.

Through these efforts, we remain deeply committed to promoting inclusive growth, enhancing the quality of life, and driving meaningful changes in the communities we serve.

By addressing both immediate needs and long-term development goals, we strive to create lasting value, empower individuals, and contribute to building resilient, self-sustaining communities.

“

Furthermore, a high-quality play structure was donated to Ambada Primary School, transforming its grounds into a safe and inclusive space for play and social interaction.



OCCUPATIONAL HEALTH AND SAFETY

At Shiva Performance Materials Private Limited (SPMPL), we firmly believe that our employees are our most valuable assets.

We are deeply committed to providing a comprehensive benefits package and fostering a work environment that prioritizes their overall well-being, safety, and job satisfaction.

Ensuring a Safe and Healthy Workplace

Our commitment to occupational health and safety (OHS) is embedded in our operational philosophy, with a comprehensive approach to managing and mitigating risks. At the core is a robust OHS Management System, aligned with industry standards and regulations, promoting continuous safety improvements.

Furthermore, 100% of our workers are covered by this OHS Management System, ensuring consistent protection and adherence to safety standards across all levels.

OHS Governance and Oversight

Our OHS initiatives are guided by a Safety Committee led by senior management, including the Managing Director, ensuring safety is a priority in all decisions and planning. We also engage workers in consultations and safety discussions, ensuring their active participation in decision-making processes.

Our continuous efforts are designed to enhance personal well-being, career development, and ensure a safe and healthy workplace for every member of our team.

We consistently review and enhance our offerings to meet the evolving needs of our workforce.



Risk Assessment and Emergency Preparedness

We conduct annual health check-ups, provide necessary medicine and treatment, and perform regular safety audits and risk assessments.

Our systematic approach identifies potential health and safety risks, determines their significance, and informs our preventive and corrective action plans, with risks periodically reviewed to reflect the latest operational realities. Comprehensive health and safety emergency action plans are in place to guide all employees during various

emergency situations, including industrial accidents, fires, chemical spills, and other potential hazards.

Additionally, we actively collaborate with our partners to address health and safety risks, ensuring that all business relationships adhere to rigorous safety standards.

In FY23-24, 997 unsafe conditions and acts were identified, demonstrating our proactive approach to hazard recognition.

Training, Reporting, and Equipment Safety

We provide continuous training to employees to strengthen their knowledge of job-specific health and safety risks and promote good working practices.

An established internal mechanism allows all employees to report OHS incidents, risks, and concerns, supported by a robust record system for filed complaints, their investigation, and subsequent remediation. Regular checks are performed to ensure the safety of all equipment used or operated by our employees.

Employees received an average of 4 Hours of Training per Employee of OHS training during the reporting period, FY23-24.

As a testament to our effective management systems and transparent communication channels, we received zero grievances related to occupational health and safety during the reporting period.

Employee Health and Well-being Initiatives

Furthermore, we provide consistent and relevant health check-ups to all employees, with particular focus on those regularly exposed to specific risk factors such as chemicals, noise, or dangerous machinery, enabling early detection and timely treatment.

We actively work to prevent repetitive strain injuries (RSI) by ergonomically optimizing work processes, tasks, and environments. Proactive efforts are also made to minimize work-related stress and support psychological well-being through preventative actions and intervention procedures.

We implement active control measures to prevent and protect employees from exposure to hazardous substances and occupational noise, including regular measurements and the provision of noise-canceling equipment where appropriate.

Importantly, our OHS measures extend to non-employee workers and other contracted personnel on our premises, covering trainings, health and safety risk analyses, health check-ups, and emergency action plans.

Occupational Health & Safety Performance Metrics

Our performance reflects our dedication to maintaining a safe working environment. The following tables detail our key OHS metrics for the reporting period.

OHS Performance Snapshot

Metric	Value
Near Misses Reported	57
Lost Time Injuries (LTI)	12
Fatalities	0
Lost Time Injury Frequency Rate (LTIFR)	14.07
Lost Time Injury Severity Rate (LTISR)	0.00

Detailed OHS Parameters (FY23-24)

Parameter	Unit of Measure	Employees	Workers
First Aid Cases	Nos	367	0
Medical Treatment Cases	Nos	0	0
No. of Lost Days	Days	0	0
Total Manhours Worked	Hrs	41,928	58,303
Unsafe Conditions & Acts Identified	Nos	997	-
High consequence work-related injury or ill-health (excluding fatalities)	Nos	0	0
Lost Time Injury Frequency Rate (LTIFR)	per million-person hours worked	0	0
No. of Fatalities	Nos	0	0

Total Manhours Worked

Employee Category	Total Manhours Worked (HR)
Permanent Employees	47,580.5
Contract Employees	62,138.2
Total	109,718.7

Ensuring Good Working Conditions and Employee Welfare

We ensure fair and equitable working conditions as part of our commitment to employee well-being.

Fair Wages and Transparent Remuneration

We implement time-tracking systems and conduct internal audits to actively monitor working hours, identify overtime, and ensure appropriate compensation for all extra or atypical working hours in accordance with regulations.

We continuously review and monitor wage levels to ensure their adequacy, benchmarking against local economic conditions, inflation, cost of living increases, and industry averages.

We strictly adhere to the Minimum Wages Act, 1948, and submit annual returns to the

Government, ensuring all employees receive at least minimum wages.

We ensure clear communication of our remuneration system, including base salary, bonus schemes, and financial benefits, to all employees, allowing them to fully understand their compensation structure.

The ratio of the annual total compensation for our highest-paid individual to the median annual total compensation for all employees is 68, reflecting our commitment to transparent and equitable pay practices.

Work-Life Balance and Healthcare

We offer proactive initiatives to help employees balance their work and family lives, including paid parental and other care leaves. Flexible working arrangements such as part-time, telecommuting, flexi-time, and variable work schedules are available to

support employee needs. We provide specific health care plans, including corporate health insurance, to offer medical care for employees and their dependents for both work and non-work-related injuries, accidents, or illnesses.

Employee Growth and Performance Development

SPM is committed to nurturing employee potential through regular performance evaluations, personalized career development plans, and initiatives that promote internal mobility. These efforts ensure continuous growth, skill enhancement, and long-term career progression within the organization.

Our Commitment to a Living Wage

SPMPL is committed to ensuring all its employees are paid a living wage. We have conducted a comprehensive analysis of employee wage levels against a living wage benchmark from a methodology recognized by IDH Living Wage Benchmark Methodologies Recognition Process.

Living Wage Coverage

Category	Coverage	Paid Below Living Wage	Wage Gap (%)
Direct employees covered by living wage benchmarking analysis	100%	0%	0%
All employees paid below living wage (direct + non-employee workers)	-	0%	-

We have a commitment to achieve 100% coverage of all employees paid a living wage, and our commitment extends beyond reaching this target; we maintain a set of principles and objectives to continuously ensure all employees receive a living wage.



Addressing Child Labour, Forced Labour, and Human Trafficking

SPMPL maintains a zero-tolerance policy against child labour, forced labour, and human trafficking, ensuring ethical practices across our operations. We employ migrant workers only if they possess proper documentation and National IDs.

Risk Assessment and Prevention

We conduct internal impact assessments to identify potential risks of child labour, forced labour, or human trafficking, evaluating their severity from the perspective of affected stakeholders.

We engage with potentially affected groups to identify and mitigate any human rights issues stemming from our operations.

Comprehensive training is provided to employees to strengthen their knowledge on human rights topics, including child labour, forced labour, and human trafficking issues.

Robust actions are in place, including rigorous age verification of candidates, to prevent the hiring of underage workers; we do not employ any young workers (under 18 years old). We proudly report zero child labour and zero forced labour employed in our organisation.

Our processes ensure employees are never required to relinquish their personal identification documents, and safe storage means are provided if temporary retention is necessary for official purposes.

We implement actions to ensure security officers understand the scope of their power and acceptable use of force to prevent excessive restraint and uphold freedom of movement.



Monitoring, Grievance, and Remediation

Internal controls are regularly monitored, and audits are conducted to assess the effectiveness of our measures to prevent human rights violations related to child labour, forced labour, and human trafficking.

An accessible grievance mechanism is established for all parties to report child labour, forced labour, and human trafficking issues. This mechanism ensures non-retaliation and maintains confidentiality for those who report concerns.

Furthermore, we have operational processes and provide evidence of remediation efforts to support any identified victims of child or forced labour, ensuring proportionality, transparency, and ongoing monitoring of the remedy's effectiveness.

“

In the reporting period, we received zero grievances related to child labour, forced labour, or human trafficking, highlighting the effectiveness of our preventative measures and transparent communication channels.





ENVIRONMENT

Energy Sustainability at Shiva Performance Materials	54
Sustainable Water Management Practices	60
Driving Circularity Through Waste Management	66
Quantifying Our Environment Impact	70

ENERGY SUSTAINABILITY

AT SHIVA PERFORMANCE MATERIALS

Responsible Energy Use

SPMPL emphasises sustainable energy management to minimise its environmental footprint. Energy is utilised across various operations, including industrial facilities, offices, warehouses, and transportation.

In 2023-24, our energy intensity was 1.24 GJ per revenue in Lakh INR, highlighting our continuous efforts to optimise energy consumption and enhance operational efficiency while minimising environmental impact.

Key Consumption Metrics



Electricity Usage
5,349,260 kWh



Diesel Usage
23,195 litres (for vehicles and backup power)

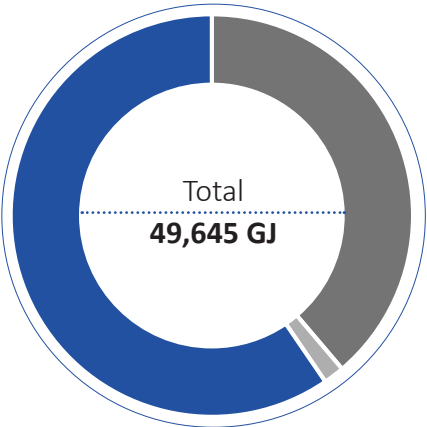


Agro Waste (Bio-Coal)
2,173 metric tonnes (used as a renewable fuel source)

“

The company’s approach reflects a conscious effort to balance operational demands with environmental responsibility through diversified and sustainable energy sourcing.

Energy Consumption Summary



Electricity	: 19,257 GJ
Diesel Consumption	: 829 GJ
Agro Waste	: 29,559 GJ

Key Insights



Heavy Dependence on Biomass Energy
Bio-Coal (agro waste) represents the 60% of energy consumption, indicating a strategic move toward renewable and low-carbon fuel alternatives.



Moderate Electricity Usage
Electricity accounted for about 38% of the total energy use. Given its high efficiency and cleaner emissions compared to fossil fuels, this aligns with environmentally conscious operational goals.



Low but Non-negligible Fossil Fuel Use
Diesel contributes almost 2% of total energy consumption but still represents a non-renewable input—primarily for logistics and backup power. This is a potential area for future optimisation or electrification.



Sustainability in Action
The significant use of agro waste demonstrates an effort to utilise circular economy principles, reducing agricultural residue while replacing conventional fossil fuels.



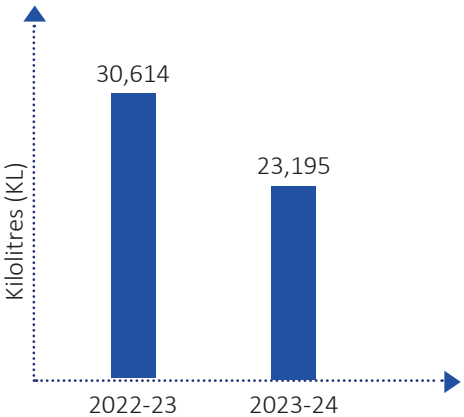
Energy Consumption Trend Analysis

SPMPL continues to demonstrate evolving energy practices with a measurable shift in how different sources of energy are utilised across its operations. This trend analysis highlights key movements across fuel, electricity, and agro waste (bio-coal) over two consecutive financial years.

Fuel (Diesel) Consumption

24 % Decrease

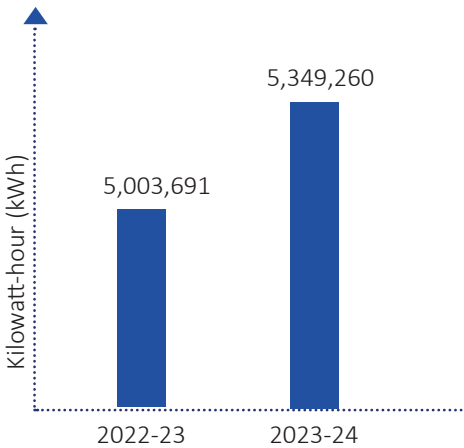
The notable reduction in diesel usage reflects a strategic optimisation of fuel-dependent operations.



Electricity Consumption

7% Increase

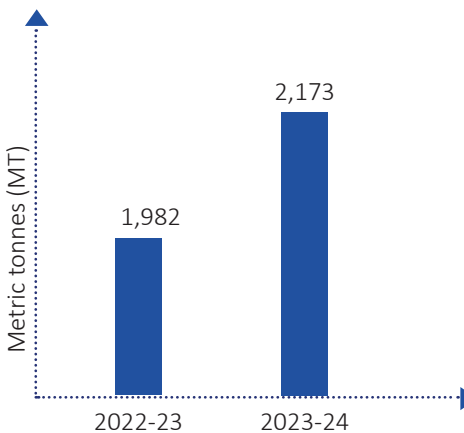
This gradual increase is directly linked to expanded operations, increased production activity, and substitution of diesel-powered processes with electric alternatives.



Agro Waste (Bio-Coal) Usage

10% Increase

The growing use of agro waste as a fuel substitute underscores our continued focus on renewable and circular energy practices.



Energy Optimisation

At SPMPL, sustainability is not just a commitment it’s a continuous journey of improvement. Over the past year, the company has taken bold and innovative steps to reduce energy consumption and boost efficiency across its operations.

These integrated actions highlight our proactive approach to decarbonising its energy mix, lowering operational costs, and embracing a sustainable future through smart engineering and responsible resource management.

Measures with significant impact

-  Process optimisation initiative by installing Variable Frequency Drives (VFDs), and enforced preventive maintenance routines.
-  Switched to 5-Star rated air conditioners, replacing 3-Star units for better energy efficiency.
-  Replaced halogen lighting with LED solutions, cutting down power usage and heat generation.
-  Adopted high-calorific-value agro waste, enhancing thermal efficiency in operations.
-  Embarked on a solar energy installation project, with a contract underway to establish on-site renewable energy generation.

“
This trend supports a low-carbon transition, leveraging agricultural by-products for energy generation, and likely contributes to lower Scope 1 emissions compared to fossil alternatives.”



SUSTAINABLE WATER MANAGEMENT PRACTICES

SPMPL is committed to sustainable water management, with a clear focus on minimising water consumption and optimising water use across all our operations. Our water management strategy for rationalising consumption is built on four core principles:

-  Reducing the consumption of freshwater through process efficiency and optimisation.
-  Increasing the use of recycled and rainwater to reduce reliance on fresh water, particularly for non-potable uses like cooling and gardening.
-  Supporting water conservation initiatives that benefit surrounding communities and promote shared resource stewardship.
-  Implementing a Zero Liquid Discharge (ZLD) system to ensure that all wastewater is treated and reused within the facility.



Water Management Strategy

Our approach is anchored in four essential pillars —Recover, Reduce, Recycle, and Reuse — that guide our ongoing efforts to enhance water efficiency and conservation.

Reduce

The focus is on minimising water usage through the adoption of advanced technologies and best practices. We currently plan to develop a rainwater harvesting system to reduce freshwater consumption.

Reuse

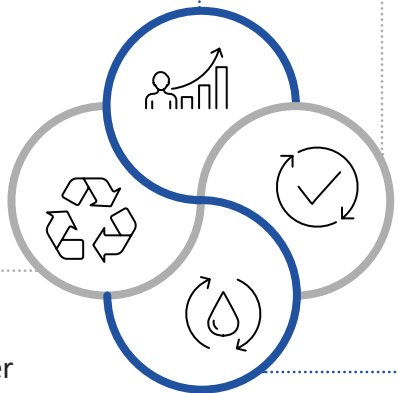
We emphasise the reuse of water in non-potable applications such as landscaping, cooling systems, and cleaning tasks. By repurposing water for multiple applications, we reduce the overall demand for fresh water and promote a more sustainable operation.

Recover

Water recovery is a key component of our strategy, where water used in operations is treated and returned to the system for reuse. This reduces dependency on external water sources and helps conserve valuable resources.

Recycle

Recycling plays an integral role in our water management system. Wastewater is treated at our Effluent Treatment Plant (ETP), enabling it to be safely reused in operations and contributing to a Zero Liquid Discharge (ZLD) system. This approach minimises waste and supports our environmental responsibility goals.



Water Stewardship

As a chemical manufacturing company, SPMPL recognises water as a shared and critical resource. Our water stewardship efforts go beyond regulatory compliance, focusing on efficient usage, responsible treatment, and long-term sustainability.

We strive to balance operational needs with the protection of water quality and availability for surrounding communities, ensuring that our practices contribute to broader water resilience goals.

Water Risk Assessment

To proactively manage water-related risks, we conduct periodic assessments across its facilities. These evaluations help us identify potential vulnerabilities related to water availability, quality, and regulatory changes. We utilise globally recognised tools, such as the WWF Water Risk Filter

To further enhance our efforts in promoting water conservation, we are in the process of establishing a comprehensive rainwater harvesting system within our premises.

The 256 KLD capacity system, once established, is expected to save over 7,500 kilolitres of water annually.

The rainwater stored can be used for non-potable purposes and to naturally recharge groundwater.

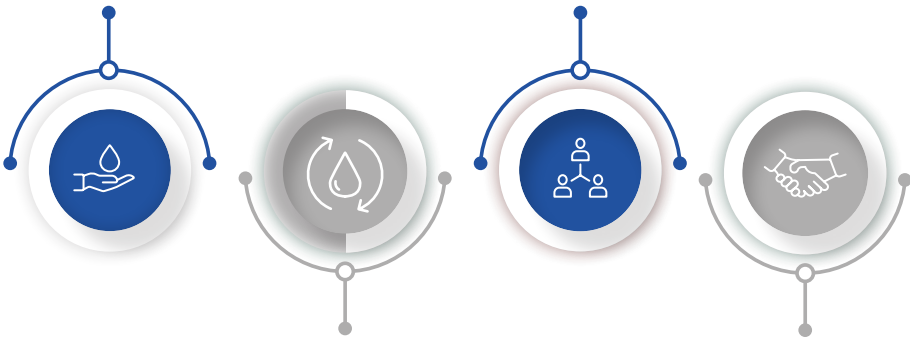
and WRI Aqueduct, to map our exposure to water stress and basin-level risks. Insights from these assessments inform both our operational strategy and contingency planning, allowing us to address emerging risks while supporting long-term water security in the regions where we operate.

Future Goals

We are committed to advancing its water sustainability agenda with clearly defined goals. Moving forward, we aim to:

Enhance water efficiency across manufacturing units through process innovations and better monitoring systems.

Collaborate with local stakeholders to support community-level water conservation programs.



Expand water recycling and reuse opportunities by upgrading treatment infrastructure and developing rainwater harvesting system.

Strengthen the resilience of our water systems to anticipate and mitigate climate-related disruptions, ensuring operational continuity and ecological balance.



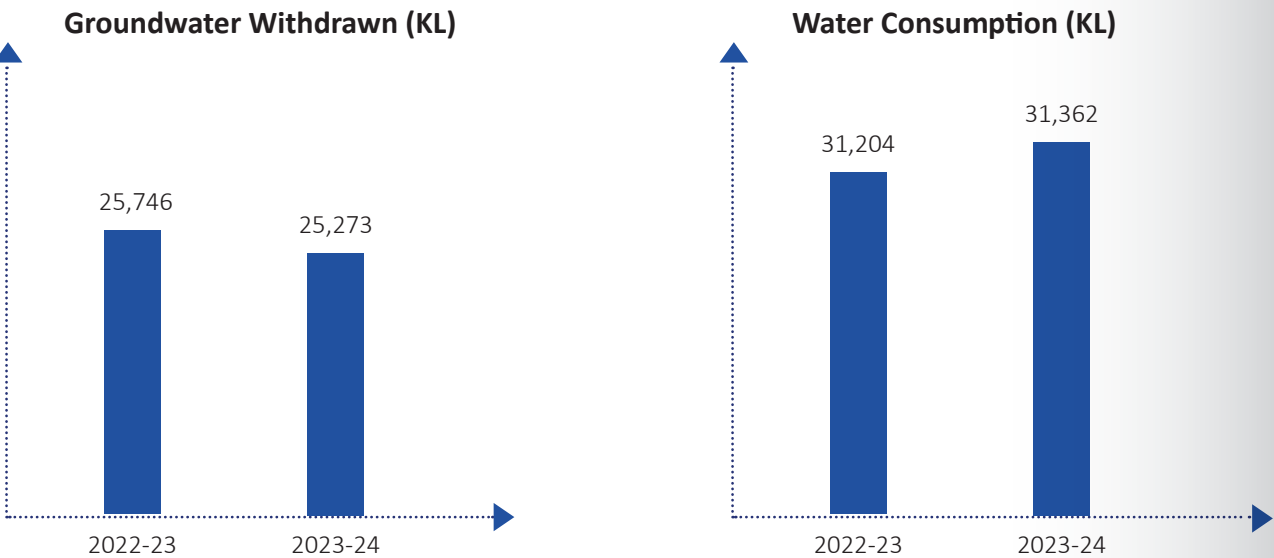
Water Withdrawal and Consumption

In FY2023-24, SPMPL withdrew a total of 25,273 kilolitres (KL) of water entirely from groundwater sources. This marks a 2% reduction from FY23, reflecting our ongoing efforts to optimise resource use and improve water efficiency.

Groundwater is primarily used for manufacturing, utilities, and other operational purposes, with withdrawals monitored and managed by regulatory standards.

The amount of water treated through the STP and reused was 6,090 KL, an increase of 12% from the previous year, highlighting our efforts in utilising recycled water for non-potable applications.

Total water consumption during the year was 31,362 KL, including groundwater withdrawn and recycled water. Water consumption increased by 158 KL, a marginal 1% rise from the previous year. Despite the expansion in operational activities, this marginal increase reflects our continued focus on water efficiency and reuse.



Water Discharge

We have implemented a Zero Liquid Discharge (ZLD) system as part of its commitment to sustainable water management. Under this approach, all wastewater generated from operations is treated and reused within the facility, ensuring that no liquid effluent is released into the environment. This closed-loop system not only supports water conservation but also helps maintain compliance with environmental regulations while minimising the company’s ecological footprint.



DRIVING CIRCULARITY THROUGH WASTE MANAGEMENT

Waste management is a key pillar of our sustainability efforts, with a strong focus on minimising waste generation and maximising recycling and reuse across our operations.

Our waste management practices are regularly reviewed to ensure they align with industry best practices and local regulations. Through continued focus on reducing waste sent to landfills, we aim to increase the proportion of materials that are recycled or co-processed.

In FY2023-24, SPMPL generated a total of 649 tonnes of waste, comprising 595 tonnes of hazardous waste and 54 tonnes of non-hazardous waste.

As part of our commitment to minimising

environmental impact, we successfully recycled 63% of hazardous waste through authorised recovery and co-processing channels.

Additionally, 100% of the non-hazardous waste, amounting to 54 tonnes, was diverted from landfill through recycling.

These outcomes reflect our continued focus on enhancing material circularity and reducing our operational footprint.

Our waste is managed in close coordination with authorised Treatment, Storage, and Disposal Facilities (TSDFs), ensuring strict compliance with environmental regulations.



374 tonnes

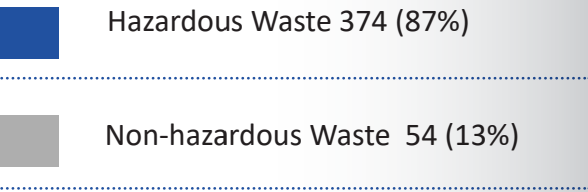
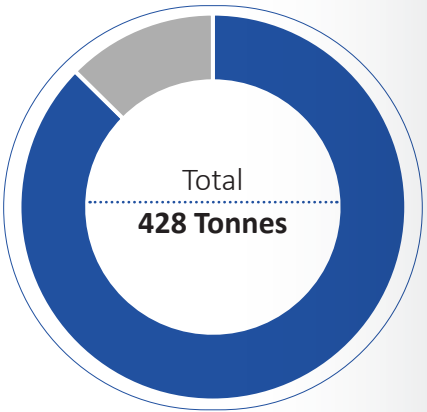
Hazardous Waste Recycled



54 tonnes

Non-Hazardous Waste Recycled

Total Waste Recycled (tonnes)



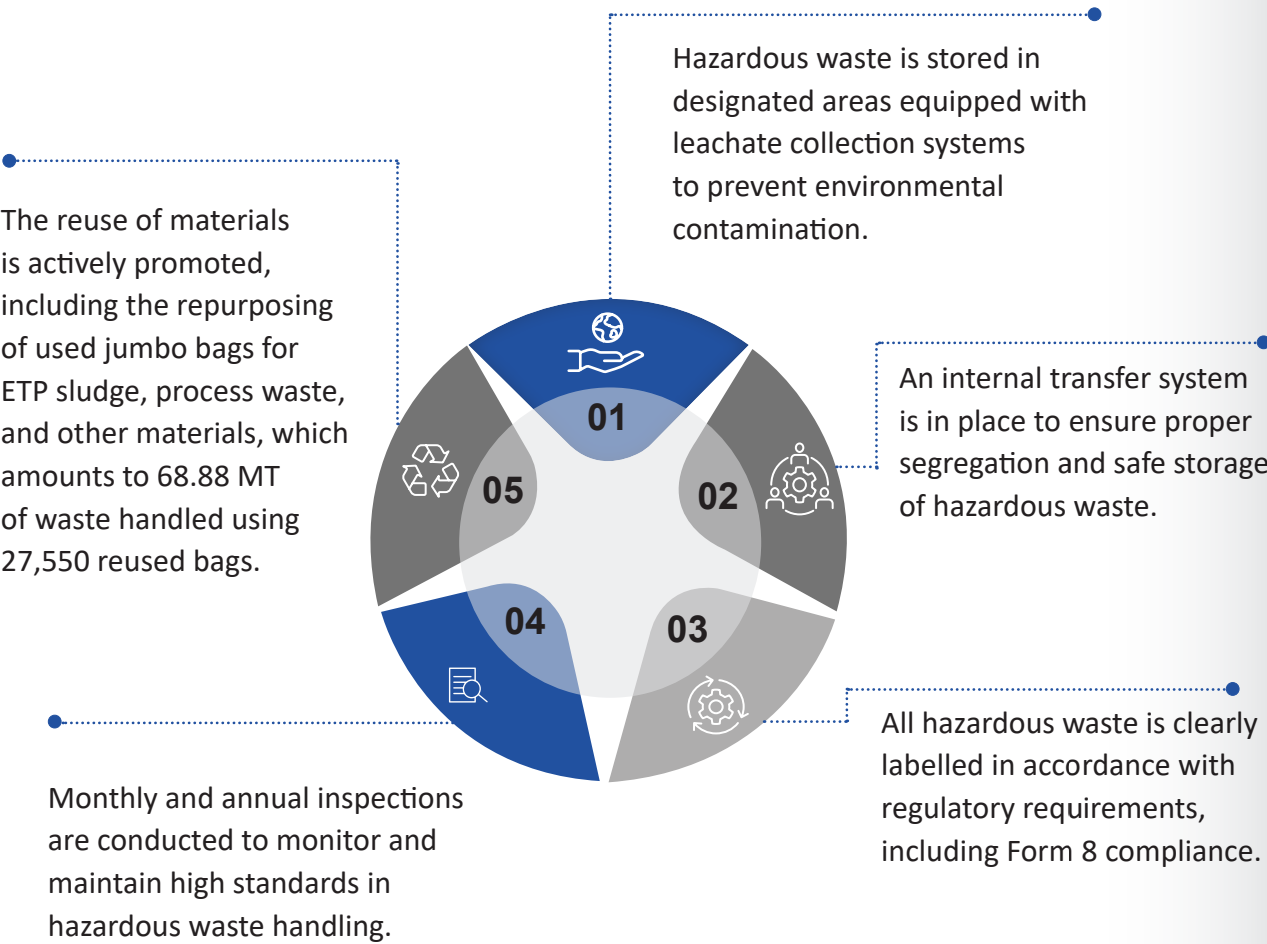
The breakdown of hazardous and non-hazardous waste generation is as follows:

Hazardous Waste (tonnes)	23-24	22-23
ETP Sludge	217.56	85.18
Discarded Drum	179.28	61.51
Process Residue	170.56	127.90
Off specification	24.15	23.66
Insulation	3.53	3.90
Used oil	0.25	0.0007
Biomedical Waste	0	0
Contaminated Cotton Rags	0	0
Total Hazardous Waste Generated (tonnes)	595	302

Non-Hazardous Waste (tonnes)	23-24
Mild Steel Scrap	40.99
Broken Wooden Pellet	11.79
Stainless Steel Scrap	0.88
Total Non-Hazardous Waste Generated (tonnes)	54

Waste Management Initiatives

As part of our commitment to safe and compliant waste management, SPMPL has implemented a series of operational initiatives designed to enhance the handling, storage, and monitoring of hazardous and non-hazardous waste across our facilities. Key measures include:



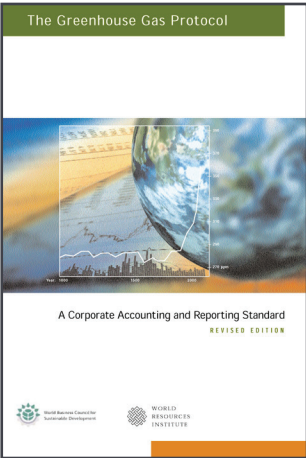
These initiatives reflect our commitment to operational excellence, regulatory compliance, and resource efficiency in waste management.



QUANTIFYING OUR ENVIRONMENT IMPACT

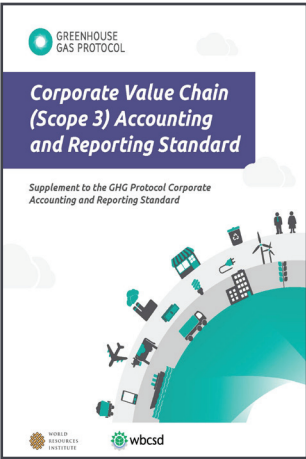
The chemical sector significantly contributes to global greenhouse gas (GHG) emissions. Understanding the industry’s GHG footprint involves examining emissions across various supply chain stages, including purchasing, distributing, and managing owned and leased assets.

At SP MPL, we estimate our carbon footprint following the GHG protocols corporate standard. The footprint’s boundaries cover different operations regions and entities managed within the defined boundary as per the below standards.



Corporate Accounting & Reporting Standard (Revised Edition)

This standard establishes guidelines for defining the organisational boundary, identifying relevant emission sources, and quantifying greenhouse gas (GHG) emissions across Scopes 1, 2, and 3.



Corporate Value Chain (Scope 3) Accounting & Reporting Standard

This standard guides the comprehensive quantification and reporting of indirect emissions associated with an organisation’s entire value chain, including upstream and downstream activities.

GHG Emissions

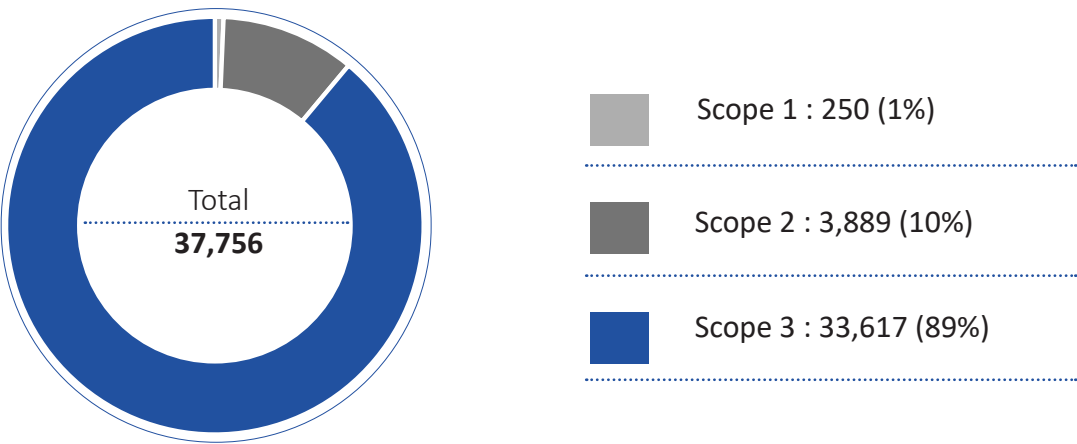
Total GHG emissions for the reporting year were estimated to be 37,756 tCO₂e. The emission sources represented all three scopes of the carbon footprint, including fuel, electricity, and value chain emissions. Local emission factors, such as grid emissions, were used wherever possible. The emission factors used are tonnes of carbon dioxide equivalent, which include carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Hydro Fluorocarbons (HFCs) and Perfluorocarbons (PFCs).

GHG EMISSIONS BREAKDOWN (SCOPE WISE)

The scope-wise breakdown of GHG emissions provides valuable insights into the sources of our carbon impact.

In 2023-24, the emissions intensity was 0.94 tCO₂e/Revenue in Lakh INR.

By analysing emissions and their intensity, we aim to identify reduction opportunities and strengthen our climate mitigation efforts for a more sustainable future.



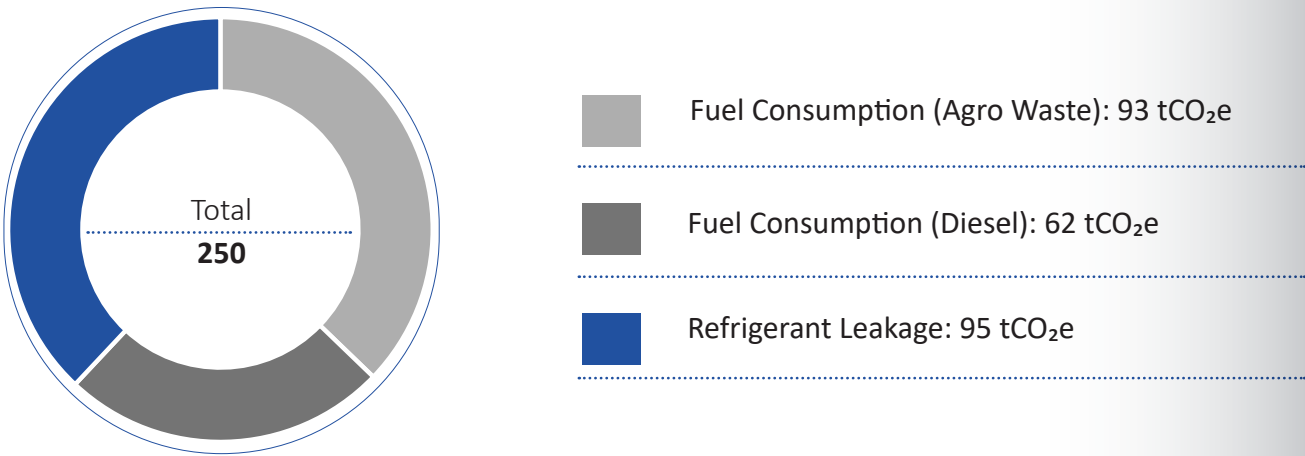
Scope 1 Direct Emissions from sources that SP MPL owns or controls total 250 tCO₂e.

Scope 2 Indirect Emissions from Purchased Energy, associated with purchased electricity at our owned assets amount to 3,889 tCO₂e.

Scope 3 Other Indirect Emissions from the value chain beyond SP MPL’s direct control were 33,617 tCO₂e.

Scope 1 - Direct Emissions

This emission source includes fuel consumption from agro waste and diesel, as well as refrigerant leakage. These activities result in emissions released directly into the atmosphere from on-site combustion and cooling systems.



Scope 2 - Indirect Emissions from Energy

Scope 2 accounts for indirect emissions from the generation of purchased energy. This includes electricity purchased from external sources. In FY2024, emissions from electricity usage were significant, this contributed to 10% of our total emissions.

Scope 3 - Other Indirect Emissions

Scope 3 covers all other indirect emissions in the value chain. This includes emissions from the production and transport of goods, waste disposal, business travel, and employee commuting. The largest contributors in FY2024 were purchased goods/services and upstream distribution, reflecting significant supply chain-related impacts.

Emissions	tCO ₂ e
Purchased Goods and Services	19,001
Upstream Transportation and Distribution	10,927
Downstream Transportation and Distribution	2,359
Fuel and Energy Production	702
Employee Commute	397
Waste Disposal to Landfill	118
Business Travel	109
Capital Goods	2





Life Cycle Assessment for Sustainable Product Development

Shiva Performance Materials has conducted cradle-to-gate Life Cycle Assessments (LCA) over the past two years for its resin and emulsion product categories.

These assessments were carried out in accordance with internationally recognised standards, including ISO 14067, ISO 14040, and ISO 14044, and were supported by an independent third-party practitioner.

The system boundary covered all upstream and manufacturing stages, from raw material extraction and transportation to in-house processing, packaging, and downstream transportation to the customers

For resins, the LCA revealed that the majority of environmental impact originates from the sourcing and processing of key raw materials, as well as energy consumption during manufacturing. The estimated Global Warming Potential (GWP) for resin products is 3,399 kg CO₂e per tonne.

In the case of emulsions, the assessment similarly revealed that raw materials and packaging contribute significantly to the overall footprint.

The formulation and mixing stages, which involve various chemical inputs and supporting agents, were noted as key hotspots in the life cycle. The estimated Global Warming Potential (GWP) for emulsion products is 2,329 kg CO₂e per tonne.

These LCAs form an essential part of SPMPL's sustainability strategy, offering insights that guide continuous improvement efforts in raw material procurement, process design, and energy management.

By embedding life cycle thinking into product development and operational decision-making, SPMPL is advancing its commitment to responsible and environmentally conscious manufacturing.

Air Emissions Evaluation at SPMPL

During the financial year 2023-24, we maintained its air pollutant emissions well within the prescribed regulatory limits, reflecting effective environmental management practices.

Continuous monitoring and mitigation measures helped ensure minimal environmental impact.

Particulate Matter (PM) emissions averaged 116.67 kg/month, totalling 1,400.04 kg/year. Although PM is the largest contributor among the measured pollutants, it remains within safe limits due to proper dust control systems and process optimisation..



Sulphur Oxides (SOx) and Nitrogen Oxides (NOx) were recorded at 0.00108 kg/year and 0.00050 kg/year respectively, extremely low levels, indicating the use of clean fuels and efficient combustion technologies.

“

we ensured full compliance with legal standards for noise, vibration, and other ambient environmental pollutants, reaffirming its commitment to holistic and sustainable operations.





ANNEXURE

ASSURANCE STATEMENT



RA GLOBAL
Audit and Assurance Services
ESG | Sustainability | GHG | Safety
www.raglobal.me
+ 971 52 618 3328
contact@raglobal.me

Limited Assurance Statement

Relating to the Sustainability report of Shiva Performance Materials Private Limited (SPMPL) for the reporting period April 1, 2023, to March 31, 2024.

Date issued: 05/07/2025

RA Global, as an independent third-party assurance provider, was engaged to perform assurance procedures to provide limited assurance on the SPMPL's 2024 Sustainability Report in accordance with the criteria set out in International Standard on Assurance Engagements (ISAE) 3000 (Revised) and Global Reporting Initiative ("GRI") Standards for the reporting period from April 1, 2023, to March 31, 2024.

Scope and Boundary

The assurance engagement covered the sustainability disclosures presented in the **SPMPL Sustainability Report FY2023-24**.

The assessment specifically focused on evaluating the accuracy and completeness of the Key Performance Indicators (KPI's) identified and mentioned in the Sustainability Report FY2023-24. This scrutiny was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000. The objective was to ensure a robust and reliable evaluation of SPMPL's sustainability disclosures, as mentioned in the Sustainability Report.

Certain reported data parameters were not included in the scope of our assurance due to unavailability or non-alignment of supporting evidence. Accordingly, our conclusion does not extend to these parameters.

Responsibilities of SPMPL's Management

SPMPL's management is responsible for preparing the Sustainability Report FY2023-24 in alignment with the criteria set forth by the GRI Standards. This responsibility includes the design, implementation, and maintenance of internal controls to ensure that the report is free of material misstatements, whether due to fraud or error.

Given the inherent characteristics of non-financial information, which often involve greater limitations than financial data, the FY2023-24 Sustainability Report is subject to inherent uncertainties. These uncertainties stem from the methodologies used in data determination, calculation, sampling, or estimation. In compiling the report, management applies qualitative assessments regarding the relevance, materiality, and accuracy of the information, relying on various assumptions and judgments.



RA GLOBAL
Audit and Assurance Services
ESG | Sustainability | GHG | Safety
www.raglobal.me
+ 971 52 618 3328
contact@raglobal.me

Our Responsibilities

Our responsibility is to express a limited assurance conclusion on the selected ESG information disclosed in the Report, based on the procedures we have performed and the evidence we have obtained. Our assurance engagement was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

We conducted our engagement in a manner that enables us to express a limited assurance conclusion on the subject matter. The scope of our work was limited to evaluating the accuracy, consistency, and reliability of selected ESG indicators, and does not include an assessment of the adequacy or effectiveness of SPMPL's sustainability strategy or performance.

Assurance Procedures Performed

Our procedures included, but were not limited to:

- Reviewing policies, procedures, and data collection systems used to compile the disclosed information
- Interviews with relevant personnel responsible for data management and reporting
- Assessment of data consistency and comparison with underlying records (evidence-based sampling)
- Analytical procedures and review of estimations and assumptions used in the Report

In response to our findings, SPMPL undertook a review and revision of the 2024 Sustainability Report. We confirm that the changes incorporated into the final version of the report have satisfactorily addressed all raised concerns.

Our limited assurance engagement focused solely on the sustainability performance disclosures within the scope of our work for the fiscal year April 1, 2023 – March 31, 2024. We did not conduct any procedures related to disclosures from previous years, future projections or targets, or any other items included in the Sustainability Report. Consequently, we do not express any conclusion on those aspects.

The procedures conducted during a review differ in nature and timing compared to, and are significantly less extensive than, an examination. The level of assurance achieved through a review is markedly lower than what would have been obtained through an examination. Nevertheless, we affirm that the evidence



RA GLOBAL

Audit and Assurance Services
ESG | Sustainability | GHG | Safety

www.raglobal.me
+ 971 52 618 3328
contact@raglobal.me

gathered during the review is sufficient and appropriate, providing a reasonable foundation for our conclusion.

Conclusion

Based on our work, the procedures performed, and the evidence obtained, nothing has come to our attention that causes us to believe that the key performance indicators (KPIs) reported by SP MPL, as outlined in the table above, are materially misstated or inaccurate. This conclusion excludes specific parameters for which adequate supporting evidence was not available.

Limitations and Use of Statement

This assurance statement is provided solely for the use of SP MPL in accordance with the agreed scope of work. We do not accept or assume responsibility to any third party for our work, nor for the conclusions expressed in this statement. Our assurance engagement does not include verification of data derived from third parties or the completeness of disclosures related to qualitative information such as statements of opinion, belief, or future intention.

Independence and Competence

We confirm that we are independent from SP MPL and have maintained objectivity and impartiality throughout the engagement. Our team has the required competencies and experience in sustainability assurance.



sdobhal

Attestation by-
Swati Dobhal
(RA Global)

90

91

GRI

CONTENT INDEX

Statement of use		Shiva Performance Materials Private Limited. Limited has reported in accordance with the GRI Standards for the period 1st April 2023 to 31st March 2024.				
GRI 1 used		GRI 1: Foundation 2021				
GRI STANDARDS/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2B9:B38-1 Organizational details	12,13	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization’s sustainability reporting	12,13				
	2-3 Reporting period, frequency and contact point	4				
	2-4 Restatements of information	4				
	2-5 External assurance	88-89				
	2-6 Activities, value chain and other business relationships	12,13				
	2-7 Employees	43				
	2-8 Workers who are not employees	43				
	2-9 Governance structure and composition	18				
	2-10 Nomination and selection of the highest governance body					
	2-11 Chair of the highest governance body	6				
	2-12 Role of the highest governance body in overseeing the management of impacts	20				
	2-13 Delegation of responsibility for managing impacts	20				

GRI STANDARDS/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	20				
	2-15 Conflicts of interest	21, 23				
	2-16 Communication of critical concerns	22-23, 37,39, 53, 59				
	2-17 Collective knowledge of the highest governance body	20				
	2-18 Evaluation of the performance of the highest governance body	20				
	2-19 Remuneration policies	56				
	2-20 Process to determine remuneration	56				
	2-21 Annual total compensation ratio	56				
	2-22 Statement on sustainable development strategy	6-7, 8-9				
	2-23 Policy commitments	22-26, 33, 36				
	2-24 Embedding policy commitments	19, 22-26, 33, 36				
	2-25 Processes to remediate negative impacts	22-23				
	2-26 Mechanisms for seeking advice and raising concerns	22-23				
	2-27 Compliance with laws and regulations	19, 22-26, 33, 36				
	2-28 Membership associations	13				
	2-29 Approach to stakeholder engagement	28-30				
	2-30 Collective bargaining agreements	25				

GRI STANDARDS/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	28-30	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	31				
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	36				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	26				
	205-2 Communication and training about anti-corruption policies and procedures	26				
	205-3 Confirmed incidents of corruption and actions taken	23-35				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	62-63, 65				
	302-2 Energy consumption outside of the organization			Not applicable		
	302-3 Energy intensity	62				
	302-4 Reduction of energy consumption	66				
	302-5 Reductions in energy requirements of products and services	83				
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	68-71				
	303-2 Management of water discharge-related impacts	72				
	303-3 Water withdrawal	72				
	303-4 Water discharge	72				
	303-5 Water consumption	72				

GRI STANDARDS/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	79				
	305-2 Energy indirect (Scope 2) GHG emissions	79				
	305-3 Other indirect (Scope 3) GHG emissions	79				
	305-4 GHG emissions intensity	79				
	305-5 Reduction of GHG emissions	83				
	305-6 Emissions of ozone-depleting substances (ODS)			Not applicable		
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	84				
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	74				
	306-2 Management of significant waste-related impacts	76				
	306-3 Waste generated	74				
	306-4 Waste diverted from disposal	74				
	306-5 Waste directed to disposal	74-75				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	44				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	45				
	401-3 Parental leave	45				

GRI STANDARDS/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system					
	403-2 Hazard identification, risk assessment, and incident investigation	53				
	403-3 Occupational health services	53				
	403-4 Worker participation, consultation, and communication on occupational health and safety					
	403-5 Worker training on occupational health and safety	53				
	403-6 Promotion of worker health	54,56				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships					
	403-8 Workers covered by an occupational health and safety management system					
	403-9 Work-related injuries	54-55				
	403-10 Work-related ill health	54-55				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	18, 42-43				
	405-2 Ratio of basic salary and remuneration of women to men	45				
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	48-51				
	413-2 Operations with significant actual and potential negative impacts on local communities	48-51				

GRI STANDARDS/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Customer privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	32-35				



Plot No.447-460 & 502, Near ECP Canal
Road, Karkhadi,Vadodara, Gujarat, India



+91 265 231 5000



marketing@shivaperformance.com