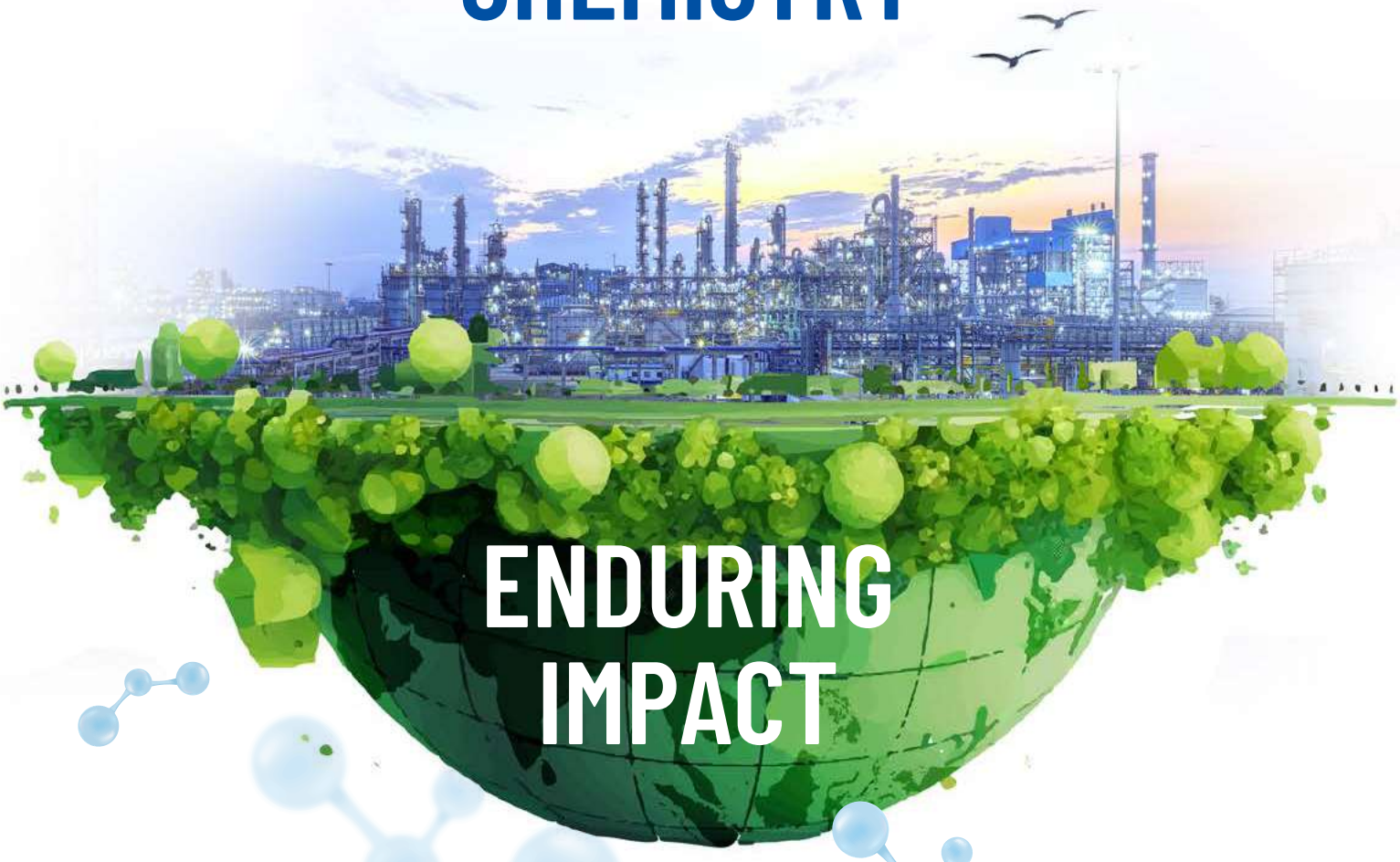
DEEPAK
RESPONSIBLE CHEMISTRY

RESPONSIBLE CHEMISTRY



ENDURING IMPACT

DEEPAK NITRITE LIMITED

2nd Sustainability Report

2024-25

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Scan the QR code to read the report



RESPONSIBLE CHEMISTRY

ENDURING IMPACT

For over five decades, Deepak Nitrite has stood at the forefront of India's chemical industry, consistently delivering reliable, high-quality intermediates and phenolic chemicals for a wide range of industries, while upholding innovation, operational excellence, and sustainable growth.

Responsible Chemistry is our guiding philosophy; an approach that integrates science, ethics, safety and sustainability to create solutions that advance humanity without compromising the environment. Every product we develop and every process we refine reflects our deep-rooted commitment to sustainability. From responsible sourcing to end-use applications, our innovations are designed to deliver measurable outcomes while minimising environmental impact.

We are expanding our fully integrated operations and strengthening both backward and forward integration capabilities with upstream products such as Nitric Acid in the Advanced Intermediates segment to downstream derivatives in the Phenolics vertical, including MIBK, MIBC, and Polycarbonate (PC) Resins, while maintaining the highest standards of safety, ethics, and environmental responsibility. A key initiative is our planned foray into polycarbonate resins with a large-scale investment of around ₹ 8,500 Crores. With this, Deepak Nitrite is poised to become one of the world's largest single-location, integrated producers of Phenolic products —from Cumene to Phenol to Polycarbonate and high-value derivatives for diverse applications across mobility, electronics, medical equipment, aerospace, packaging, and emerging industries such as EV battery solutions.

Through continuous innovation and digital transformation, we are embedding sustainability across our integrated value chain. Our state-of-the-art R&D centre, along with increasing investments in manufacturing capabilities, process and platform enhancements, and asset optimisation, will further accelerate green chemistry innovations and sustainable product development.

Safety and well-being remain central to our operations. As we scale and expand into high-value derivatives and next-generation materials, we uphold the highest global standards of health and safety, adopting Vision Zero principles and proactive risk management frameworks across all our sites. Our culture of care extends beyond our people to our surrounding communities, where we continue to invest in education, healthcare, and livelihood programmes that ensure equitable growth and development.

We are aligning our strategy and initiatives with global sustainability goals, strengthening governance and transparency, and fortifying trust through continued stakeholder engagement.

Our purpose is to create enduring impact and long-term value for all, building a world where chemistry drives responsible growth and progress.

ABOUT THE REPORT

Our second sustainability report is based on a holistic framework that integrates economic, environmental, and social indicators into DNL's core operations. It highlights strategic initiatives that advance our sustainability agenda, with a strong emphasis on resource efficiency and sustainability. Key efforts focus on minimising waste, optimising energy use, and adopting advanced technologies to reduce our overall environmental footprint.

SCOPE & BOUNDARIES

The scope and boundary of DNL's Sustainability Report differ from those of the Annual Integrated Report for FY 2024-25. This report covers the operations of Deepak Nitrite Limited and its wholly-owned subsidiary, Deepak Phenolics Limited, collectively referred to as 'Deepak', unless stated otherwise.

REPORTING PERIOD

April 1, 2024 - March 31, 2025

FRAMEWORKS GUIDELINES & STANDARDS

We have prepared this Sustainability Report 'with reference' to the Global Reporting Initiative (GRI) Standards, following the Reporting Principles, Universal Standards, and relevant Topic Standards. Disclosures are also aligned with the Chemicals Industry Sustainability Accounting Standards (SASB) and mapped to the UN Sustainable Development Goals.

We consolidated data from all plants within the defined reporting scope and boundary using a uniform methodology. A materiality assessment identified the sustainability topics most significant to Deepak and our stakeholders, guiding the Report's focus. Consolidation principles are applied consistently across qualitative and quantitative indicators, including adjustments for minority interests where relevant, ensuring comparability between financial and non-financial performance.

RESTATEMENT OF INFORMATION

Where applicable, restatements have been explained through notes provided in the relevant sections of the report.

FORWARD-LOOKING STATEMENT

This report includes forward-looking statements concerning anticipated developments that may impact Deepak's operations and performance. These statements are based on assumptions and involve inherent risks and uncertainties. Readers are advised to interpret them with caution, as actual results may differ materially from those expressed or implied. Deepak is under no obligation to revise or update these statements to reflect subsequent events or changes in circumstances after the publication of this Report.

ASSURANCE STATEMENT

Bureau Veritas, an independent assurance provider, has externally assured this Sustainability Report. The assurance was conducted in accordance with the ISAE 3000 (International Standard on Assurance Engagements), a widely recognised standard for non-financial information. The limited assurance covers non-financial indicators and select qualitative disclosures in this Report. The scope and findings are presented in the assurance statement issued by Bureau Veritas, annexed to this Report.



OUR SEAL OF EXCELLENCE IN SUSTAINABILITY

ISO 9001 Certified
100% Plants

ISO 14001 Certified
100% Plants

ISO 45001 Certified
100% Plants

ISO 27001 Certified

ISO 20400 Compliant

Responsible Care®
Our Commitment To Sustainability

B
Climate Change
Water Security

56
CSA S&P Global Score

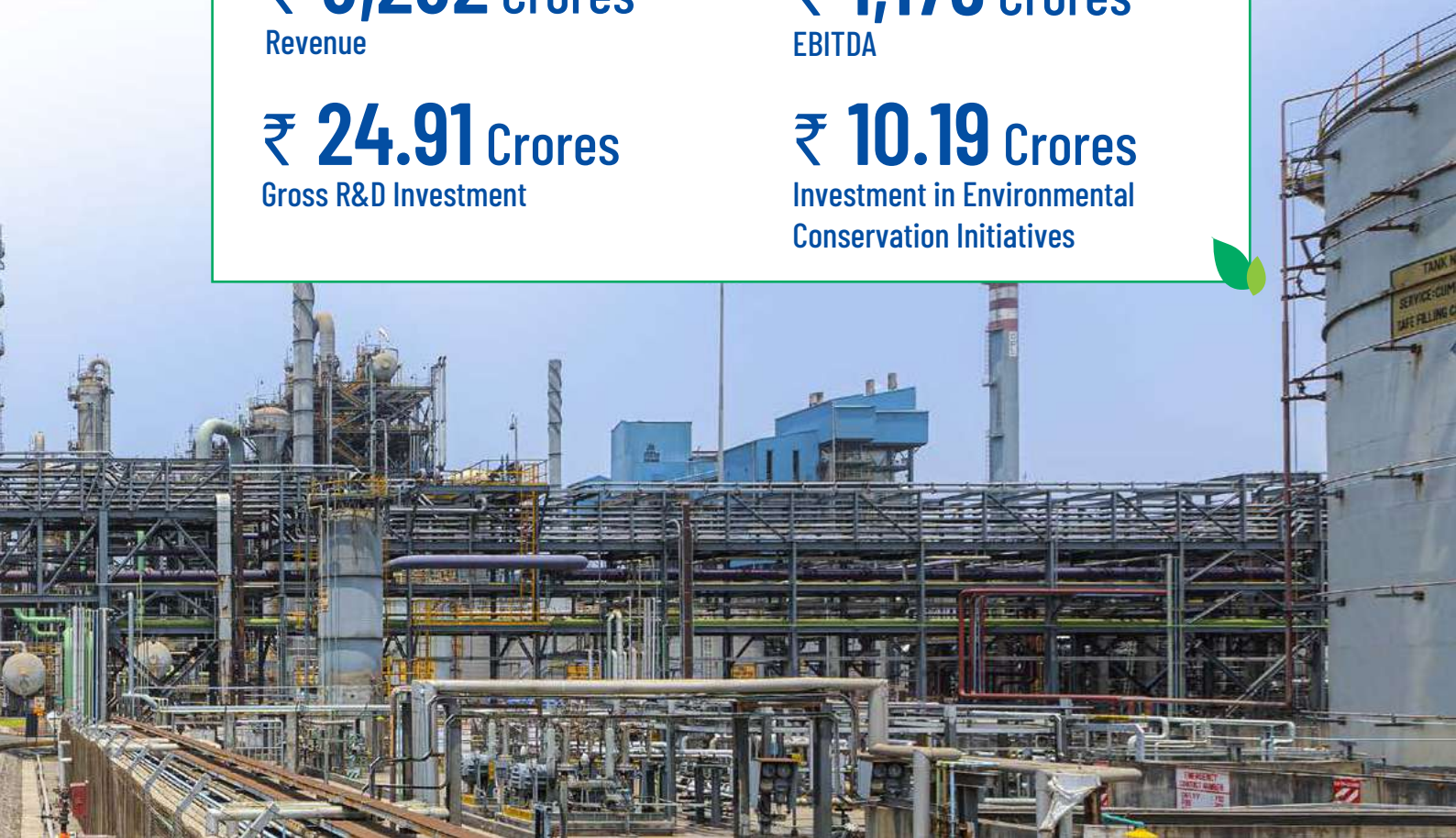
Financial Highlights

₹ 8,282 Crores
Revenue

₹ 1,176 Crores
EBITDA

₹ 24.91 Crores
Gross R&D Investment

₹ 10.19 Crores
Investment in Environmental Conservation Initiatives



ESG Highlights



Environmental

32,25,464 KW
Total Energy Savings (RE)

7,44,751 KL
Water recycled

9%
Power Savings
(Smart Power Optimiser)

71,358 MT
Total Waste Recycled and
Co-processed

22%
Reduction in total waste
disposal from the previous year

80,000+
Trees planted, creating
a green belt



Social

6,100+
Total Workforce

1,01,372
Total Training Manhours

108
R&D Professionals
Employed

Zero
Cases of Fatalities

Lost Time Injury Frequency Rate (LTIFR):

0.29 for employees and zero for workers

₹ 24.36 Crores

Total CSR spent

1,500+

Customers Worldwide

7,00,000+

Lives positively impacted through CSR



Governance

100%

Employees Covered by Mandatory Code of Conduct Training

Zero

Cases of Discrimination, Sexual Harassment and Human Rights Violation

Zero

Instances of Breach of Cybersecurity

Zero

Cases of Confirmed Corruption & Bribery

ABOUT THE COMPANY

We, at Deepak Nitrite Limited (DNL), founded in 1972 and headquartered in Vadodara, Gujarat, are a leading manufacturer of speciality and advanced chemicals serving diverse industries worldwide. Together with our wholly-owned subsidiary, Deepak Phenolics Limited (DPL), we have built a legacy of innovation, operational excellence, and responsible growth. For over five decades, we have been at the forefront of India's chemical sector, delivering high-performance intermediates and phenolic chemicals that are vital to the value chains of pharmaceuticals, agrochemicals, dyes and pigments, paints, laminates, plywood, and other essential industries. We also hold nearly 70% of the domestic market share in key inorganic compounds, further strengthening our leadership position in the industry.

Our portfolio comprises more than 34 premium products, supporting over 56 applications and reaching 1,500+ customers across 50+ countries. By maintaining a diversified portfolio of value-added intermediates, we enhance resilience, balance import and export revenues, and mitigate risks. This global reach, supported by robust operations and efficient distribution, enables us to drive sustainable growth and reinforce our position as a trusted partner in the international chemical industry.

We are recognised for responsible manufacturing practices, uncompromising quality, and long-term partnerships. Sustainability is integral to the way we operate, reflected in our efforts to improve energy efficiency, implement advanced air pollution control systems, and adopt circular resource models that minimise waste and optimise utilisation. A key priority is to transition our energy mix, with the aim of sourcing 60–70% of total energy consumption from renewable sources. This shift will significantly reduce our carbon footprint and strengthen our commitment to long-term climate goals.

Vision

To become the FASTEST GROWING Indian chemical intermediate Company

Rooted in a strong foundation, we continue to grow and evolve, branching into new opportunities that fuel our aspirations. Our brand identity and corporate framework, guided by a clear vision and future-focussed strategy, have set the stage for the next phase of our growth, expansion, and profitability.



DNL Values

At the core of our brand lies a balance between 'stability' and 'agility'. We build on our heritage to deliver consistent performance, while harnessing agility and dynamism to capture opportunities and expand into new markets.

INNOVATIVENESS

Deepak promotes innovation across products, processes, and employee engagement, driving sustainable growth and efficiency.

RESPONSIVENESS

We go beyond response – offering solutions and taking responsibility towards employees, customers, and all stakeholders.

AGILITY

Embracing change enables us to respond swiftly and deliver results in a dynamic environment.

PERFORMANCE-DRIVEN

Category insights drive solutions, while cross-functional recognition promotes leadership.

OWNERSHIP

Everyone leads, contributes, and shares responsibility – aligning personal goals with the Company's vision.



Business & Value Chain Activities

Product Portfolio

Deepak offers a diverse and future-ready product portfolio, segmented into Advanced Intermediates and Phenolics, serving a wide range of industries, including pharmaceuticals, agrochemicals, plastics, textiles, laminates, and automotive. This diversification strengthens business resilience, safeguards against sector-specific fluctuations, and mitigates the risk of product obsolescence.

Our Advanced Intermediates cater to high-growth sectors, including dyes, pigments, agrochemicals, and pharmaceuticals. The Phenolics segment plays a pivotal role in both domestic and global markets, supplying products to laminates, plywood, automotive, construction, and pharmaceutical industries. By nurturing strategic partnerships, we have built a reliable supply chain that supports optimised production and sustains high capacity utilisation.

MARKET LEADERSHIP

We hold a leadership position in the Indian market for organic intermediates, particularly in Nitro Toluidines, Xylidines, Cumidines, and Oximes.

ADVANCED INTERMEDIATES

- Sodium Nitrite
- Sodium Nitrate
- Nitro Toluenes
- Xylidines
- Cumidines
- Oximes
- Other value-added intermediates

Industrial Application

- Paints
- Pharmaceuticals
- Health care
- Colourants
- Rubber Chemicals
- Explosives
- Dyes, Pigments
- Food Colours
- Refineries
- Agrochemicals
- Glass
- Personal Care
- Paper
- Detergents
- Textiles

PHENOLICS

- Phenol
- Acetone
- Isopropyl Alcohol (IPA)
- Acetophenone
- Cumene
- Alpha Methyl Styrene (AMS)

Industrial Application

- Laminates & Plywoods
- Construction Materials
- Automotive
- Homecare
- Pharmaceuticals
- Agrochemicals
- Paints & Coatings
- Textiles
- Personal Care
- Adhesives
- Disinfectants
- Speciality Chemicals (detergents, antioxidants)

For more details on our products and services, refer to Products - Deepak Group.

VALUE CHAIN ACTIVITIES: SUSTAINABLE SUPPLY CHAIN PRACTICES





Facilities and Geographical Presence

Our manufacturing capabilities are anchored in seven advanced facilities across five strategic locations, with two more sites under development. This optimised footprint allows us to serve diverse markets with agility and scale, while ensuring consistent quality and on-time delivery.

Corporate Headquarter
Vadodara

Manufacturing Locations

- Nandesari, Gujarat (DNL, DCTL)
- Dahej, Gujarat (DNL, DPL and DCTL)
- Taloja, Maharashtra (DNL)
- Roha, Maharashtra (DNL)
- Hyderabad, Telangana (DNL)
- Savli, Gujarat (DAML)
- Sankarda, Gujarat (DCTL)

Deepak Nitrite Corporation Inc., USA

Deepak R&D Center (DRDC) new facility inaugurated at Savli, Gujarat

Deepak Group's Customers

Upcoming Facilities

- DCTL Facility at Dahej, Gujarat
- Deepak Oman Industries (SFZ) LLC at Salalah Free Zone, Oman





Map not to scale. For Illustrative purpose only.



Industry Associations and Memberships

Founder member of the Indian Chemical Council's Nicer Globe

Together for Sustainability

The Federation of Indian Chambers of Commerce and Industry

Indian Chemical Council

Confederation of Indian Industry

Federation of Gujarat Industries

Gujarat Employees Organisation

Awards & Accolades



Shri Deepak C Mehta, Chairman & MD, Deepak Group, honoured with ICC Lifetime Achievement Award



Shri Deepak C Mehta is conferred Rasayan Udyog Ratna Award from Indian Chemical Society



Shri Deepak C Mehta, Chairman and Managing Director receive Lala Shriram National Award from Institute of Chemical Engineers



Group CFO Shri Sanjay Upadhyay felicitated at ICMAI Awards 2024



Shri Somsekhar Nanda - DNL CFO wins The CA CFO Award at the 18th ICAI Awards



Shri Krishna Bahuguna (CIO) wins the CIO Excellence Award 2025 from CII



DNL receives Hurun India Manufacturing Excellence Award



DNL teams from Nandesari and Roha win Distinguished Awards at NCQC 2025



Deepak Nitrite Limited wins Gold at the 18th ICC Environment Excellence Awards



Deepak Nitrite wins gold category EXCEED Environment Award



Deepak Phenolics Limited wins Safety Award at the NSCI Safety Awards 2024



Deepak Phenolics Limited wins the 'Most Impactful CSR Project of the Year-2025 (Social Welfare)' at the Global CSR Awards 2025

Message from the Chairman and Managing Director

Dear Stakeholders,

FY 2024-25 was a defining year in Deepak's journey of transformation. Despite volatile global markets and persistent trade tensions between the U.S. and China, we navigated challenges with agility, innovation, and discipline. This resilience has reaffirmed our position as one of India's most respected chemical enterprises anchored in ethics, efficiency, and sustainability.

The year marked several milestones, including the announcement of a ₹ 8,500 Crores investment to establish a world-class manufacturing complex for phenol, acetone, isopropyl alcohol, and polycarbonate resins. These forward-integration projects underscore our commitment to India's chemical self-sufficiency and support the nation's "Make in India" vision.

Sustainability continues to guide every strategic decision. This year, at group level, we achieved 6.2% reduction in GHG intensity, 3.5 times increase in renewable energy share from last year, and 85% of total waste recycled showcasing our commitment towards circularity. Through our subsidiaries – Deepak Chem Tech Limited (DCTL) and Deepak Phenolics Limited (DPL), we are scaling circularity, process intensification, and green chemistry to deliver value responsibly.

At the heart of this progress lies our people. Their innovation, resilience, and shared purpose remain our greatest strength. I am deeply grateful to our Board, leadership team, partners, employees and all stakeholders for their trust and collaboration.

As we look to the future, we remain steadfast in our mission to grow responsibly with sustainability embedded at core, and redefine industry benchmarks in responsible chemistry.

With our integrated capabilities, disciplined execution, and purpose-driven vision, we are confident of shaping a sustainable legacy for generations ahead.

Deepak C. Mehta

Chairman & Managing Director
Deepak Nitrite Limited



Message from the Executive Director & CEO – DNL

Dear Stakeholders,

FY 2024-25 marked a phase of strategic consolidation and forward momentum for Deepak Nitrite Limited. Amid complex global supply-chain realignments, we strengthened our leadership in speciality and performance chemicals through disciplined execution, customer-centricity, and a relentless focus on innovation.

At DNL, sustainability is intrinsic to competitiveness. We achieved 4.2% reduction in emission intensity (Scope 1 + 2), 20% reduction in water intensity, and 7.8% reduction in energy intensity. Our integrated business model continues to generate long-term value by aligning growth with environmental stewardship and social well-being.

The upcoming polycarbonate and phenol-2 complexes exemplify Deepak's ability to translate vision into impact projects that will not only reduce import dependence but also demonstrate world-class standards of sustainability.

Our people are at the centre of this transformation. With 1,00,000+ manhours of training delivered and a culture of innovation anchored by the Deepak Learning Academy, we are preparing for tomorrow's challenges with today's energy.

The road ahead is clear: to deepen technology leadership, accelerate low-carbon innovation, and build on our aspiration of becoming a global benchmark in responsible manufacturing.

As we advance toward Vision 2030, we remain guided by purpose, powered by people, and driven by performance.

Maulik Mehta

Executive Director & CEO
Deepak Nitrite Limited



Message from the Executive Director & CEO – DCTL

Dear Stakeholders,

FY 2024-25 was a pivotal year for Deepak Chem Tech Limited (DCTL) as we moved decisively from design to execution. Our key achievements this year lie in asset creation and operational readiness, establishing a foundation for exponential value generation.

The commissioning of the Nitric Acid Plant in Q3 FY 2025-26 and progress on MIBK/MIBC pilot-scale trials are significant milestones in building India's advanced material capabilities. These developments not only enhance vertical integration but also reduce dependence on imported intermediates.

DCTL continues to invest in transformational projects: the nation's first fully integrated polycarbonate resin facility and a backward-integrated phenol-2 complex projects exceeding ₹ 8,500 Crores in cumulative investment. Both represent our commitment to India's self-reliance and to shaping a new era of sustainable, performance-driven chemistry.

We remain focussed for on-time project execution, building globally competitive capacities, and embedding sustainability across every process from design efficiency and resource optimisation to digital monitoring of environmental performance.

Our future is defined by purpose, precision, and partnership. With every milestone, we take one step closer to positioning India at the forefront of advanced materials innovation.

Meghav Mehta

Executive Director & CEO
Deepak Chem Tech Limited



Message from the Executive Director & CEO - DPL

Dear Stakeholders,

FY 2024-25 was a year of consolidation and innovation for Deepak Phenolics Limited (DPL). The world experienced subdued global demand and elevated raw-material prices, amidst these VUCA circumstances DPL achieved higher capacity utilisation and operational efficiency through debottlenecking and targeted process improvements.

Demand for phenolic-chain products remains robust across paints, adhesives, pharmaceuticals, and laminates, reinforcing our confidence in long-term growth. Through digitalised manufacturing and process optimisation, we have achieved a 3.5% increase in energy consumption through Renewable Source and achieved 5% reduction in Scope 1 and 2 emissions intensity.

Our sustainability journey this year included expanding renewable-energy sourcing, recycling and reusing 15% of waste generated. We also strengthened community engagement, supporting education and healthcare programmes impacting beneficiaries across operational geographies.

As we move ahead, our focus remains on energy efficiency, resource circularity, and innovation in greening our operations. DPL's long-term strategy is to drive import substitution, improve product yields, ideate and implement value recovery from waste products and develop next-generation chemical processes aligned with India's sustainability aspirations.

We are confident that with strong governance, an innovation-driven workforce, and stakeholder collaboration, DPL will continue to be a leader in responsible chemical manufacturing.

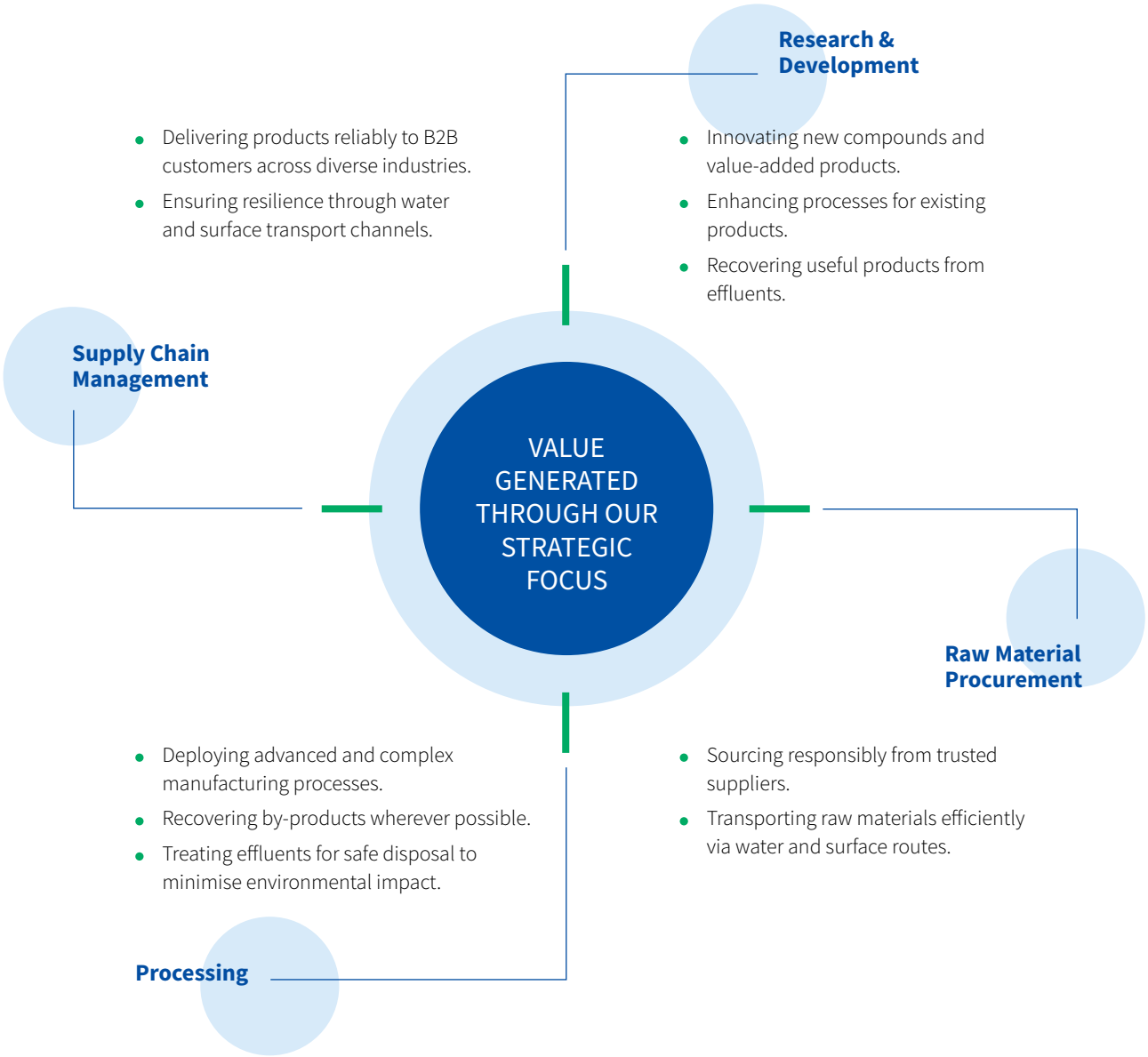
Kishor Jhalaria

Executive Director & CEO
Deepak Phenolics Limited



BUSINESS STRATEGY

At DNL, our business strategy is designed to create long-term value for all stakeholders by driving innovation, strengthening supply chains, ensuring operational excellence, and fostering community well-being. We integrate sustainability and responsibility across every stage of our value chain, from research and raw material sourcing to customer delivery and community development.



SUSTAINABILITY STRATEGY

At Deepak, sustainability is integral to our business practices. Our strategy is designed to balance long-term growth with responsible practices, ensuring that we generate value for stakeholders while minimising environmental and social impacts. Guided by strong governance and a forward-looking roadmap, we embed ESG principles into every aspect of our operations, from stakeholder engagement and due diligence to sustainable practices and transparent disclosures.

SUSTAINABILITY VISION

#Zero Harm #Zero Wastage #Zero Discharge

OUR PRIORITY AREAS



HEALTH AND SAFETY



RESPONSIBLE SOURCING AND SUPPLY CHAIN SUSTAINABILITY



ENERGY AND CLIMATE CHANGE MANAGEMENT



WATER AND WASTE MANAGEMENT



COMPLIANCE WITH REGULATORY REQUIREMENTS

ESG TARGETS & PERFORMANCE

We set measurable short- and long-term sustainability goals that create a meaningful and lasting impact. By benchmarking our practices against those of our industry peers and global best practices, we continually improve our operations. Aligned with the UN's 2030 Sustainable Development Goals, our R&D, technical services, and manufacturing teams remain focussed on producing safely, efficiently, and sustainably.

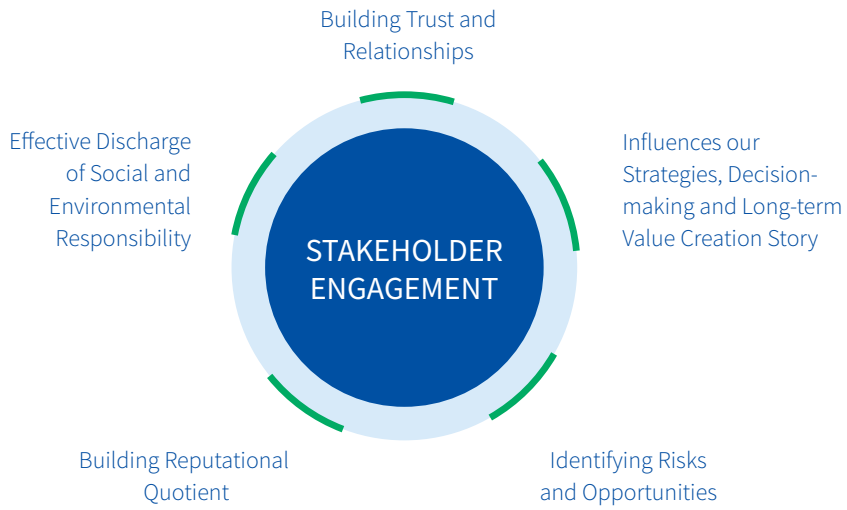
DEEPAK NITRITE LIMITED

Focus Area	Targets by FY 2030, compared to the baseline year FY 2022–23	Progress FY 2024-25
Emission	Achieve a 50% reduction in GHG emission intensity ($MTCO_2/MT$)	**47%** reduction compared to the Base year
Energy	Achieve a 15% reduction in energy intensity (GJ/MT)	**7.5%** reduction compared to the Base year
Water	Achieve a 40% reduction in water intensity (m^3/MT)	**34.4%** reduction compared to the Base year
Waste	Achieve a 15% reduction in waste intensity (MT/MT)	**39.2%** reduction compared to the Base year
Employee Engagement	Achieve an Employee Engagement Survey Score of 80, representing a 20% improvement over the baseline score of 67.	**Achieved a score of 65 for FY 2025-26. Focus group discussions and implementation actions in progress**
Health & Safety	LTIFR: Achieve an 83% reduction in Lost Time Incident Frequency Rate (LTIFR) to 0.05, compared to the baseline rate of 0.30. LTISR: Achieve a 98% reduction in Lost Time Incident Severity Rate (LTISR) to 0.50, compared to the baseline rate of 24.67. Fatalities: Maintain zero workplace fatalities through FY 2030.	**LTIFR Employee: 0.29; Worker – Zero** **LTISR Employee – 13.03 & Worker – Zero** **Fatalities: Employee & Worker – Zero**

STAKEHOLDER ENGAGEMENT

APPROACH OF STAKEHOLDER ENGAGEMENT

Engaging with stakeholders is central to our sustainability journey, enabling us to understand diverse expectations and respond with initiatives that create long-term value. Through structured dialogue and regular interactions, we build trust, strengthen relationships, and incorporate stakeholder perspectives into our strategic decision-making. This approach helps us remain transparent, inclusive, and aligned with evolving economic, environmental, and social priorities.





Further information on the purpose and mode of stakeholder engagement is available on pages 46–51 of our Annual Integrated Report 2024-25.

STAKEHOLDER GROUP IDENTIFIED

Our stakeholder groups comprise individuals and entities that influence our business or are directly and indirectly impacted by our activities. At Deepak, we have recognised six key stakeholder groups, namely:

- CUSTOMERS
- INVESTORS
- EMPLOYEES
- SUPPLIERS
- COMMUNITIES
- GOVERNMENT & REGULATORY BODIES

DOUBLE MATERIALITY

We integrate sustainability into the core of our operations, seeing it as essential for long-term value creation rather than a standalone responsibility. We apply the principle of double materiality to assess both how environmental and social factors affect our business and how our operations impact society and the environment. This approach guides our decision-making, strengthens risk management, and fosters positive societal contributions.

Double materiality considers two dimensions: **financial impact and societal relevance**

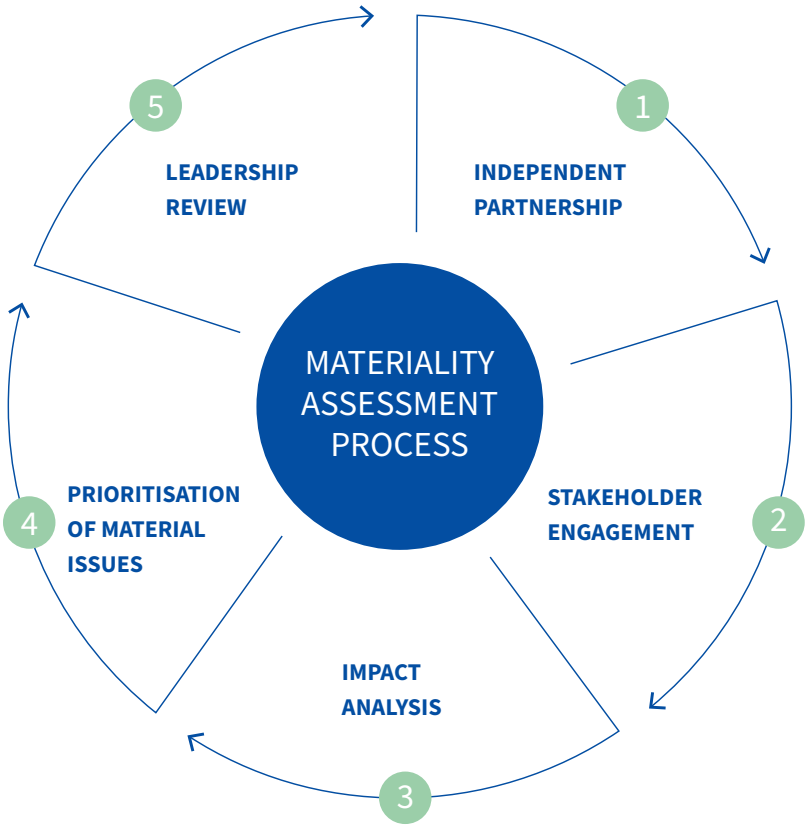
1 FINANCIAL MATERIALITY

We evaluate factors that significantly influence our financial stability, including operational efficiency, cost management, regulatory compliance, and reputation. Initiatives such as optimising energy use and improving waste management enhance our operational performance and cost-effectiveness.

2 ENVIRONMENTAL AND SOCIAL MATERIALITY

We assess the broader impact of our activities on the environment and society – efforts to reduce carbon emissions and adopt renewable energy support global climate goals while benefiting communities.

We leveraged global frameworks, including GRI 2021 and SASB sector standards, and reviewed material topics relevant to both Global and Indian peers. We carry out a materiality review every two years. In FY 2024-25, we completed the latest assessment and confirmed that the existing material topics remain relevant.



1

INDEPENDENT PARTNERSHIP

We built our materiality assessment in collaboration with a reputed independent consulting organisation, leveraging their expertise to strengthen the process and enhance the robustness and credibility of our evaluation.

2

STAKEHOLDER ENGAGEMENT

Internal Stakeholders

We consider internal stakeholders, including our employees, leadership, and Board members, as integral to our materiality assessment. Their insights help us understand how external developments affect our operations and ensure that sustainability priorities are closely aligned with our strategic objectives.

External Stakeholders

We place strong emphasis on engaging external stakeholders in our materiality assessment. By interacting with customers, suppliers, investors, regulators, and local communities, we gather essential perspectives on environmental, social, and governance issues that influence or are influenced by our operations. These insights help us shape our strategic priorities and sustainability initiatives.

3

IMPACT ANALYSIS

Identification of Material Issues

We begin our materiality assessment by identifying a broad range of potential issues across economic, environmental, and social dimensions. We rely on industry standards, peer benchmarking, and regulatory frameworks to guide this process.

Assessment of Financial Materiality

Each identified issue is evaluated for its potential impact on our financial performance, including risks and opportunities related to revenue, costs, capital expenditure, and access to finance. Issues with significant influence on these metrics are classified as financially material.

Assessment of Environmental and Social Materiality

We also evaluate the potential impact of our operations on society and the environment. This includes factors such as carbon emissions, resource use, community engagement, human rights, and employee well-being. Issues with significant external effects are classified as environmentally and socially material.

4

PRIORITISATION OF MATERIAL ISSUES

Materiality Matrix

We communicate the results of our double materiality assessment using a materiality matrix. This visual tool maps each issue based on its significance to our financial performance and its impact on society and the environment. Issues that rank high in both dimensions are prioritised in our sustainability strategy.

Integration with Enterprise Risk Management (ERM)

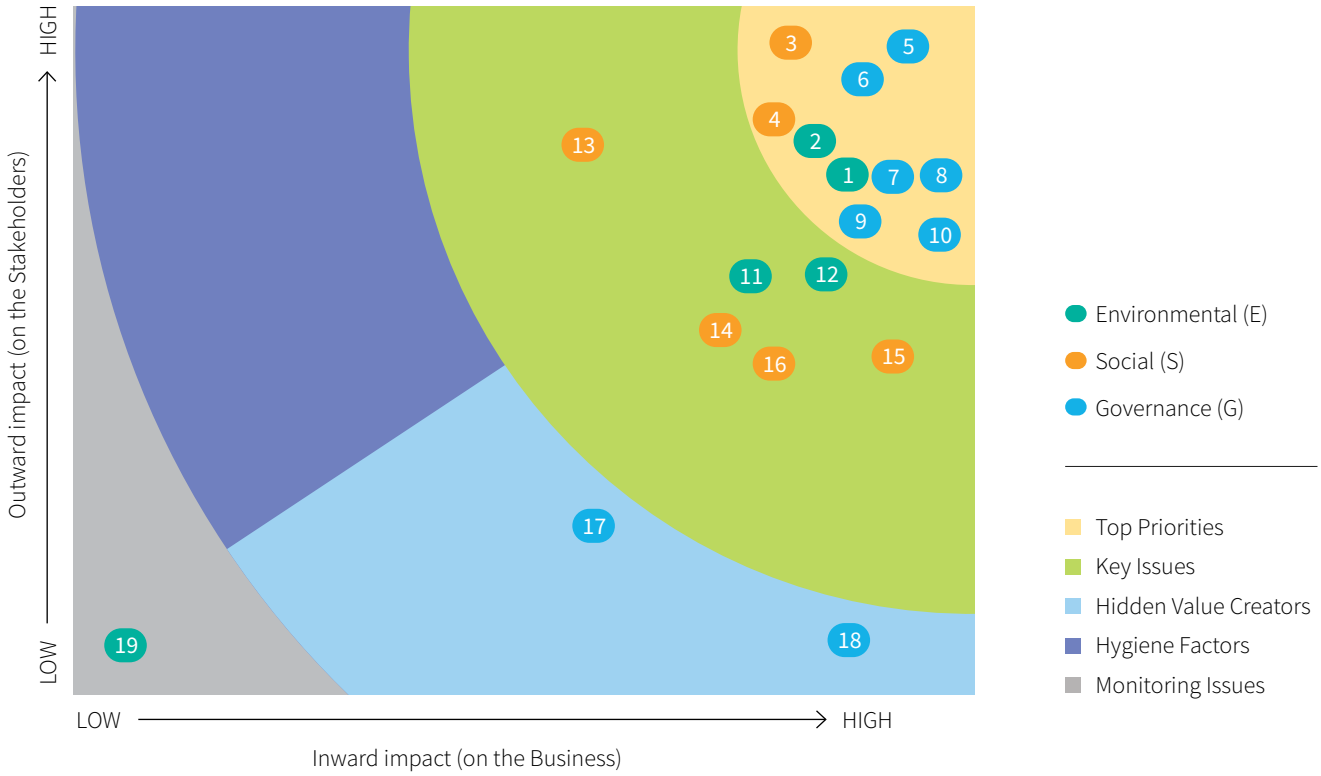
The prioritised material issues are embedded into our Enterprise Risk Management process. Through structured dialogue and regular interactions, we build trust, strengthen relationships, and incorporate stakeholder perspectives into our strategic decision-making. This approach helps us remain transparent, inclusive, and aligned with evolving economic, environmental, and social priorities.

5

LEADERSHIP REVIEW

We subject our materiality assessment to thorough review and approval by senior management and the Committee of Directors. This leadership-level validation ensures that the assessment aligns with our long-term vision and priorities while reinforcing accountability and governance through active oversight at the highest level.

MATERIALITY MATRIX



Material issues are grouped into five categories based on their relevance to us and our stakeholders. The materiality matrix illustrates the impact of each issue on our business (inward) and on stakeholders (outward), ranging from low to high.

Category of Material Topics	Significance
Top Priority Issues	Critical to Deepak as well as to its stakeholder
Key Issues	Medium to high priority issues for Deepak as well as its stakeholders
Hidden Value Creators	Important for Deepak's business but low priority for stakeholders
Hygiene Factors	High priority for Deepak's stakeholders but low priority for the business of the Company
Monitoring Issues	Low importance to both Deepak as well as its stakeholders

1 Water Use and Effluent Management (E)	**6** Corporate Governance (G)	**11** Waste Management (E)	**16** Diversity, Equity & Inclusion (S)
2 Climate Change & Emissions (E)	**7** Business Ethics & Compliance (G)	**12** Energy Management (E)	**17** Product Innovation (G)
3 Occupational Health & Safety (S)	**8** Business Continuity (G)	**13** Employee Engagement (S)	**18** Digitalisation, IT Security & Data Privacy (G)
4 Community Involvement (S)	**9** Product Stewardship (G)	**14** Human Rights (S)	**19** Biodiversity (E)
5 Growth and Profitability (G)	**10** Sustainable Supply Chain (G)	**15** Customer Relationships (S)	

For further information on material topics and our mitigation strategies, please refer to pages 52–59 of the Annual Integrated Report FY 2024-25.

Material Issues and Metrics – Enterprise Value

MATERIAL ISSUE 1 Occupational Health & Safety

BUSINESS CASE

Ensuring the health and safety of all personnel is a top priority at DNL and DPL, given the inherent physical hazards associated with manufacturing and distribution operations. Inadequate OHS training or practices not only endanger employees but also expose the company to significant secondary consequences, legal costs, operational disruptions, heightened regulatory scrutiny, reduced employee morale, and reputational damage. For a chemical company, these risks are particularly critical, as lapses can lead to severe chemical exposure incidents, environmental contamination, and heightened liabilities, ultimately impacting long-term operational sustainability and community trust.

BUSINESS IMPACT

- Reduced workplace incidents and associated costs
- Enhanced employee morale, retention, and productivity
- Strengthened compliance with statutory and global safety standards
- Protection of brand reputation and community confidence
- Lower exposure to legal, environmental, and operational risks

BUSINESS STRATEGIES

- Maintain a comprehensive Occupational Health and Safety Management System (OHSMS) aligned with ISO 45001:2018, covering all workers, direct employees, contractors, and temporary staff, ensuring no one is excluded.
- Conduct regular risk assessments and continuous health and safety monitoring.
- Deliver ongoing training on safe work practices, emergency preparedness, and hazard awareness.
- Encourage active worker participation in safety committees and decision-making.
- Maintain clear safety policies and robust emergency preparedness plans.
- Set objectives, targets, and KPIs at the individual level to measure and continuously improve HSEQ performance.

KEY TARGETS AND GOALS

- Zero fatalities and serious injuries
- Maintain LTIFR below industry benchmark
- 100% workforce coverage for OHS training and emergency drills
- Annual review and enhancement of OHSMS in line with ISO 45001:2018

PERFORMANCE HIGHLIGHTS – FY 2024-25

- OHSMS implemented across all operations, fully compliant with ISO 45001:2018.
- 100% coverage of employees and contractors under OHS training programmes.
- Regular safety audits, inspections, and emergency drills are conducted across all sites.
- Enhanced monitoring systems and digital reporting tools for faster incident tracking and corrective action closure.
- Strengthened worker engagement in safety initiatives, improving hazard reporting and preventive action rates.

EXECUTIVE COMPENSATION LINKAGE

OHS performance is directly linked to ESG targets within annual goals. Employee performance evaluations and compensation are tied to sustainability and safety objectives that are relevant to their respective functions. Executive remuneration is aligned with key material issue targets, ensuring leadership accountability. The Senior Leadership team actively supervises environmental, social, and governance indicators and collaborates to achieve these targets.

LINKAGE WITH UNSDG



MATERIAL ISSUE 2 Waste & Pollutants

BUSINESS CASE

Effective waste management is critical for cost control and operational sustainability at DNL and DPL. Improper handling of hazardous by-products can result in significant regulatory fines, cleanup costs, and legal liabilities. Rising disposal expenses and contamination risks further underscore the need for sustainable practices. Inefficient waste processes not only increase direct disposal costs but also elevate raw material expenses.

By implementing recycling, waste-to-energy, and closed-loop systems, DNL and DPL reduce disposal costs, optimise material usage, and mitigate both financial and compliance risks – while supporting long-term sustainability and operational efficiency.

BUSINESS IMPACT

- Reduced regulatory and legal risks
- Lower disposal and raw material costs
- Enhanced operational efficiency and resource optimisation
- Strengthened compliance and environmental stewardship

BUSINESS STRATEGIES

- Systematic segregation of hazardous and non-hazardous waste
- Designated, clearly labelled storage areas for hazardous materials
- Documentation of all hazardous waste transfers through internal waste slips
- Regular inspections to ensure compliance with safety and environmental regulations
- Responsible processing or recycling of non-hazardous waste such as food, metal, and wood
- Adoption of circular economy principles to minimise waste and enhance resource efficiency
- Deployment of innovative recycling and co-processing technologies to reduce landfill dependency

KEY TARGETS AND GOALS

- Strive for zero waste to landfill
- Reuse industrial by-products to create secondary products
- Reduce hazardous waste through improved disposal methods
- Lower operating costs, mitigate risks, and generate new revenue streams through resource-efficient practices

PERFORMANCE HIGHLIGHTS – FY 2024-25

- Managed diverse waste streams including ETP sludge, process residues, oils, biomedical waste, insulation waste, spent adsorbents, and spent carbon
- Maintained strict adherence to safety protocols and regulatory compliance in waste handling
- Transformed wet waste into valuable manure, ensuring minimal environmental impact
- Strengthened recycling and resource efficiency measures across operations
- All these efforts have contributed to achieving an 85–90% increase in waste recycling

EXECUTIVE COMPENSATION LINKAGE

ESG performance indicators, including waste management targets, are integrated into annual goals. Employee performance and compensation are linked to achieving sustainability objectives within their respective functions. Executive remuneration is aligned with key material issue targets, ensuring leadership accountability. The Senior Leadership team actively supervises environmental, social, and governance indicators and collaborates to achieve these goals.

LINKAGE WITH UNSDG



Material Issues and Metrics – External Stakeholders

1 OCCUPATIONAL HEALTH & SAFETY

Cause of Impact	Operations, Products/Services, Supply Chain
External stakeholder(s)/ impact area(s) evaluated	Environment, Society, Consumers/end-users, External employees (supply chain, contractors)
Topic relevance to external stakeholders - Rationale for Identifying the Issue	Occupational Health & Safety is a critical concern for external stakeholders, including regulators, customers, suppliers, investors, and local communities. Strong OHS practices protect workers from injury and illness, ensure compliance with legal and industry standards, and safeguard the company's reputation. For a chemical manufacturing environment, effective OHS management also prevents hazardous incidents, environmental contamination, and operational disruptions. Conversely, inadequate safety measures can lead to workplace accidents, legal liabilities, regulatory penalties, and loss of stakeholder trust – making OHS a material issue with direct implications for business continuity and community well-being.
Type of impact	Both combined (Risk & Opportunity)
Output Metric	Fatalities: Zero for employees and workers
Impact Valuation Conducted	Health costs caused/avoided - Focus on safety to minimise health impact costs.
Impact Metric	Reduced LTIFR for workers & Employees



2 WATER USE & EFFLUENT MANAGEMENT

Cause of Impact	Operations, Products/Services, Supply Chain
External stakeholder(s)/ impact area(s) evaluated	Environment, Society, Consumers/end-users, External employees (supply chain, contractors)
Topic relevance to external stakeholders - Rationale for Identifying the Issue	Adopting efficient water usage and robust wastewater treatment practices presents a significant opportunity for financial improvement. Through sustainable water management, both organisations can reduce operational expenses, boost resource efficiency, and mitigate regulatory exposure. These measures not only strengthen financial performance but also generate positive outcomes for external.
Type of impact	Positive (Opportunity)
Output Metric	Reduction in Water Consumption (%) – 11%
Impact Valuation Conducted	Environmental value lost/gained - Optimise water use to cut effluent costs.
Impact Metric	• Lowered risk profile due to improved water stewardship • Benefits to local communities (e.g., shared water resources, reduced contamination)



CORPORATE GOVERNANCE

We anchor our governance in ethical leadership, regulatory compliance, and clear accountability. Guided by robust policies and controls, we uphold integrity, transparency, and responsible decision-making – building trust across our organisation and with all stakeholders.

UNSDG



GOVERNANCE STRUCTURE – OVERVIEW OF THE BOARD

We adhere to the corporate governance principles enshrined in the Companies Act, 2013 (Companies Act) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Our governance framework is anchored by optimum mix of Executive, Non-Executive and Independent Directors on the Board, designed to uphold transparency, ethical oversight, and strategic accountability. In alignment with Listing Regulations and Companies Act, our Boards are composed of at least 50% Independent Directors, ensuring balanced and impartial decision-making. This governance architecture enables us to make informed, unbiased decisions guided by seasoned professionals. It reinforces our commitment to long-term value creation, stakeholder trust, and resilient corporate stewardship. The Chairperson of Deepak provides unified strategic leadership across the Group.

BOARD OF DIRECTORS: CORE SKILLS AND COMPETENCIES

Our Board brings together a balanced mix of strategic vision business acumen, industry expertise, financial prudence, governance culture experience, and risk management aptitude. Members possess deep knowledge across operations, sustainability, regulatory compliance, stakeholder engagement, and innovation, enabling informed decision-making and effective oversight. This diversity of skills ensures the Board can guide the organisation toward sustainable growth while upholding the highest standards of ethics and accountability. For detailed information on Board Skills/Expertise/ Competencies of the Board of Directors, please refer to pages 260-262 of our Annual Integrated Report FY 2024-25.

BOARD COMPOSITION (As on March 31, 2025)

Our Board operates under a one-tier system and includes:

Companies	Executive	Non-Executive	Independent
DNL	4	2	6
DPL	2	5	3

	DNL	DPL
Average Board Meeting Attendance (%)	98%	97.5%
Board gender diversity (%)	Male: 91.67% Female: 8.33%	Male: 90% Female: 10%
Foreign Nationality (%)	Zero	Zero
Board Average Age (Years)	59	61
Average experience of Directors (Years)	34	36

For detailed information on Board composition and diversity, please refer to pages 112 and 249 of our Annual Integrated Report FY 2024-25.

COMMITTEES OF THE BOARD

At Deepak Nitrite Limited and Deepak Phenolics Limited, we have established specialised Committees to address critical functional areas and enable focussed, well-informed decision making. Each Committee operates under a clearly defined charter that sets out its mandate, responsibilities, and decision-making authority. While the Committees provide recommendations, final decisions remain with the Board. Wherever applicable, the practices governing Board meetings are also extended to Committee proceedings. These Committees are empowered to engage independent professionals, legal advisors, or subject matter experts to support their deliberations. Senior management and relevant function heads actively participate in committee meetings to provide insights and updates that strengthen the decision-making process. For comprehensive information on our Board Committees, please refer to pages 264-272 of the Corporate Governance section in the Annual Integrated Report FY 2024-25.

DNL	DPL
Audit Committee	Audit Committee
Nomination and Remuneration Committee	Nomination and Remuneration Committee
Stakeholders' Relationship and Investors Grievance Committee	Corporate Social Responsibility Committee
Corporate Social Responsibility Committee	Risk Management Committee
Risk Management Committee	Sustainability Committee
Sustainability Committee	--

BOARD NOMINATION AND REMUNERATION

Our Nomination and Remuneration Committee, as constituted in accordance with Section 178 of the Companies Act and Regulation 19 of the Listing Regulations, carries out crucial functions like recommending to the Board, appointment and remuneration of members of the Board and Senior Management personnel. The Committee is responsible for succession planning, and formulating policies on remuneration, performance evaluation, and Board diversity. It recommends remuneration for the Managing Director and Executive Directors based on performance, experience, and market conditions, while ensuring fairness, competitiveness, and alignment with organisational objectives. The Committee also reviews remuneration of Key Managerial Personnel and senior executives to ensure a balance of fixed and variable pay that reflects both short-term results and long-term growth.

Annual Total Compensation:

Our approach to annual total compensation reflects our commitment to attracting, retaining, and motivating the best talent. We design compensation structures that are fair, competitive, and aligned with market benchmarks while ensuring internal equity. The framework balances fixed and variable pay components, linking rewards to both individual performance and the company's long-term objectives. In FY 2024-25, there was an 8.2% increase in the median remuneration of employees.

For detailed information on our Board Nomination and Remuneration, refer to pages 266–267 and 246–251, Corporate Governance section of our Annual Integrated Report FY 2024-25 and DNL Nomination-and-Remuneration-Policy.

BOARD PERFORMANCE REVIEW

At Deepak, one of the key responsibilities of our Board is to oversee and periodically review the Board evaluation framework. In accordance with Section 134 of the Companies Act, 2013, Regulation 19 of the SEBI Listing Regulations, and our Policy on the Appointment and Remuneration of Directors, the Nomination and Remuneration Committee, in consultation with the Board, has established a structured evaluation process. This process uses defined criteria to assess the performance of the Chairperson, the Board as a whole, its Committees, and individual Executive, Non-Executive, and Independent Directors through a peer evaluation mechanism, excluding the individual under review.

For more details, refer to page 263, Corporate Governance section of our Annual Integrated Report FY 2024-25

Board of Directors

Details of Directors of DNL as on 31-03-2025



Shri Deepak C. Mehta
Chairman & Managing Director
BMC



Shri Maulik Mehta
Executive Director & CEO
BMC



Shri Sanjay Upadhyay
Director – Finance & Group CFO
FIN



Shri Girish Satarkar
Executive Director
CHE



Shri Ajay C. Mehta
Non-Executive Director
SCI



Shri Meghav Mehta
Non-Executive Director
BMC



Shri Sanjay Asher
Independent Director
LAW



Smt. Purvi Sheth
Independent Director
EPS



Shri Dileep Choksi
Independent Director
FIN



Shri Punit Lalbhai
Independent Director
ESCB



Shri Vipul Shah
Independent Director
CEPS



Shri Prakash Samudra
Independent Director
**upto April 9, 2025*
CE

Committee Position

● Audit: Audit Committee ● NRC: Nomination & Remuneration Committee ● SRIGC: Stakeholder's Relationship & Investors Grievance Committee ● CSRC: Corporate Social Responsibility Committee ● RMC: Risk Management Committee ● Sustainability: Sustainability Committee

Ⓒ Chairperson Ⓜ Member

Expertise

BMC	Business Management, Chemistry	FIN	Finance	EPS	Economics and Political Science
SCI	Science	LAW	Law	CEPS	Chemical Engineering Polymer Science
CHE	Chemistry	ESCB	Environmental Science Conservation Biology	CE	Chemical Engineering

Board of Directors

Details of Directors of DPL as on 31-03-2025



BMC

M

Shri Deepak C. Mehta
Chairman & Managing Director



BMP

M
M

Shri Kishor Jhalaria
Executive Director & CEO



MAN

C

Smt. Ila D. Mehta
Non-Executive Director



BMC

Shri Maulik Mehta
Non-Executive Director



BMC

M

Shri Meghav Mehta
Non-Executive Director
(Executive Director upto May 1, 2024)



FIN

M
M
M
M

Shri Sanjay Upadhyay
Non-Executive Director



BMP

M
M
M

Shri S. K. Anand
Non-Executive Director



LAW

M
C

Shri Sanjay Asher
Independent Director



FIN

C
M

Shri Milin Mehta
Independent Director



BMP

M
M

Shri B. Ashok
Independent Director

Committee Position

- Risk Management Committee
- CSR Committee
- Audit Committee
- Nomination & Remuneration Committee
- Sustainability Committee

(C) Chairperson (M) Member

Expertise

BMC	Business Management, Chemistry
BMP	Business Management, Petrochemicals
MAN	Management
FIN	Finance
LAW	Law

ESG GOVERNANCE & OVERSIGHT

Our Approach

The Board directs the Group and its management to operate in line with sustainability principles, carefully evaluating the long-term implications of decisions on value creation. This approach considers the interests of diverse stakeholders, assesses the environmental impact of operations, and reinforces the importance of ethical business conduct. Supported by a robust risk management framework, strong internal controls, and effective governance processes, the Board is empowered to make informed decisions that drive long-term success and sustainable value for its stakeholders.

Sustainability Committee: Composition, Role & Responsibilities

• Shri Punit Lalbhai	Chairman - Independent Director
• Shri Vipul Shah	Member - Independent Director
• Shri Maulik Mehta	Member - Executive Director & CEO
• Shri Girish Satarkar	Member - Executive Director

We have also established a dedicated Sustainability Committee at the Board level. This is a four-member body, comprising both executive and independent directors, that plays a pivotal role in steering the Company's sustainability efforts. Our core responsibilities include promoting energy conservation, expanding the use of renewable energy, and advancing stakeholder welfare programmes.

The Sustainability Committee is tasked with formulating and recommending a long-term Sustainability Roadmap, overseeing the execution of ESG priorities, and ensuring robust and transparent ESG disclosures. It also keeps the Company aligned with evolving sustainability standards by offering strategic guidance and practical recommendations to the management.

For more details, refer to page 271 of our Annual Integrated Report FY 2024-25.



Ethics & Compliance

At Deepak, ethical business practices and regulatory compliance form the foundation of our operations. We are guided by a robust Code of Conduct that sets clear expectations for all employees, senior management, Board members, and vendor partners. This framework reinforces our culture of integrity, transparency, and accountability, while safeguarding against legal and reputational risks.

BOARD OVERSIGHT ON ETHICS

Our Board plays a critical role in upholding ethical standards and ensuring accountability. Through dedicated committees and regular reviews, we oversee the implementation of our Code of Conduct, monitor compliance with applicable laws and regulations, and evaluate the effectiveness of our ethics and governance programmes. Ethical considerations are embedded in strategic decision-making, reinforcing stakeholder trust and aligning our operations with global ESG benchmarks.

CODES & POLICIES

DNL Policies

- Sustainable Procurement
- Customer Health and Safety Policy
- Anti-Bribery and Anti-Corruption (ABAC) Policy
- Climate Lobbying Policy
- DEI & Freedom of Association Policy
- DEI Policy
- Discrimination and Harassment Policy
- Environment Policy
- ERM Policy
- Ethics, Human Rights & Labour Policy
- Gifts and Entertainment Policy
- Health and Safety Policy
- Information Security Policy
- Labour Relation Policy
- Office Working Hour Policy
- Patent Filling Policy
- POSH Policy
- Product Stewardship Policy
- Quality Policy
- Responsible Care Policy
- Stakeholder Engagement Policy
- Sustainability Policy
- Working Condition Policy
- Tax Strategy Policy
- Energy Conservation Policy
- Energy Management and Plant Efficiency
- Code of Conduct for Employees
- Whistleblower Policy
- Board of Directors (BOD) Code of Conduct
- Policy on Land Use and Biodiversity Conservation
- Policy on Prohibition of Child Labour and Prevention of Forced Labour at the Workplace
- Grievance Redressal Mechanism

DPL Policies

- Environmental Sustainability Policy Quality, Health, Safety, Environment and Policy
- Product Stewardship
- Responsible Care Policy
- Fire Safety Policy
- Employee Transport Guideline
- Employee Wellbeing Policy
- Policy on Land Use and Biodiversity Conservation
- Customer Health and Safety Policy
- Anti-Bribery and Anti-Corruption – (ABAC) Policy
- Discrimination and Harassment Policy
- Gifts and Entertainment Policy
- Policy on Office Working Hours
- Ethics, Human Rights and Labour Policy
- Electric Vehicle Policy
- Diversity, Equity and Inclusion Policy

CODE OF CONDUCT & CONFLICT OF INTEREST

Our Code of Conduct applies to all key stakeholders and outlines clear principles for ethical behaviour and compliance. Directors are expected to avoid situations that may lead to conflicts of interest, including transactions involving personal or financial gain. Any such engagement requires prior approval from disinterested Board members, and all dealings must be conducted at arm's-length to prevent actual or perceived conflicts. For more details, refer to our Code of Conduct under Corporate Governance – Deepak Group.

ANTI-BRIBERY & ANTI-CORRUPTION (ABAC) POLICY

We maintain a zero-tolerance approach to bribery and corruption, as outlined in our Code of Conduct. In FY 2024-25, 100% of relevant stakeholders, including our Board of Directors and business partners, completed training and received formal communication on anti-bribery and anti-corruption procedures. This reflects our unwavering commitment to ethical business conduct.

ETHICS TRAINING & AWARENESS

Mandatory Code of Conduct training is delivered to 100% of our workforce, including full-time, contractual, and part-time employees. New hires undergo structured onboarding programmes to ensure early and consistent alignment with our ethical standards. These initiatives strengthen our culture of integrity and support our broader governance framework.

SOCIAL ACCOUNTABILITY

We have initiated a comprehensive ESG enhancement programmes by adopting ISO 26000 standards across our operations. The launch of the ISO 26000 module marks a key milestone in our journey toward strengthened social responsibility, ethical governance, and inclusive practices. Through structured training for internal stakeholders, we are building awareness and embedding responsible behaviours across all functions. This initiative reinforces our commitment to global ESG benchmarks and supports our values-driven growth strategy.

GRIEVANCE REDRESSAL & WHISTLEBLOWER MECHANISM

We have implemented a comprehensive grievance redressal framework to ensure transparent, timely, and effective resolution of concerns across all stakeholder groups. This framework is tailored to address the unique needs of customers, shareholders, employees, and partners, reinforcing our commitment to ethical conduct and stakeholder trust.

- Customer Grievances: A structured process is in place to register, document, and address customer complaints – particularly those related to delivery and handling – through our designated sales teams, in accordance with defined Standard Operating Procedures.
- Shareholder Grievances: Shareholders are supported by a dedicated grievance redressal policy that ensures prompt attention and resolution of any issues raised, in line with our commitment to transparent investor relations.
- Employee and Workplace Grievances: Internal concerns are addressed through our Whistleblower Policy, which fosters open communication and protects individuals from retaliation. The policy facilitates the fair handling of workplace grievances and fosters a culture of accountability.

WHISTLEBLOWER/VIGIL MECHANISM

Our formal Whistleblower Mechanism allows all Directors and employees to report actual or suspected unethical behaviour, misconduct, or breaches of the Code of Conduct. Complainants are safeguarded against victimisation, and in specific cases, granted direct access to the Chairman of the Audit Committee to ensure impartial resolution.

Grievance redressal mechanism for shareholders

Investors-Grievance-redressal-policy-f.pdf

Grievance redressal mechanism

Grievance-redressal-mechanism.pdf

Whistleblower Policy

Whistle_Blower_Policy.pdf

Policy on Stakeholder Engagement

Stakeholder-Engagement-Policy.pdf

COMPLIANCE AND GRIEVANCE REPORTING

Reporting Area	Number of instances/ complaints in FY 2024-25
Corruption or Bribery	0
Money Laundering or Insider Trading	0
Conflicts of Interest	0
Customer Privacy Data	0
Discrimination or Harassment	0

Risk Management

We have established a comprehensive Enterprise Risk Management (ERM) framework, governed by a Board-approved Risk Management Policy that reflects our commitment to resilience, accountability, and strategic foresight. Designed in alignment with ISO 31000 and COSO principles, our framework enables a proactive and structured approach to identifying, assessing, and mitigating risks across all levels of our operations – including shop-floor activities and strategic decision-making.

By embedding risk awareness into our culture and processes, we ensure that potential disruptions are addressed early, business outcomes are optimised, and long-term organisational success is sustained. Our ERM practices are continuously refined to respond to emerging risks, regulatory changes, and stakeholder expectations, reinforcing our position as a responsible and future-ready enterprise.





For more details, refer to pages 60-67 of our Annual Integrated Report FY 2024-25.

EMERGING RISK

EMERGING RISK 1 Critical Change to Earth Systems

Risk Category: Environmental

Description

The continued use of fossil fuels and large-scale deforestation are accelerating global warming, triggering rising sea levels, melting ice caps, and increasingly frequent extreme weather events. These climate shifts disrupt ecosystems, threaten biodiversity, and create significant challenges for industries such as chemicals, where supply chains and operations face growing global risks.

Impact

Climate change and evolving emissions regulations have a significant influence on our operations and the communities we serve. Meeting these requirements often entails higher costs through investments in cleaner technologies and operational adjustments, while also shaping our supply chain and day-to-day practices. Our activities inevitably interact with local environments and communities, making robust safety measures and transparent communication essential. By integrating sustainable practices into our operations, we not only ensure regulatory compliance but also foster stronger community relationships and minimise our environmental impact.

Mitigating Actions

We drive sustainability through efficient manufacturing, clean technologies, and full compliance with emission and waste norms. Recent advances include optimised plant utilisation, SAC commissioning, and product expansions for global markets. Safety and efficiency upgrades — such as DEA closed-loop charging, Nitro steam recovery, and safer chemical handling — have reduced risks, saved energy, and lowered CO_2 emissions. Renewable energy adoption, Zero Liquid Discharge systems, bio-briquette boilers, and wastewater recycling further lower our environmental footprint while supporting operational excellence.

EMERGING RISK 2 Lack of Economic Opportunity

Risk Category: Societal

Description

Limited access to jobs, skills development, and income-generating activities can weaken local economies, drive higher unemployment rates, and reduce community resilience. For businesses, this can lead to a smaller skilled labour pool, higher turnover, and lower productivity, while also constraining market growth and long-term expansion. Addressing this challenge requires investment in local capacity building, education, and economic development initiatives that foster sustainable livelihoods and shared prosperity.

Impact

This challenge limits access to skilled labour, drives higher turnover, and reduces productivity. It can also constrain market growth, slow expansion, and affect financial stability and strategic objectives. Mitigating this risk requires active participation in economic development and targeted investments in local communities to foster growth and long-term stability.

Mitigating Actions

We are strengthening economic opportunity by investing in our people and creating pathways for long-term growth. Our focus is on attracting and retaining top talent, enhancing skills through targeted training, and fostering a collaborative work environment with zero labour unrest. Overhauled goal-setting processes, stronger functional interdependencies, and tailored learning programs are building capability across the organisation. A robust competency framework, assessment centres, and internal mobility initiatives ensure talent is nurtured from within, driving innovation, productivity, and sustainable business performance.

BUSINESS CONTINUITY AND CRISIS PREPAREDNESS

At Deepak, business continuity and operational resilience are integral to our long-term strategy. We focus on minimising disruptions, protecting revenue streams, and maintaining stakeholder confidence through proactive planning and agile execution. Our approach ensures that recovery efforts are swift, financial stability is preserved, and our market reputation remains strong.

To strengthen our preparedness, we have implemented a comprehensive On-Site and Off-Site Emergency Action Plan. This framework includes risk identification, impact assessments, and crisis response protocols with clearly defined roles and responsibilities. The plans are reviewed biannually to ensure they remain practical and relevant. Oversight is provided by our Risk Management Committee, which ensures alignment with leading industry standards and global best practices.

We also prioritise supply chain resilience as a critical component of business continuity. Our operational scale enables us to influence supplier ESG practices, thereby amplifying our impact throughout the value chain. To ensure reliability, we operate a secure logistics ecosystem with GPS-enabled tracking, enabling real-time monitoring of both raw materials and finished goods. Strategic warehousing and streamlined distribution processes support timely deliveries, while our integrated operations and manufacturing agility enable consistent performance under varying conditions.



PRODUCT STEWARDSHIP

We view product stewardship as a fundamental responsibility, one that extends across the entire lifecycle of our chemical products. From design and development to distribution and disposal, we are committed to safeguarding human health, ensuring operational safety, and protecting the environment. For more details, refer to our Product Stewardship Policy.

PRODUCT DESIGN CRITERIA

The product design criteria emphasise developing processes that are safe, environmentally friendly, scalable, and economically viable, ensuring sustainability and efficiency throughout the lifecycle. Key considerations include using easily available and sustainable raw materials, selecting the shortest and most resource-efficient route, and minimising raw material consumption, energy usage, and waste generation. Processes must be human- and environment-friendly, incorporate robust safety studies (such as PSSR and HAZOP), and enable impurity identification and control. Design should also focus on recovery, recycling, and valorisation of resources, support continuous improvements, and allow for fast reactions with potential for continuous processing. Additionally, backward integration, non-infringing intellectual property, and adaptability for scale-up are critical to ensure competitiveness and long-term viability.

DRIVING EFFICIENCY THROUGH ADVANCED PROCESS CONTROL

Advanced Process Control (APC) at our Cumene and Phenol plants in Dahej, Gujarat, including a breakthrough implementation on the highly complex cleavage reactor section, dynamically optimises critical parameters such as feed flow, temperature, pressure, and reflux rates, delivering substantial gains in production output, energy efficiency, yield, product quality, and emissions reduction. It has also enhanced operational safety, catalyst longevity, and asset reliability. Our Phenol plant now operates at over 150% capacity utilisation, setting new industry benchmarks. Additionally, the commissioning of a Spent Sulphuric Acid Concentration (SAC) unit at our Nandesari site marks a significant step forward in our sustainability journey.

For more details on operational excellence, refer to pages 74-77, Manufactured Capital section of our Annual Integrated Report FY 2024-25.

QUALITY MANAGEMENT

We place strong emphasis on quality management to ensure that every product we deliver meets the highest standards of safety, reliability, and performance. Our approach integrates advanced process controls, rigorous testing, and adherence to global benchmarks across all stages of production. Through continuous monitoring, certification, and improvement initiatives, we not only comply with regulatory requirements but also consistently exceed customer expectations, thereby reinforcing trust and fostering long-term partnerships.

100%

Sites certified with ISO 9001

QUALITY MANAGEMENT SYSTEM

We are dedicated to delivering high-quality products that consistently meet or exceed our customers' expectations. This commitment is driven by our focus on product performance, innovation, agility, advanced technology, operational excellence, regulatory compliance, and adapting to newer marketplace.

Our ISO 9001:2015-certified Quality Management System (QMS) emphasises our approach and fosters continual improvement process across all areas of our operations.

To uphold the integrity of our QMS, we adhere to the following values:

- Customer Focus
- Regulatory Compliance
- Consistent Product Quality
- Continual Improvement
- Employee Engagement and Development
- Strong Supplier Partnerships

CERTIFICATIONS

- **ISO 9001:2015** Quality Management System
- **ISO 14001:2015** Environment Management System
- **ISO 45001:2018** Occupational Health, Safety and Management System
- **ISO 27001 :2022** Information Security Management System
- **Responsible Care**
- **GOTS** Certification
- **TfS** (Together for Sustainability) Certification
- **Nicer Globe** Kosher Certification

LIFE CYCLE ASSESSMENT

Product Carbon Footprint Study for ABP Liquide conducted through Life Cycle Assessment (LCA)

We engaged a third-party vendor to conduct a Life Cycle Assessment (LCA) for Deepak Nitrite Ltd. on the carbon footprint of the ABP Liquide product, in full compliance with ISO 14040:2006, ISO 14044:2006, and ISO 14067:2018 standards. The study was designed with a clearly defined goal and scope, following a cradle-to-gate approach that covers all stages from raw material extraction and transportation to product manufacturing.

We developed the Life Cycle Inventory (LCI) using a combination of primary operational data and secondary data from the Ecoinvent v3.9.1 LCA database, ensuring completeness, transparency, and methodological consistency. Allocation procedures were based on ISO-recognised methods, applying economic and mass-based allocation where a direct physical relationship existed, and cut-off rules were used to ensure that no significant environmental flows were excluded.

We performed the impact assessment using IPCC 2021 characterisation factors for Global Warming Potential (GWP) over a 100-year timeframe, with results expressed in kg CO_2 equivalents per kg of emission. Data validation was carried out throughout the data collection process to meet quality requirements, supported by multiple checks on mass balance and data consistency.

The study also included hotspot identification and analysis, as well as completeness and consistency checks, demonstrating methodological robustness and adherence to internationally accepted LCA practices. We have reported the findings in alignment with the CSA Methodology for the Chemical Sector on Life Cycle Assessment.



Our efforts focus on enhancing resource efficiency, optimising processes, and promoting responsible sourcing, leading to measurable progress in energy conservation, emissions reduction, and waste minimisation. We continuously monitor environmental performance and collaborate with stakeholders to identify new opportunities for impact reduction. Looking ahead, we plan to integrate LCA methodologies into our sustainability framework to strengthen transparency and enable data-driven decision-making.

PRODUCT RECALL

We have established a robust product recall mechanism to safeguard customers, communities, and the environment in the unlikely event of any quality or safety concern. Our system ensures rapid identification, traceability, and withdrawal of affected products from the market, supported by well-defined procedures and cross-functional coordination. Regular reviews and compliance with regulatory requirements strengthen the effectiveness of our recall process, reflecting our commitment to accountability, product stewardship, and stakeholder trust. During FY 2024-25, zero instances of product recalls on account of safety issues.

PRODUCT SAFETY COMMUNICATION

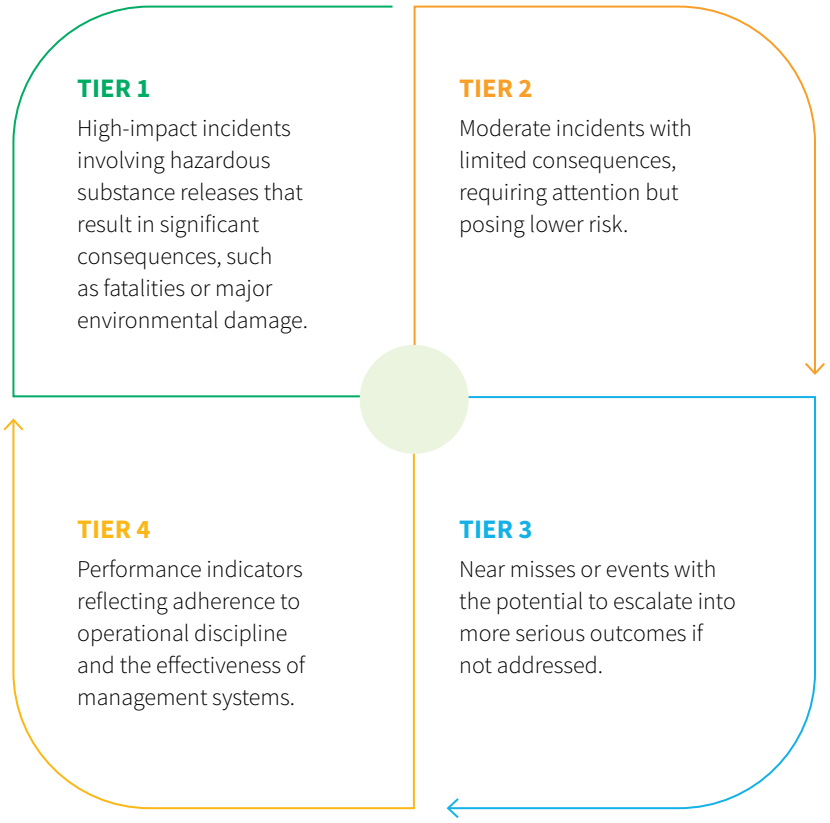
We are dedicated to maintaining the highest standards of accuracy, transparency, and integrity in all our marketing and communication practices. We ensure that every disclosure about our products, services, and performance is clear, factual, and fully aligned with applicable regulations. By sharing consistent and reliable information, we build confidence among stakeholders, enable informed decisions, and reinforce our commitment to ethical and responsible communication across all platforms.

	FY 2024-25
Incidents of non-compliance concerning product and service information and labelling	Nil
Incidents of non-compliance concerning marketing communications	Nil



PROCESS SAFETY

We prioritise process safety as a critical component of our operational integrity, aiming to safeguard employees, assets, and the environment. In alignment with industry standards set by the Centre for Chemical Process Safety (CCPS), we classify process safety events into four tiers based on severity and consequence:



SAFER CHEMICAL HANDLING

We have significantly enhanced the safety and reliability of our chemical handling systems through targeted design interventions and the implementation of automation. In our Dimethyl Sulfate (DMS) system, we transitioned from a scattered manual setup to a centralised, closed-loop configuration – reducing piping length from 250 metres to just 30 metres and minimising leak risks and exposure points. Key upgrades include VOC metres for real-time leak detection, pump tripping and shaft power monitoring, bunded containment zones, automated valves, flange guards, and robust fall protection protocols.

CENTRALISED CAUSTIC HANDLING

Our caustic lye (CSL) handling system was redesigned to eliminate daily tanker movement within the Nitrite plant. By introducing a centralised 1,000 KL storage tank, we've reduced traffic congestion and exposure risks. Enhancements include automated transfer controls with PLC interlocks, structured piping with compatible MOC, real-time monitoring via flow and pressure transmitters, and comprehensive risk mitigation through "What-If" assessments.

CASE STUDY

Proactive Risk Reduction Through Gasket Replacement

To address recurring leakages and near-miss incidents across multiple chemical handling areas, a cross-functional team conducted a detailed investigation and identified inconsistent gasket materials as a root cause. Through a structured Management of Change (MOC) process, all flange gaskets were replaced with chemically compatible PTFE-based alternatives, tailored to each chemical's properties.

KEY OUTCOMES:

- **85% reduction in leak-related incidents** across five years
- **₹ 29.5 lakh** saved through reduced downtime, production loss, and maintenance costs
- Enhanced **safety culture** via SOP updates, worker training, and scheduled shutdown planning
- Tangible benefits in **pollution prevention, inventory optimisation, and employee morale**

This initiative exemplifies how ground-level insights, preventive maintenance, and material compatibility can drive measurable improvements in process safety and operational efficiency.

FIRE & SAFETY

Our Nandesari site features a robust fire safety infrastructure, including extensive hydrant networks, foam systems, safety showers, SCBA sets, and a 2,000 m^3 fire water reservoir, all backed by redundant pumps. Advanced detection systems, AI-enabled CCTV, and dedicated emergency vehicles ensure rapid response.

Regular drills, BBS observations, and safety training embed preparedness, while innovations such as fall-arrest systems, water gel blankets, hazardous area classification, and thermography monitoring further strengthen resilience, earning recognition at national and international forums.



CLOSED LOOP DEA CHARGING – ELIMINATING EXPOSURE & FIRE RISK

At our Dahej site's OBA plant, we replaced the open-tray method of charging diethyl amine (DEA) into reactors with a fully enclosed, stainless steel, closed-loop system. Given DEA's low boiling point, high volatility, flammability, and toxicity, this change eliminates vapour release, protects workers from harmful exposure, and removes a significant fire hazard.

ELIMINATING RISK THROUGH DESIGN INNOVATION

We improved workplace safety by replacing a heavy sparkler filter with a lightweight cartridge system, eliminating crane-related risks and reducing cleaning time by two-thirds. Driven by risk assessments and process reviews, these changes enhanced ergonomics, simplified compliance, and reinforced our commitment to safer operations.

In a similar effort to reduce structural hazards, we replaced an overloaded pipe rack with a certified support system. Executed in phases under strict safety protocols, the project avoided incidents, minimised plant disruption, and strengthened infrastructure reliability.

CASE STUDY

Nitro Steam Venting – Closing the Loop on Energy & Safety

In the Nitro plant, flash steam from distillation columns was previously vented to the atmosphere, wasting energy, increasing boiler load, and adding noise and heat exposure risks. Through a targeted engineering redesign, we installed a flash steam recovery system that routes steam from nine columns into the low-pressure steam header, using pressure transfer to the boiler feed tank, eliminating the need for pumps.

TANGIBLE GAINS

31.1 Lakh/year
savings from recovered steam (1,635 MT/year)

4.77 Lakh/year
power savings (~45,334 kWh/year)

~668 MT/year
CO_2 reduction

Zero
pump maintenance and reduced noise pollution

This initiative not only addressed a persistent safety and environmental concern but also delivered substantial operational and ESG benefits — with Phase 2 planned for the Nitrite plant to extend these results.

PRODUCT EXCELLENCE THROUGH INNOVATION

₹ 24.91 Crores
R&D Investment

108
R&D professionals

21
PhDs employed

1
Product at the scale-up phase for application in the renewable energy sector

34+
Products in Our Portfolio

77
Cumulative Patent Applications Filed

22
Patents Granted

6
products are at commercialisation



Our Deepak Research and Development Centre (DRDC) in Nandesari, Gujarat, serves as the nucleus of our innovation efforts. Recognised by the Department of Scientific and Industrial Research, Government of India, the centre is dedicated to developing advanced technologies and high-value chemical solutions. With a strong team of skilled professionals and cutting-edge infrastructure, DRDC focusses on complex chemistry and engineering challenges, driving innovation that strengthens our portfolio and supports sustainable growth.

DRDC houses advanced facilities, including a Process Engineering Lab, Kilo Lab, and Process Intensification Lab, which play a critical role in generating scale-up data for product development. By applying Design of Experiments methodology with specialised software, we accelerate screening and optimisation at the lab scale. Under the Process Engineering Research and Innovation (PERI) initiative, we continue to strengthen our capabilities through investments in advanced tools, such as flow reactors and flow meters, which support new technology platforms and continuous process innovation. For more details, refer to pages 78-80 of the Intellectual Section in the Annual Integrated Report for FY 2024-25.





DRDC AT SAVLI, VADODARA

Our new R&D Centre at Savli, Vadodara, has already been commissioned and is now operational, marking a significant milestone in our innovation journey. Spanning five acres, this world-class facility is designed to accelerate product development and technology advancement. It houses specialized R&D teams supported by advanced laboratories, pilot and polymer units, and comprehensive analytical and engineering capabilities. The centre boasts state-of-the-art Compounding and Chemistry facilities, enabling formulation development, material optimization, and cutting-edge chemical research. Equipped to manage hazardous chemicals safely, it also features a dedicated pressure reactor unit, ensuring secure and efficient operations while driving breakthroughs in polymer science and chemical innovation.

INNOVATION FOR RESOURCE EFFICIENCY

As part of our commitment to sustainable operations and environmental stewardship, we have implemented several innovative technologies and process improvements to enhance resource efficiency and reduce environmental impact. These initiatives reflect our focus on circularity, cost-effectiveness, and regulatory compliance.

1

Water Recovery from Specific Effluent Stream

Initiative:

We deployed a low-temperature evaporation system based on mechanical vapour compression technology to recover high-quality condensed water from effluent streams. This solution eliminates the need for conventional heat generation and rejection units, significantly lowering water recovery costs.

Outcome:

- Achieved ~95% recovery of reusable water
- Reused recovered water for washing operations
- Contributed to the conservation of natural water resources

2

Sludge Volume Reduction through Neutralising Media Optimisation Initiative

Our R&D team conducted treatability studies on various coagulants, leading to the selection of an optimised neutralising media that minimises sludge generation during primary treatment.

Outcome:

- Reduced primary sludge volume by approximately 85%
- Lowered landfill disposal requirements
- Enhanced operational efficiency and waste management

3

Reuse of Reverse Osmosis (R.O.) Reject Water

We installed advanced water recovery systems to repurpose R.O. reject water in our cooling tower operations, reducing reliance on fresh water sources.

Outcome:

- Improved water circularity within operations
- Reduced freshwater withdrawal and effluent discharge
- Strengthened natural resource conservation efforts







DIGITALISATION AND R&D FOR SUSTAINABILITY

Deepak's R&D agenda is centred on inventing next-generation chemistry and turning every by-product into a value stream. By assessment of existing molecules and unit operations, we have sharpened our efficiency, lowered costs and embedded sustainable practices across the portfolio, an approach that is gradually transforming the Company from a manufacturing powerhouse into a science-driven innovator. For more details, refer to page 81 of our Annual Integrated Report FY 2024-25.

DRDC'S ATHENA 2.0: DRIVING EFFICIENCY IN R&D

Background

Deepak Research and Development Centre (DRDC) has introduced Athena 2.0, a next-generation, secure digital platform that builds on the success of Athena 1.0. Designed as a central hub for research activities, Athena 2.0 is transforming the way projects are managed, data is recorded, and knowledge is preserved. The platform underscores our commitment to harnessing digital innovation for more intelligent data management, stronger governance, and accelerated scientific progress.

Key Features and Capabilities:

- **User-Friendly Interface**
- **Time and Data Management**
- **Streamlined Reporting**
- **Comprehensive Project Oversight**
- **Knowledge Preservation**
- **Geo-fencing**
- **Stage & Gate security control**

BUSINESS EXPANSION AND VALUE CREATION

In FY 2024-25, we sustained growth momentum by leveraging our diversified product portfolio and flexible manufacturing assets. We achieved higher sales volumes and strengthened our customer share, driven by strong demand from construction, infrastructure, and home care applications. Backed by strategic debottlenecking and selective expansions, we achieved total revenue of ₹ 8,282 Crores (including other income) while maintaining financial strength and operational resilience, thereby reinforcing our commitment to long-term value creation for stakeholders.

With our products reaching customers in over 50 countries across six continents, including major markets such as the United States, Europe, China, and India, Deepak has established a robust global presence. Strong, long-standing customer relationships, coupled with the 'Depend on Deepak' initiative, reinforce our position as a preferred supplier and enable the Company to tap into rising international demand effectively.

ECONOMIC PERFORMANCE

DNL FY 2024-25 (₹ Crores)

Particulars	Standalone	Consolidated
Direct economic value generated: (Revenues)	2,526	8,282
Economic value distributed: employee wages and benefits	275	392
Economic value distributed: payments to providers of capital: (Dividend Plus Interest on Borrowings)	103	125.54
Economic value distributed: payments to government (Total Income Tax Expense)	61	255
Economic value distributed: community investments (CSR)	11.94	24.36
Contribution to Employee Gratuity Fund	9.60	10.57
Political Contribution	Nil	Nil

SUSTAINABLE REVENUE

We generate revenue through chemical manufacturing operations. While our business model does not involve conventional sustainable product offerings, we remain firmly committed to creating sustainable value. We embed ESG principles throughout our operational practices, service delivery, and stakeholder engagements, ensuring that our activities contribute to long-term environmental and social benefits. Through responsible manufacturing, resource efficiency, and ethical governance, we continue to align our revenue-generating processes with global sustainability standards.

STRATEGIC INVESTMENTS AND CAPITAL ALLOCATION

Deepak has adopted a holistic growth strategy, expanding its footprint across new products, chemistries, and end-use segments. As part of this integrated approach, we are investing approximately ₹ 2,000 Crores in greenfield projects that strengthen our backward and forward integration capabilities. These initiatives are designed to enhance our product portfolio with margin-accretive offerings such as nitric acid, speciality chemicals, and MIBK-MIBC derived from acetone. We are also expanding our hydrogenation and nitration capacities to support our ambition of serving a wider range of user industries.

Looking ahead, we anticipate a more favourable outlook driven by demand recovery and the addition of robust new products. Furthermore, our Board has approved a formal investment of ₹ 8,500 Crores for manufacturing Polycarbonate resins and Phenol–Acetone, with commissioning targeted by FY 2027-28. These strategic investments position us for long-term growth and value creation across our stakeholder ecosystem.

Targeted Six Sigma training for the Finance function equips teams to identify and eliminate inefficiencies, enhance process accuracy, and drive continuous improvement. Together, these initiatives build capability, improve collaboration, and reinforce a culture of operational excellence.

DIGITALISATION AND CYBERSECURITY

We have established a robust framework and policy for cybersecurity and data protection. Our IT infrastructure is secured with advanced firewall systems, intrusion detection and prevention systems, and strict access controls. We protect our systems with strong authentication mechanisms and state-of-the-art encryption technologies to safeguard sensitive information and minimise the risk of data breaches. By taking a proactive approach to cybersecurity, we reinforce our commitment to a resilient digital ecosystem, ensuring business continuity and building stakeholder trust. Our Chief Information Officer (CIO) is responsible for overseeing cybersecurity and reports directly to the Executive Management team. For more details, refer to our IT/Cybersecurity policy.

INFORMATION SECURITY GOVERNANCE



DATA PRIVACY & PROTECTION

To safeguard sensitive information across all locations, functions, and customer data, we engaged an external agency to conduct a comprehensive data lifecycle assessment. This evaluation reviewed current protocols, identified areas for improvement, and recommended robust controls to mitigate risks, including data leakage and third-party risk management.

Complementing these measures, we have modernised our CCTV infrastructure with advanced edge-based analytics and AI-driven features such as line-crossing detection and intrusion zone monitoring, providing real-time threat detection and incident prevention. Surveillance coverage has been expanded at critical locations across operational sites, strengthening physical security and enabling swift responses to potential breaches or safety incidents.

No cases, incidents, or consumer complaints related to data or cybersecurity breaches were reported in FY 2024-25.

INFORMATION SECURITY/CYBERSECURITY MANAGEMENT PROGRAMS

We have established a comprehensive cybersecurity framework aligned with ISO 27001, that combines advanced technological safeguards with employee engagement to protect our digital ecosystem. At the core is a state-of-the-art Security Operations Centre (SOC), providing 24/7 surveillance, threat detection, and real-time incident response. Our incident response protocol is supported by a dedicated team, well-defined communication channels, and structured processes for containment, investigation, and recovery, ensuring swift and effective resolution of cyber incidents. Regular data backups, redundancy mechanisms, and robust disaster recovery plans strengthen business continuity, while adherence to IT laws and global cybersecurity standards ensures regulatory compliance.

Equally important is our focus on employees. All employees participate in regular cybersecurity awareness sessions and campaigns that cover best practices, data protection, and potential threats. A straightforward escalation process enables prompt reporting of suspicious activity, and information security practices are embedded into performance evaluations to reinforce accountability. By integrating technology, governance, and human vigilance, we maintain a resilient cybersecurity posture that safeguards critical assets and reinforces stakeholder trust.

THIRD-PARTY VULNERABILITY ASSESSMENT

We proactively strengthen our cybersecurity posture through regular third-party vulnerability analyses, conducted in alignment with ISO 27001 and other global cybersecurity standards. As part of these assessments, we perform simulated hacker attacks, also known as penetration testing, to identify potential weaknesses in our systems. These exercises enable us to assess the effectiveness of existing controls, identify vulnerabilities before they can be exploited, and implement corrective measures to enhance overall security. This structured and standards-aligned approach ensures continuous improvement in our defences and reinforces our commitment to safeguarding sensitive data and maintaining stakeholder trust.

INCIDENT RESPONSE PROCEDURES

Procedure	Frequency
Business Continuity and Incident Response	Semi-annual testing
Breach Attack Simulation and Red Teaming	A breach simulation and red-teaming exercise to evaluate defences across people, processes, and technology is planned for Jan 2026

EXTERNAL VERIFICATION & VULNERABILITY ANALYSIS

Procedure	Frequency
External Vulnerability Analysis	Bi-annual
Simulated Hacker Attacks	At least twice a year

INFORMATION SECURITY BREACHES

Metric	FY 2024-25
Number of instances of data breaches	Zero



MATERIALS MANAGEMENT

We prioritise efficient material management to ensure responsible sourcing, optimal utilisation, and minimal wastage across our operations. By integrating advanced planning systems and robust supplier engagement practices, we aim to secure reliable supply chains while reducing environmental impacts. Our focus remains on driving resource efficiency, promoting circularity, and aligning material usage with sustainable growth objectives.

CERTIFIED MATERIALS

We ensure that all materials used in our formulations adhere to the highest quality and regulatory standards. Our formulation solvents are certified by the respective government regulatory agencies, ensuring safety, consistency, and compliance for regulated applications. By relying on certified inputs, we reinforce product integrity, build customer trust, and uphold our commitment to responsible and reliable material management.

DIGITAL TRANSFORMATION FOR PAPERLESS OPERATIONS

We have implemented multiple digital solutions to minimise paper use and enhance efficiency. Key initiatives include the Document Control Centre (DCC), MOC Portal, online platforms for UA/UC, near-miss reporting, and incident investigation. Laboratory data is digitised through LIMS, while SAP and Aspen IP.21 integrate enterprise processes. Training feedback, performance assessment, payroll, and HR functions are managed online via Darwin box. Visitor entry is streamlined through the VMS. These measures collectively cut paper consumption, improve operational efficiency, and advance our sustainability goals. During FY 2024-25, approx. 4,38,280 MT of raw material was used in the production process. We use agro-based fuel and hybrid renewable electricity as renewable raw materials in our operations.



OUR KEY RAW MATERIALS

- Soda Ash
- Toluene
- Sulphur Dioxide
- Dimethyl Sulphate
- Caustic Soda Lye
- Benzotriflouride
- Acetaldehyde Oxime (100%)
- Cumene
- Ortho Xylene
- Meta Xylene
- Concentrated Nitric Acid
- Sulfuric Acid

ENVIRONMENTAL STEWARDSHIP

We place environmental responsibility at the core of our sustainability agenda. We work to minimise our ecological footprint by managing resources, emissions, waste, and energy with a precautionary and long-term approach. We continually invest in cleaner technologies, process efficiencies, and sustainable practices to ensure compliance, enhance performance, and support global environmental objectives. Through robust monitoring, transparent reporting, and active stakeholder engagement, we remain committed to protecting the environment for future generations.

UNSDG:



Key Environment Highlights

6.2%
Reduction in emissions per tonne of production

32,25,464 KW
Energy savings through renewable energy

7,44,751 KL
Water recycled

71,358 MT
Waste recycled

8,000+
Tress Planted



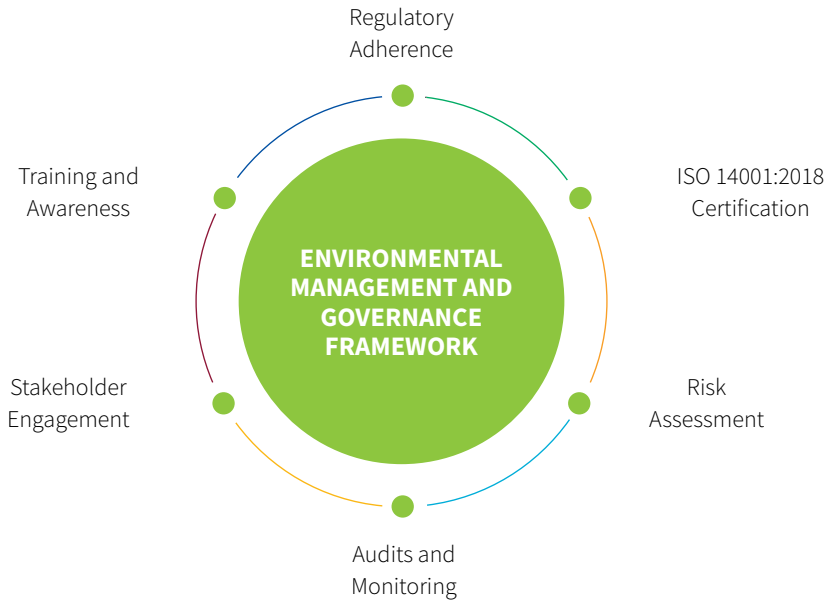
Environmental Compliance

100%
Sites certified with ISO 14001:2018

All operational sites of DNL are certified under ISO 14001:2018, reflecting a strong commitment to structured environmental management practices. This certification ensures that environmental considerations are embedded in every stage of operations, from resource utilisation to waste management and emissions control. The robust framework drives continuous monitoring, improvement, and compliance with both national regulations and international best practices. During the reporting period, no significant social or environmental concerns or risks arose from the production or disposal of products, underscoring the effectiveness of DNL's processes in safeguarding communities and ecosystems.

ENVIRONMENTAL IMPACT ASSESSMENT

Environmental Impact Assessments (EIAs) are a core component of our project planning, conducted prior to significant developments to evaluate potential environmental impacts, with a particular focus on water resources. These assessments are regularly updated using data analysis, stakeholder engagement, and regulatory guidelines, helping us minimise risks and maintain our commitment to sustainable water management and environmental protection. During the reporting period, our operations had no significant environmental impact and incurred no ecological penalties.



CLIMATE STRATEGY

CLIMATE GOVERNANCE

Our Sustainability Committee oversees climate governance by reviewing ESG and climate-related disclosures, tracking best practices, and providing strategic guidance to management. Climate-related matters are included in the Board's agenda, though they are addressed less frequently than annually or on an unspecified basis. This structured governance approach ensures focussed oversight, aligns with our long-term vision, and reinforces our commitment to environmental and social responsibility while advancing business excellence. For more details, refer to the ESG Governance Section of the report and page 271 of our Annual Integrated Report FY 2024-25.

STRATEGY & RISK MANAGEMENT

We conducted a comprehensive climate-related risk assessment for our facilities in FY 2024-25 as part of our established climate risk management process, aligned with TCFD and IFRS S2. This process is fully integrated into our enterprise risk management framework. The assessment covers both risks and opportunities across regulatory, technological, legal, market, reputational, and physical dimensions, and spans our operations, upstream activities, and downstream value chain. We apply short-term (2020-2030), medium-term (2030-2040), and long-term (2040-2050) horizons, supported by qualitative scenario analysis using RCP 2.6, RCP 4.5, and RCP 8.5 pathways (aligned with limiting global warming to 2°C or below) for physical risks, and the IEA 2DS pathway for transition risks.

PHYSICAL RISK MATRIX

Facility / Site Name		Chronic Heat Intensity			Flooding Intensity			Precipitation Intensity		
Facilities	**Climate Scenario**	**Short**	**Medium**	**Long**	**Short**	**Medium**	**Long**	**Short**	**Medium**	**Long**
Corp. Office	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
NDS	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
DRDC	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
DHJ	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
APL	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
TCD	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
HYD	RCP 2.6									
	RCP 4.5									
	RCP 8.5									

Low | Medium Low | Medium | Medium High | High

Time-Horizon

Short	Medium	Long
2030	2040	2050

Facility / Site Name		Exceptional Drought Intensity			Fire Intensity			Max 1-min sustained WIND speed		
Facilities	**Climate Scenario**	**Short**	**Medium**	**Long**	**Short**	**Medium**	**Long**	**Short**	**Medium**	**Long**
Corp. Office	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
NDS	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
DRDC	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
DHJ	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
APL	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
TCD	RCP 2.6									
	RCP 4.5									
	RCP 8.5									
HYD	RCP 2.6									
	RCP 4.5									
	RCP 8.5									

Low | Medium Low | Medium | Medium High | High

Time-Horizon

Short	Medium	Long
2030	2040	2050

IDENTIFIED CLIMATE-RELATED RISKS AND OPPORTUNITIES

Physical Risk

Risk Type	Impact on Business	Mitigation Actions
Chronic Heat (Days per year above 35°C)	Reduced worker productivity, increased cooling costs, accelerated equipment wear, and potential process inefficiencies.	We are upgrading heat-resilient infrastructure, optimising shift patterns, enhancing ventilation and cooling, and ensuring hydration and PPE to protect our people.
Flooding	Disruption to operations, damage to assets, supply chain interruptions, and increased insurance costs.	We strengthen site drainage, elevate critical equipment, and maintain flood-response protocols. Our Zero Liquid Discharge systems and condensate recovery reduce water handling risks, while supply chain diversification safeguards continuity.
Precipitation	Production delays, raw material handling issues, and increased wastewater management needs.	We have upgraded covered storage and handling facilities, enhanced stormwater management, and integrated weather-responsive production planning. Our wastewater recycling and RO systems ensure compliance and operational resilience.
Exceptional Drought	Water scarcity is impacting process operations, leading to increased water procurement costs and regulatory constraints.	We deploy Zero Liquid Discharge, recycle steam condensate, and reuse treated wastewater. We invest in water-efficient technologies and secure alternative sources to maintain uninterrupted operations.
Fire	Threat to life, assets, and production continuity; potential regulatory and reputational impacts.	We have mitigated hazards through DEA closed-loop charging, safer chemical handling systems, and robust fire detection and suppression systems. Regular drills, safe storage, and competency-based training reinforce preparedness.
Wind (Max. 1 minute sustained wind speed)	Structural damage to facilities, disruption of logistics, and safety risks to personnel.	We reinforce building structures, secure outdoor equipment, and maintain wind-event emergency protocols. Our business continuity plans and cross-trained teams ensure rapid recovery and minimal downtime.

TRANSITIONAL RISK

Risk Type	Business Impact
Legal and Policy	Emerging carbon and energy regulations in key jurisdictions may lead to increased compliance costs, operational constraints, or the need for accelerated adaptation. This could impact our licence to operate and necessitate a reallocation of resources toward regulatory alignment.
Market	Volatility in raw material costs, particularly those associated with carbon-intensive inputs, can disrupt pricing strategies, compress margins, and compromise supply chain stability. This may necessitate renegotiation of contracts or diversification of sourcing.
Technology	Failed investments in low-carbon technologies could result in stranded assets, delayed decarbonisation targets, and reputational setbacks. This risk also affects our innovation pipeline and long-term competitiveness in low-emission markets.
Reputational	Rising stakeholder expectations around climate action, coupled with negative feedback or perceived inaction, can erode brand equity, investor confidence, and customer loyalty. This may influence market access, talent acquisition, and ESG ratings.

While we have not yet undertaken a detailed assessment of transition risks, we recognise the growing importance of shaping business resilience. In the upcoming years, we aim to strengthen our understanding of these risks, which include regulatory developments, market shifts, technological innovations, and evolving stakeholder expectations. We view this transition as an opportunity to adapt, innovate, and position our business for long-term value creation in a low-carbon economy.

METRICS AND TARGETS

We monitor and disclose climate-related metrics and targets to track progress against our sustainability commitments and align with global best practices under various frameworks. Our approach focusses on measuring greenhouse gas emissions, energy consumption, and other relevant climate indicators across our operations and value chain. By setting science-based targets and periodically reviewing performance, we ensure transparency, accountability, and alignment with our long-term climate strategy. For more details, refer to our ESG Roadmap section of the report.

CLIMATE-RELATED OPPORTUNITIES



Use of Renewable Energy Sources

Impact on Business

DNL has identified a strategic opportunity to transition to renewable energy sources such as solar and wind. This initiative aims to reduce carbon emissions, enhance energy security, and mitigate risks from volatile fuel prices and evolving regulations. The move aligns with global sustainability trends and positions DNL as an environmentally responsible leader in the chemical industry.

Despite upfront investment, the shift to renewable energy is expected to yield long-term cost savings, stabilise energy expenses, and improve operational efficiency. It will also support regulatory compliance, reduce exposure to carbon pricing, and enhance access to green financing. These benefits collectively strengthen DNL's financial position, improve margins, and support sustainable growth.



Energy Efficiency Measures

Impact on Business

DNL has identified energy efficiency as a key climate-related opportunity to reduce environmental impact and enhance operational performance. By upgrading equipment, implementing energy management systems, and optimising production processes, DNL can significantly lower energy consumption and greenhouse gas emissions. These measures align with sustainability goals and help mitigate risks associated with rising energy costs and regulatory changes.

Energy efficiency initiatives are expected to deliver substantial short-term financial benefits for DNL. These include reduced utility bills, improved profit margins, and enhanced competitiveness through lower production costs. Government incentives and improved brand reputation further support financial performance and cash flow stability.



Water Conservation

Impact on Business

Water conservation presents a strategic opportunity for DNL to address climate-induced water scarcity and regulatory pressures. By implementing rainwater harvesting, wastewater recycling, and efficient water management systems, we are reducing our dependence on freshwater sources, mitigate operational risks, and enhance sustainability performance.

Water conservation efforts are expected to yield substantial short-term financial benefits for DNL. The initiatives will reduce water procurement costs, lower utility bills, and ensure compliance with environmental regulations. These savings will improve cash flows and operational efficiency. Additionally, enhanced sustainability credentials may attract eco-conscious investors and customers, contributing to long-term profitability and brand value.

ENERGY & EMISSION MANAGEMENT

ENERGY MANAGEMENT

Energy is a fundamental input for our operations, and we are committed to improving efficiency and reducing our energy footprint through the use of advanced technologies and high-efficiency equipment. By embracing modern solutions, we continue to enhance operational excellence while steadily expanding our renewable energy portfolio.

At DNL, we recorded a 98% increase in renewable energy contribution in FY 2024-25 compared to the previous year, driven by the integration of a solar power plant. At DPL, we achieved a notable increase in renewable energy consumption through the adoption of solar and biomass energy sources, further underscoring our progress in accelerating the transition to sustainable energy sources.

ENERGY REDUCTION TARGET

Achieve a 15% reduction in energy intensity (GJ/MT) by FY 2030, compared to the baseline year FY 2022-23.

ENERGY CONSUMPTION

	DNL	DPL
Renewable Energy (GJ)	1,530.76	645.51
Non-Renewable Energy (GJ)	21,49,906.93	48,52,390.221
Energy Intensity (GJ/MT)	8.12	4.46

For more details on Energy consumption by source, refer to the ESG factsheet attached to the annexure.

EMISSION MANAGEMENT

We view emission management as a critical enabler of our sustainability journey. We are committed to systematically reducing our greenhouse gas emissions by embedding efficiency, innovation, and cleaner technologies across our operations. Our approach extends beyond compliance, focussing on long-term value creation through energy optimisation, process improvements, and the gradual integration of low-carbon solutions. By aligning our efforts with global climate goals, we aim to enhance resilience, minimise environmental impact, and make a meaningful contribution to a low-carbon future.

EMISSION REDUCTION TARGETS

Achieve a 50% reduction in emission intensity (tCO_2e/MT) by FY 2030, compared to the baseline year FY 2022-23.



OVER 50% RENEWABLE ENERGY FOR GUJARAT OPERATION

We have signed a 10.1 MW wind-solar hybrid power agreement to supply our manufacturing facilities in Gujarat, marking a significant step toward our transition to clean energy. This initiative will enable us to meet over 50% of our energy requirements through renewable sources, reinforcing our commitment to decarbonising operations and reducing dependence on fossil fuels. By integrating hybrid renewable energy into our power mix, we are advancing toward a more resilient and sustainable manufacturing footprint, one that aligns with national energy goals and global climate imperatives.

GHG EMISSION

($MTCO_2e$)	DNL	DPL
Scope 1	1,21,129.44	4,53,317.93
Scope 2	1,01,908.03	10,704.29
Scope 3	2,46,570.12	5,42,024.82

BIOGENIC EMISSION (FY 2024-25)

291.40
DNL (tCO_2e)

228.04
DPL (tCO_2e)



SCOPE 3 CATEGORIES CONSIDERED FOR DNL & DPL

Scope 3 emissions for both DNL and DPL have been meticulously reported under the applicable categories, enabling a comprehensive evaluation of indirect GHG impacts throughout the value chain.

Scope 3 categories considered for DNL	
Category 1:	Purchased goods and services
Category 2:	Capital goods
Category 3:	Upstream transportation and distribution
Category 4:	Downstream transportation and distribution
Category 5:	Waste generated in operations
Category 6:	Business travel
Category 7:	Employee commuting
Category 8:	Upstream leased assets

Scope 3 categories considered for DPL	
Category 1:	Purchased goods and services
Category 2:	Capital goods
Category 3:	Upstream transportation and distribution
Category 4:	Downstream transportation and distribution
Category 5:	Waste generated in operations
Category 6:	Business travel
Category 7:	Employee commuting
Category 8:	Upstream leased assets

Note: We included category 8: Upstream Leased Asset in the FY 2024-25 Scope 3 reporting boundary.

EMISSION INTENSITY

We achieved a reduction in emission intensity of 4% at DNL and 0.3% at DPL on a per tonne production basis during FY 2024-25, reflecting the impact of our ongoing efficiency initiatives and adoption of cleaner energy. This progress highlights our ability to decouple business growth from environmental impact as we continue to optimise processes, reduce fuel dependency, and integrate renewable energy solutions. By lowering emissions per unit of production, we are advancing towards our long-term climate goals while enhancing operational resilience.

	DNL	DPL
Emission intensity in terms of production	1.77	0.92
Emission intensity in terms of Revenue	0.00001859	0.00001716

ENERGY AND EMISSION REDUCTION INITIATIVES - DEEPAK NITRITE LIMITED

At Deepak Nitrite Limited, we integrate energy efficiency and emission reduction into every stage of our operations, aligning process safety with sustainability goals. Through targeted engineering upgrades, renewable energy adoption, and process optimisation, we have reduced our carbon footprint while delivering measurable cost savings. During the reporting period, we saved 32,25,464 kW of energy through the implementation of multiple energy-efficiency initiatives.

CASE STUDY

Energy Savings Through Pump Integrity Enhancement

We improved pump efficiency and reliability by applying ceramic composite coating to the wetted parts of cooling tower pumps. This intervention reduced surface roughness, minimised corrosion, and enabled smoother fluid flow, shifting from turbulent to laminar conditions.

KEY OUTCOMES:

- Up to **18% increase** in flow rate
- **10–11% reduction** in power consumption
- Pump efficiency improved **from ~34% to over 67%**
- Annual **savings of ₹ 31.8 lakh** and carbon **footprint reduction of 324 MT/year**
- **Payback period under 1 month,** validating the cost-effectiveness of the solution

This initiative demonstrates how targeted reliability improvements can deliver measurable ESG benefits, combining operational excellence with sustainability impact.

ENERGY AND EMISSION MANAGEMENT INITIATIVES - DEEPAK PHENOLICS LIMITED

Accelerating Our Green Energy Transition

Through our existing 100 kW solar installation, we are achieving an estimated reduction of approximately 80,000 kg of CO_2 emissions annually by offsetting coal-based electricity consumption. This initiative marks a tangible step toward decarbonising our energy footprint and advancing our climate action goals.

Building on this progress, we have planned the installation of an 800 kWp solar rooftop panel system to further harness clean energy directly from our premises. This expansion will significantly reduce our dependence on fossil fuels, lower Scope 2 emissions, and contribute to long-term energy cost optimisation.

In parallel, we are preparing to import certified green power from external renewable sources. This dual strategy, combining onsite solar generation with offsite green power procurement, positions us to meet our sustainability targets more effectively while supporting India's broader renewable energy mission.

Promoting Sustainable Energy Through Bio-Fuel Integration

We have successfully integrated biofuel utilisation in our boiler operations, achieving up to 15% substitution alongside coal. This transition marks a significant step toward reducing our carbon footprint and advancing sustainable energy use within our manufacturing processes. By partially replacing fossil fuels with renewable alternatives, we not only lower greenhouse gas emissions but also contribute to India's broader clean energy goals. This initiative reflects our commitment to responsible energy management and climate-conscious operations.

Transitioning to Eco-Friendly Refrigerants for Climate Protection

We have replaced R22 refrigerant gas with eco-friendly alternatives across our operations to align with sustainable cooling practices and global environmental protocols. This transition supports ozone layer protection and contributes to the reduction of greenhouse gas (GHG) emissions associated with legacy refrigerants. By adopting cleaner technologies, we reinforce our commitment to climate-conscious operations and compliance with international sustainability standards.

AIR EMISSION

We actively manage air emissions across all our operations, focussing on reducing pollutants and ensuring compliance with regulatory standards. Through continuous monitoring, process optimisation, and the adoption of cleaner technologies, we aim to minimise the environmental impact of our activities.

AIR EMISSION REDUCTION INITIATIVES

To manage SOx emissions from the boiler stack, limestone is added to coal during combustion. This measure has proven effective in significantly reducing SOx levels, ensuring compliance with updated regulatory standards, and supporting cleaner, more sustainable operations. To further address process emissions, we are designing and implementing an efficient scrubber system to enhance workplace air quality by minimising harmful emissions.

Together, these initiatives have contributed to a notable reduction in SOx emissions, resulting in a cleaner and safer environment.

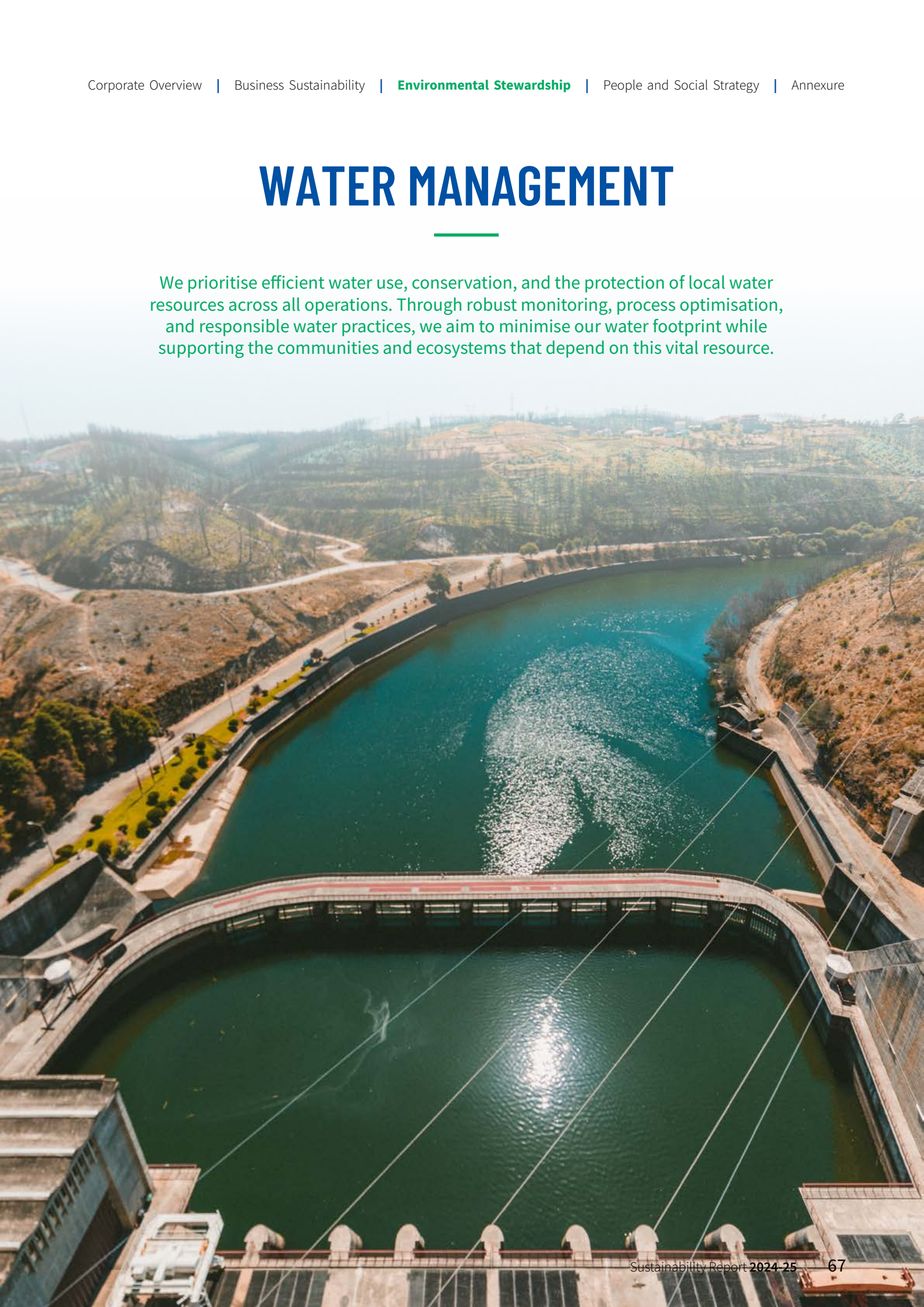
At DPL, the installation of Retrofit Emission Control Devices (RECDs) on diesel generator sets is currently under CAPEX approval to significantly reduce air emissions and improve ambient air quality.

Detailed information on our air emissions is provided in the ESG factsheet, attached as an annexure to this report.



WATER MANAGEMENT

We prioritise efficient water use, conservation, and the protection of local water resources across all operations. Through robust monitoring, process optimisation, and responsible water practices, we aim to minimise our water footprint while supporting the communities and ecosystems that depend on this vital resource.



At our manufacturing plants in Gujarat, Maharashtra, and Telangana, water is primarily sourced from third-party suppliers, including State Industrial Development Corporations. Continuous recycling and optimisation initiatives have helped reduce water withdrawal while meeting production, cooling, domestic, and greenbelt needs, ensuring alignment with environmental sustainability and operational efficiency.

WATER REDUCTION TARGETS

Achieve a 40% reduction in water intensity (m3/MT) by FY 2030, compared to the baseline year FY 2022-23.

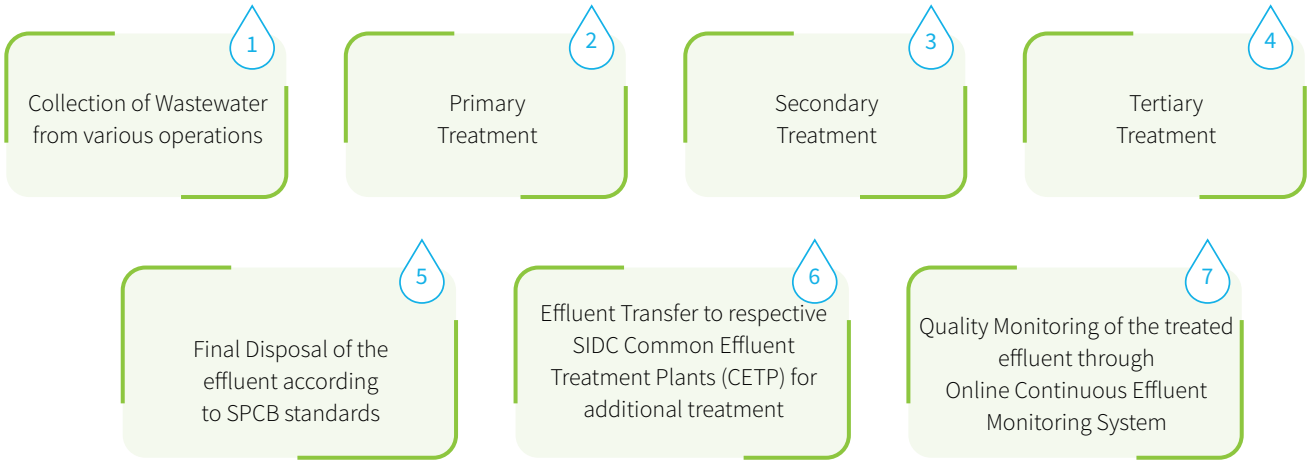
	DNL	DPL
Total water withdrawal (kl)	11,67,269	23,07,087
Total water consumption (kl)	6,70,029	22,39,425
Total water discharge (kl)	5,02,284	2,47,083

For more details on water withdrawal by source, refer to the ESG factsheet attached to the annexure.

EFFLUENT MANAGEMENT

Waste Water Treatment Process at DNL

We are committed to managing wastewater responsibly across all operations, ensuring environmental sustainability and compliance with regulatory standards.



DNL: COMPREHENSIVE TREATMENT AND WATER REUSE

All wastewater generated at our manufacturing locations is treated in fully equipped Effluent Treatment Plants (ETPs) before being discharged to a Common Effluent Treatment Plant (CETP). The treatment process integrates primary, secondary, and tertiary stages:

- **Primary Treatment:** Wastewater from unit operations undergoes bar screening, oil and grease separation, coagulation and flocculation, and lamella settling, achieving 25–30% efficiency.
- **Secondary Treatment:** Advanced Activated Sludge Process (ASP) and Membrane Bio Reactor (MBR) technologies deliver 80–90% efficiency, ensuring regulatory compliance.
- **Tertiary Treatment and Water Reuse:** Post-MBR effluent passes through Ultra-Filtration (UF) and Reverse Osmosis (RO), with an 80–85% recovery rate. RO permeate is reused in production processes and cooling towers, while 15–20% of the reject water is further treated in the Mechanical Vapour Recompression (MVR) system, which operates at 95–98% efficiency. Pure condensate from MVR is reused in production, and salts/residues are safely disposed of in secure landfills.

The quality of treated wastewater is continuously monitored through an Online Continuous Effluent Monitoring System (OCEMS), with daily internal analysis and monthly validation by an independent third party.

ADVANCING EFFLUENT TREATMENT - DEEPAK PHENOLICS LIMITED

At DPL, we treat wastewater through in-house Effluent Treatment Plants (ETPs), ensuring compliance with environmental norms and operational integrity. Post-treatment, the water is transferred to the GIDC pumping station and subsequently discharged into the deep sea, in accordance with regulatory protocols.

To enhance the efficiency and sustainability of our ETP operations, we have implemented targeted improvement measures. These include reducing lime consumption and installing advanced aerators in the secondary treatment system. As a result, we have achieved a significant reduction in sludge generation compared to previous years – leading to improved treatment outcomes, reduced waste disposal volumes, and optimised resource use..

ENHANCING EFFLUENT TREATMENT THROUGH IN-HOUSE PHENOL RECOVERY

We have implemented an in-house phenol recovery process, significantly improving the efficiency of our wastewater treatment operations. By removing phenol at the source, we reduce the biological load on our Effluent Treatment Plant (ETP), enabling more effective downstream treatment and compliance with discharge norms. This initiative reflects our commitment to process optimisation, pollution prevention, and sustainable water management.



STANDARDS AND ENVIRONMENTAL SAFEGUARDS

We strictly adhere to government standards for water quality, particularly those established by the Central Pollution Control Board (CPCB) for the organic chemical manufacturing industry. There is no direct discharge of untreated wastewater into any water body.

In locations where specific local discharge requirements are not in place, we establish minimum effluent discharge standards based on best practices and environmental sustainability principles. The profile of receiving waterbodies is carefully considered, including factors such as water quality, aquatic life support, and ecosystem health, to minimise environmental impact.

This integrated wastewater management system maximises water reuse, reduces environmental impact, and ensures compliance with statutory norms, reflecting our commitment to sustainable water management and environmental stewardship.

ZERO LIQUID DISCHARGE (ZLD) SYSTEM

We have implemented a Zero Liquid Discharge (ZLD) system at our Hyderabad Unit-II, reflecting our commitment to water conservation and environmental sustainability. Effluents with high total dissolved solids (TDS) undergo primary treatment before being processed through a Multi-Effect Evaporator (MEE) system. The concentrate from the MEE is sent to a Fluidised Bed Recovery (FBR) system, where we recover sodium sulphate salt and reuse the treated water in our production processes.

We also treat sewage in an in-house Sewage Treatment Plant (STP), followed by a Reverse Osmosis (RO) system. RO permeate is reused in production, while RO reject is directed to the evaporation system. This integrated ZLD approach allows us to maximise water reuse, eliminate liquid discharge, and advance our sustainable water management goals.

WATER MANAGEMENT IN WATER-STRESSED AREAS

We employ a comprehensive approach to identify and mitigate water-related impacts across all our operations. Through scenario analysis, we assess water risks and identify stress regions, which form a key part of our water management strategy.

Our manufacturing plants in Nandesari and Dahej, Gujarat, and Jeedimetla, Telangana, are located in high-risk, water-stressed regions where water scarcity poses significant challenges. To manage water efficiently, DNL has implemented advanced water management technologies, including Ultra Filtration (UF), Reverse Osmosis (RO), Mechanical Vapour Recompression (MVR), and Multi-Effect Evaporator (MEE) systems to optimise reuse and recycling. One Hyderabad unit, Unit 2, operates as a Zero-Liquid Discharge (ZLD) plant, recycling treated wastewater for production and gardening purposes. The other two units utilise in-house Effluent Treatment Plants (ETPs), treating production wastewater for further processing and discharging domestic wastewater to the GIDC pumping station.

For more information on water sourced, consumed, and discharged in water-stressed areas, refer to page 228 of the Annual Integrated Report FY 2024-25.



WATER CONSERVATION INITIATIVES

Initiative	Impact
Integration of Scalban Technology in Cooling Towers	We deployed Scalban technology in our cooling towers, allowing Reverse Osmosis (RO) reject streams to be reused directly in the cooling process rather than being routed to the MEE. This innovation has reduced our dependence on freshwater while easing the treatment load on the MEE system, resulting in more efficient and sustainable water management.
Product Recovery and Reuse	We reuse the products recovered from the stripper top and bottom streams in specific production processes, enabling optimal resource utilisation while reducing freshwater consumption.
Reverse Osmosis (R.O.) Permeate Reuse	We reuse the permeate generated from our RO system in cooling towers, directly reducing our reliance on freshwater and enhancing overall efficiency.
Conservation of Non-processed Water	We recycle and reuse condensate from the Mechanical Vapour Recompression (MVR) and Multiple Effect Evaporator (MEE) systems, together with steam condensate, channelling it back into our facility operations to optimise water efficiency.
Rainwater Harvesting	Through our rainwater harvesting initiatives, we conserved nearly 5,000 KL of water during the reporting period. This effort not only reduces dependency on external water sources but also strengthens groundwater recharge and supports long-term water security for our operations and surrounding communities.

CASE STUDY

Innovatively Boosting Water Efficiency Background

Traditionally, our cooling towers relied on freshwater, while Reverse Osmosis (RO) reject water was diverted to the Multiple Effect Evaporator (MEE) for treatment. Although effective, this process increased freshwater dependency and placed a heavy operational load on the MEE system.

INTERVENTION

We introduced an innovative solution that enables the direct use of RO reject water in cooling towers, eliminating the need for routing it to the MEE. This breakthrough approach optimises water streams and enhances circularity within our operations.

IMPACT

By reusing RO reject water in cooling towers, we have:

- Significantly reduced dependence on freshwater sources.
- Lowered the treatment burden on the MEE system, improving operational efficiency.
- Advance our journey toward sustainable and resilient water management.

This initiative not only demonstrates our commitment to resource efficiency but also reflects our drive to adopt more innovative, technology-led solutions for sustainable growth.

WASTE MANAGEMENT

The chemical industry plays a vital role in modern life by delivering products that support everyday living. At the same time, it generates significant waste that must be managed responsibly. We recognise this responsibility and are committed to reducing our environmental impact by optimising resource use and ensuring safe, compliant handling of both hazardous and non-hazardous waste. Our practices are aligned with all relevant regulations and reflect our commitment to environmental stewardship.

TARGETS

Achieve a 15% reduction in waste intensity (MT/MT) by FY 2030, compared to the baseline year FY 2022-23.

WASTE STREAMS ACROSS OPERATIONS

Across our operations, including manufacturing units, Effluent Treatment Plants (ETPs), and support functions, we generate a wide range of waste.

- At DNL, typical waste streams include ETP sludge, spent carbon, process residues, used oils, salts, e-waste, biomedical waste, and food waste.
- At DPL, the key waste streams include ETP sludge, insulation waste, and spent adsorbents, along with other production-related waste.

	DNL	DPL
Total Waste Generated	83,619.08	657.78
Hazardous Waste	73,065.10	453.67
Non-Hazardous Waste	10,553.98	204.11
Waste Diverted from Disposal (recycled & reused, Incineration with energy recovery)	70,612.55	533.10
Waste Directed to Disposal (Incineration, animal feed, Incinerated waste)	13,006.53	124.13
Waste Circularity (%)	84%	81%

OUR APPROACH

We are committed to minimising waste generation and disposal through innovative and sustainable measures. Our approach is guided by the 4R principles – Reduce, Reuse, Recycle, and Recover, which enable us to transform waste into valuable resources and strengthen our circular economy practices. We conduct regular internal and external waste audits.

Reduce

We focus on process optimisation and material efficiency to limit waste generation at the source.

Reuse

By reintroducing recovered by-products and materials back into production, we extend their lifecycle and cut down on fresh resource use.

Recycle

We segregate and channel suitable waste streams to authorised recyclers.

Recover

Through advanced treatment systems, we recover energy, water, and other by-products from waste streams, creating additional value while reducing environmental impact.

Waste Management Initiatives (DNL)

ALTERNATE NEUTRALISING MEDIA

Following a detailed treatability study at our Research and Development Centre, we introduced an alternate neutralising medium for primary wastewater treatment. This innovation has led to a significant reduction in sludge generation, enhancing efficiency and reducing disposal requirements.

WASTE DIVERSION THROUGH RECOVERY

We have implemented robust recovery processes that enable waste materials to be diverted from landfilling to recycling.

This approach supports resource circularity and reduces the environmental burden associated with landfill disposal.

VOLUTE PRESS INSTALLATION

To further minimise waste volumes, we have installed a volute press, enhancing dewatering efficiency and significantly reducing the overall quantity of waste requiring final treatment or disposal.

CASE STUDY

Wastewater Reduction in Operations Challenge

Historically, our primary wastewater treatment process relied on hydrated lime as a coagulant. While effective, this approach created several downstream challenges:

- Increased hardness in treated water.
- High sludge volumes requiring significant handling and disposal.
- Frequent choking of evaporation and filtration units.
- Overall reduction in operational efficiency.

OUR R&D-BASED SOLUTION

Extensive research at our R&D Centre led to the identification of a superior alternative neutralising media for wastewater treatment. This solution maintained both quality and cost efficiency while delivering transformational operational and environmental benefits.

IMPACT

The new approach has yielded significant advantages in terms of cost savings, operational efficiency, and sustainability performance:

- 85% reduction in sludge volumes, achieved through reduced consumption of neutralising media.
- Lower sludge generation has minimised requirements for handling, storage, and transportation.
- Treated water hardness is controlled, improving the efficiency of filtration and evaporation systems.
- Reduced Scope 3 emissions, contributing to a lower overall carbon footprint.

This initiative demonstrates how innovation in process design can directly translate into resource efficiency, cost optimisation, and reduced environmental impact.

Waste Management Initiatives (DPL)

DRIVING RESOURCE EFFICIENCY THROUGH 3R STRATEGY

We have adopted a comprehensive Reduce, Reuse, and Recycle (3R) strategy to strengthen our environmental stewardship and operational sustainability. As part of this approach:

- We convert kitchen waste into nutrient-rich manure using Organic Waste Converters, promoting circularity and reducing organic waste sent to landfills.
- We achieve 70–80% condensate recovery in our boiler systems, which helps minimise demineralised (DM) water consumption and supports efficient water resource management.

Advancing Circularity Through Waste Co-Processing (DPL)

We successfully completed trial runs for utilising ETP sludge in our CFBC boiler alongside coal, and received Standard Operating Procedure (SOP) approval from the Central Pollution Control Board (CPCB) under Rule-9. This strategic initiative allows us to co-process hazardous waste as an alternative fuel, delivering multiple environmental and operational benefits.

By integrating ETP sludge into our energy recovery process, we reduce coal consumption, divert hazardous waste from TSDF landfilling sites, and significantly lower Scope 3 emissions associated with waste transportation. This approach reflects our commitment to circular economy principles, resource efficiency, and sustainable operations – turning waste into value while minimising environmental impact.

CIRCULAR UTILISATION OF FLY ASH FOR SUSTAINABLE INFRASTRUCTURE

We ensure responsible handling of fly ash generated from our boiler operations by channelling it into productive reuse pathways. A significant portion is supplied to the cement industry for brick manufacturing, supporting resource-efficient construction practices. Additionally, we utilise fly ash in-house for road construction, reducing the need for virgin materials and contributing to infrastructure development with a lower environmental footprint.

WAY FORWARD: STRENGTHENING WASTE MANAGEMENT THROUGH STRATEGIC INVESTMENTS

We have made a dedicated budgetary allocation to enhance our waste management infrastructure and drive continuous improvement in environmental performance. This includes the installation of a Thermal Resource Locator (TRL) system and the upgradation of our Reverse Osmosis (RO) and Ultra Filtration (UF) units. These investments enable us to enhance water recovery, minimise hazardous waste discharge, and adhere to best practices in industrial effluent treatment. Through these enhancements, we reinforce our commitment to resource efficiency, regulatory compliance, and sustainable operations.



BIODIVERSITY

Recognising the urgent global challenge of biodiversity loss, we have taken proactive steps to conserve and enhance biodiversity within our operational areas and surrounding ecosystems. We collaborate closely with stakeholders, both internal and external, to strengthen environmental responsibility and support local community development.

To ensure environmentally responsible growth, we conduct Environmental Impact Assessments (EIAs) prior to commencing any new construction projects. These assessments enable us to identify potential ecological risks early and guide the adoption of appropriate protective measures. In FY 2024-25, EIAs were carried out two base line monitoring for new projects at group level, reaffirming our commitment to sustainable development practices.

Importantly, none of the operational sites of Deepak Nitrite Limited (DNL) or Deepak Phenolics Limited (DPL) are located in ecologically sensitive or high-biodiversity zones. Furthermore, as per the International Union for Conservation of Nature (IUCN) Red List, no IUCN-listed species were identified in areas impacted by our operations during the reporting period.

BIODIVERSITY CONSERVATION & INITIATIVES

We have undertaken a large-scale mangrove restoration project spanning 50 acres (20.23 hectares) of mudflats across 10 villages, aimed at strengthening coastal resilience and biodiversity. With a survival rate of approximately 70%, the initiative has made significant strides in protecting fragile ecosystems and enhancing natural carbon sinks.

Through this effort, we are enabling carbon sequestration of nearly 100 metric tonnes per hectare, contributing meaningfully to climate mitigation and shoreline stabilisation. This project reflects our commitment to nature-based solutions and community-driven environmental stewardship, ensuring long-term ecological and social benefits for coastal populations.

GREENBELT & WATER CONSERVATION AT DCTL DAHEJ

At our Dahej site, we have significantly enhanced greenbelt management and water efficiency through the installation of drip irrigation systems. This shift from manual watering has resulted in annual water savings of over 7.9 million litres across a 10-acre GIDC plot, supporting 14,000 forest, fruit, and ornamental trees. The survival rate of plantations has improved from 75% to 80%, and after three years, the trees are generating 11,506 kg of oxygen annually, contributing to local air quality and biodiversity.

These efforts demonstrate our commitment to resource conservation, ecological restoration, and climate resilience, showcasing how infrastructure upgrades can deliver a measurable environmental impact.



EXCEEDING GREENBELT TARGETS FOR ECOLOGICAL BALANCE - DPL

We have developed a greenbelt that exceeds our total plot area, reflecting our firm commitment to ecological restoration and environmental stewardship. This includes extensive plantation efforts both within and beyond our premises, creating a thriving green buffer that enhances biodiversity, improves air quality, and contributes to long-term sustainability. This initiative not only enhances biodiversity and microclimatic conditions but also contributes to air purification, noise reduction, and overall sustainability of the industrial ecosystem. By exceeding regulatory requirements, we demonstrate our proactive approach to creating sustainable infrastructure and long-term environmental benefits.

1,88,003 m^2
Greenbelt developed

1,76,945 m^2
Total plot area

PEOPLE & SOCIAL STRATEGY

Performance Highlights

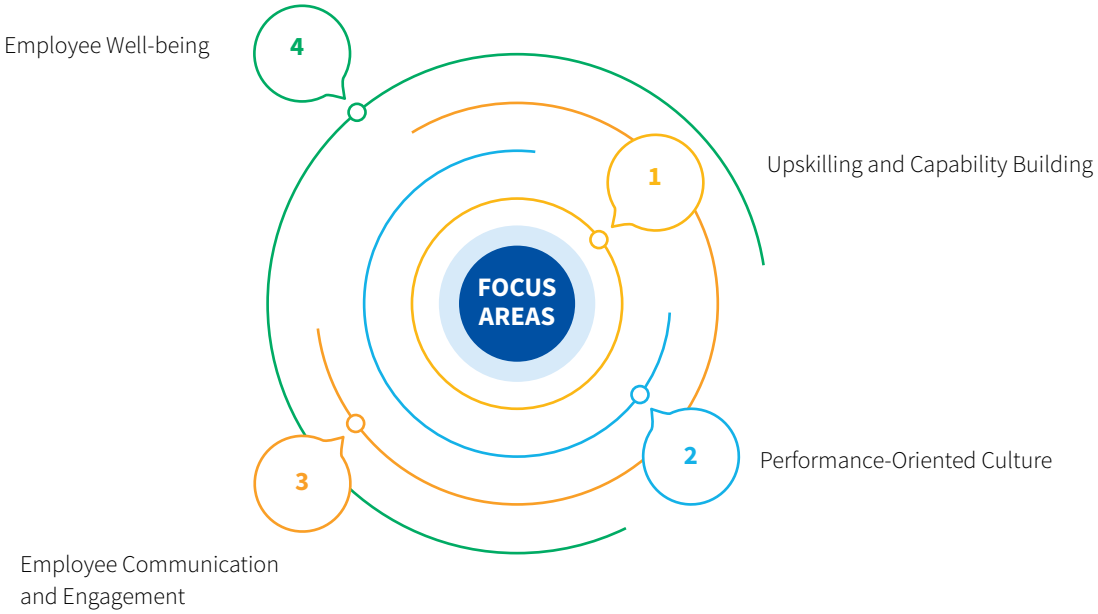
	DNL	DPL
Total Workforce (including contractors)	4,472	464
Average hours per FTE of training and development	17.80	16.26
Average amount spent per FTE on training and development	1,237.66	22,000
Fatalities across manufacturing sites	Zero	Zero
Average hiring cost/FTE (₹)	18,005.31	8,000
Instances of human rights breaches	Zero	Zero

We place people at the heart of our growth journey, building an inclusive, safe, and empowering workplace that nurtures talent and fosters innovation. Our strategy focusses on attracting and retaining skilled professionals, strengthening diversity and inclusion, enhancing employee well-being, and investing in continuous learning and leadership development. At the same time, we remain deeply committed to creating a positive social impact by engaging with communities, advancing equitable opportunities, and driving sustainable growth across our value chain.





People Strategy Priorities





Diversity and Inclusion

We are committed to creating a workplace that is diverse, inclusive, and supportive of employee well-being. While we are still in the early stages of our DEI journey, our approach is grounded in the Deepak Group's strong belief in the power of diversity and the value of equity and inclusion. For us, DEI is not just a compliance requirement, but a continuous journey to nurture a culture where every individual, regardless of their background, identity, or ability, feels respected, empowered, and celebrated. Through this commitment, we are shaping a stronger, more resilient, and united workforce prepared to meet the challenges of the future.

TOTAL WORKFORCE

Particulars	DNL		DPL	
	Male	Female	Male	Female
Permanent Employees and Workers	1,707	50	397	30
Contractual Employees and Workers*	2,710	5	35	2

*Note: *At DNL, contractual workers support services such as housekeeping, gardening, security, maintenance, and operations, with attendance tracked via the Access Control System.*

**At DPL, contractual workers, including third-party payroll staff, retainers, and apprentices, are engaged through agencies and contribute to various support functions.*

For detailed information on our workforce distribution by category, age, and region, please refer to the ESG Factsheet attached in the Annexure.

DEI FOUNDATIONS AT DEEPAK

To establish a robust foundation for Diversity, Equity, and Inclusion (DEI) at Deepak, we are implementing a comprehensive strategy that encompasses policy development, infrastructure enhancements, inclusive hiring practices, and supportive benefits. These initiatives are designed to foster an inclusive and equitable workplace culture.

Formal DEI Policy	We have instituted an organisation-wide DEI policy supported by leadership involvement led by top leaders, which underscores our commitment to creating an inclusive, respectful, and bias-free work environment for all employees. This policy serves as the cornerstone of our DEI efforts, guiding our practices and ensuring alignment with our core values.
Accessible Infrastructure	Our new office spaces are thoughtfully designed to accommodate all employees, featuring ramps, spacious lifts, and wide washrooms. These enhancements ensure that our workplace is accessible to everyone, reflecting our commitment to inclusivity.
Inclusive Hiring Practices	Our Talent Acquisition team actively promotes gender diversity by including female candidates in all recruitment efforts and monitoring gender representation across roles. This proactive approach ensures diverse hiring and supports our goal of building a balanced workforce.
Paternity Leave Rollout	We have introduced paternity leave across Deepak in a phased manner to support shared caregiving responsibilities. Since its implementation, the policy has been widely used by employees, reinforcing our commitment to equitable workplace benefits.
Cross-Functional Collaboration	A DEI Cross-Functional Team was established with representatives from various functions to evaluate DEI status and provide actionable recommendations, ensuring continuous progress.
Culture Building and Awareness	We conducted regular leadership meetings and established Employee Resource Groups (ERGs) and Focus Group Discussions (FGDs) to strengthen DEI awareness and foster an inclusive workplace culture.

CELEBRATING UNIQUENESS

We actively celebrate diversity across the organisation, fostering a culture where every individual's contribution is valued. This is reflected in initiatives such as International Women's Day, which saw enthusiastic participation from employees, including male allies, highlighting gender equity as a shared responsibility. On the International Day of Persons with Disabilities, we conducted sessions to raise awareness and empathy for the challenges faced by individuals with disabilities.

Furthermore, we promote inclusion in STEM, as exemplified by a female colleague from our Centre of Excellence, who represented the Deepak Group at the Azeotropy 2024 symposium at IIT Bombay, advocating for greater participation of women in technical fields.

EXTENDING INCLUSION BEYOND THE WORKPLACE

Deepak Group fosters inclusion not just within the organisation but across the wider community. At the Deepak Corporate Concert, visually impaired children from Deepak Foundation performed, inspiring all and highlighting our commitment to social acceptance and broader inclusion.

THE ROAD AHEAD: ADVANCING GENDER DIVERSITY AND INCLUSION

While current gender diversity stands at approximately 3% at DNL and 7% at DPL, we remain deeply committed to driving long-term, sustainable change through continuous improvement. Our future path focusses on increasing gender representation across all functions, developing inclusive infrastructure, refining hiring practices and strengthening data collection and accountability to track progress.

INDUCTION & CAPABILITY BUILDING – PRARAMBH

A structured quarterly induction program for experienced lateral hires provides a comprehensive overview of all departments, plant operations, and organisational processes. The program fosters cross-functional understanding, accelerates integration, and strengthens alignment with company values.

HIRING PRACTICES: SHAPING FUTURE-READY WORKFORCE

In FY 2024-25, we focussed on building a diverse, skilled, and resilient workforce, balancing the recruitment of fresh talent with experienced professionals to ensure leadership continuity and infuse new perspectives. As an Equal Opportunity Employer, we strengthened female representation at associate and senior management levels, while continuing to focus on improving gender diversity in top and middle management. To meet dynamic operational needs, we also leveraged flexible hiring, engaging contractual and temporary staff to build a robust talent pipeline.

NEW EMPLOYEES HIRED

Category	Unit	No. of Employees Hired from 1 Apr 2024 - 31 Mar 2025 (DNL)					
		Age Group					
		<30		30-50		>50	
		Male	Female	Male	Female	Male	Female
		Permanent Workforce					
Top management	Nos.	0	0	1	0	0	0
Senior management	Nos.	0	0	3	2	1	0
Middle management	Nos.	0	0	9	0	1	0
Associates / Junior	Nos.	146	0	57	9	0	0

Category	Unit	No. of Employees Hired from 1 Apr 2024 - 31 Mar 2025 (DPL)					
		Age Group					
		<30		30-50		>50	
		Male	Female	Male	Female	Male	Female
		Permanent Workforce					
Top management	Nos.	0	0	1	0	0	0
Senior management	Nos.	0	0	1	0	0	0
Middle management	Nos.	0	0	2	1	1	0
Associates / Junior	Nos.	46	6	18	0	0	0

In FY 2024-25, 80% of senior management positions at all significant locations of operation were filled by individuals hired from the local community, defined as the respective states. This is reported by grade under the SMC cadre.

ONE-YEAR CAMPUS TRAINEE INTEGRATION PROGRAMME

The 1-Year Integration Plan is a structured development journey designed for campus trainees hired into Deepak Nitrite Limited. It provides a phased approach to help Campus Trainees transition smoothly from campus to corporate life, understand the organisation, and build both technical and behavioural competencies required for their roles. Under this programme, 43 campus trainees were assessed based on their functional/technical and behavioural skills, knowledge, and integrated into the organisational structure post their formal confirmation. By the end of the programme, trainees gain a holistic understanding of the Deepak Group, develop technical proficiency in their respective functions, and are equipped with the right behavioural and professional skills to take on critical roles.

BUDDY INITIATIVE

As part of the onboarding process at DNL, buddies were appointed to guide the 2024 campus trainee batch, helping them adapt to the new environment and transition into their roles. Buddies were briefed on program objectives and expectations, serving as the primary point of support for trainees. The program included review meetings to capture two-way feedback between buddies and trainees, and concluded with the distribution of certificates of appreciation and gift vouchers to the buddies in recognition of their contributions, while also gathering insights to enhance the Buddy Program further.

EQUITABLE PAY PRACTICES

We are committed to fair, transparent, and bias-free compensation across all levels of the organisation. Our pay structures reward performance, skills, and experience while eliminating disparities related to gender, role, or background. We conduct regular reviews and benchmark against industry standards to maintain pay equity and ensure all employees are fairly compensated for their contributions. By fostering transparency in remuneration, we build trust, accountability, and confidence among employees, reinforcing a culture of equality, inclusivity, and long-term engagement. For FY 2024-25, the ratio of average basic salary and remuneration of women to men across employee categories was 3.01 at DNL.

Note: In FY 2024-25, all permanent and non-permanent employees and workers were paid at or above the legally mandated minimum wage, with equitable compensation provided to both male and female employees. For more details, refer to page 221 of our DNL's Annual Integrated Report FY 2024-25.

TALENT MANAGEMENT

Our talent management strategy is designed to attract, develop, and retain a high-performing workforce that drives organisational growth. By focussing on people analytics, succession planning, internal mobility, and capability building, we nurture leadership potential, promote career growth, and ensure workforce continuity aligned with our strategic priorities.

PEOPLE ANALYTICS

We use Darwinbox as a centralised platform to manage employee, recruitment, and training data. Through people analytics, we generate actionable insights to monitor performance, strengthen individual and team outcomes, and align workforce efforts with organisational goals.

Our recruitment strategy evaluates sourcing effectiveness, optimises candidate screening, and balances talent supply and demand. By leveraging internal and external databases, we identify best-fit candidates and match internal talent to future needs.

Analytics also help identify emerging skill gaps and potential risks of attrition. By monitoring engagement and satisfaction, we design targeted interventions that address career growth, compensation, and job fulfilment, strengthening workforce commitment.

SUCCESSION PLANNING

Succession planning is a key part of our talent strategy, where we systematically identify critical positions essential for business continuity. By mapping potential successors and assessing skill gaps, we ensure the organisation is prepared for future leadership needs. This proactive approach supports stability and strategic growth across all functions.

INTERNAL MOBILITY

Internal mobility is central to capability building and succession planning initiatives. We prioritise filling positions from within the organisation, enabling employees to expand their skills and experience. This approach fosters career growth, retains talent, strengthens organisational knowledge, and ensures that critical roles are staffed with capable, experienced individuals aligned with our long-term goals.

BUILDING A FUTURE-READY WORKFORCE - DNL

In FY 2024-25, we strengthened our talent pipeline through internal mobility, onboarding of trainees, and targeted capability building. 19 employees advanced into new roles across entities, while 47 trainees joined DNL.

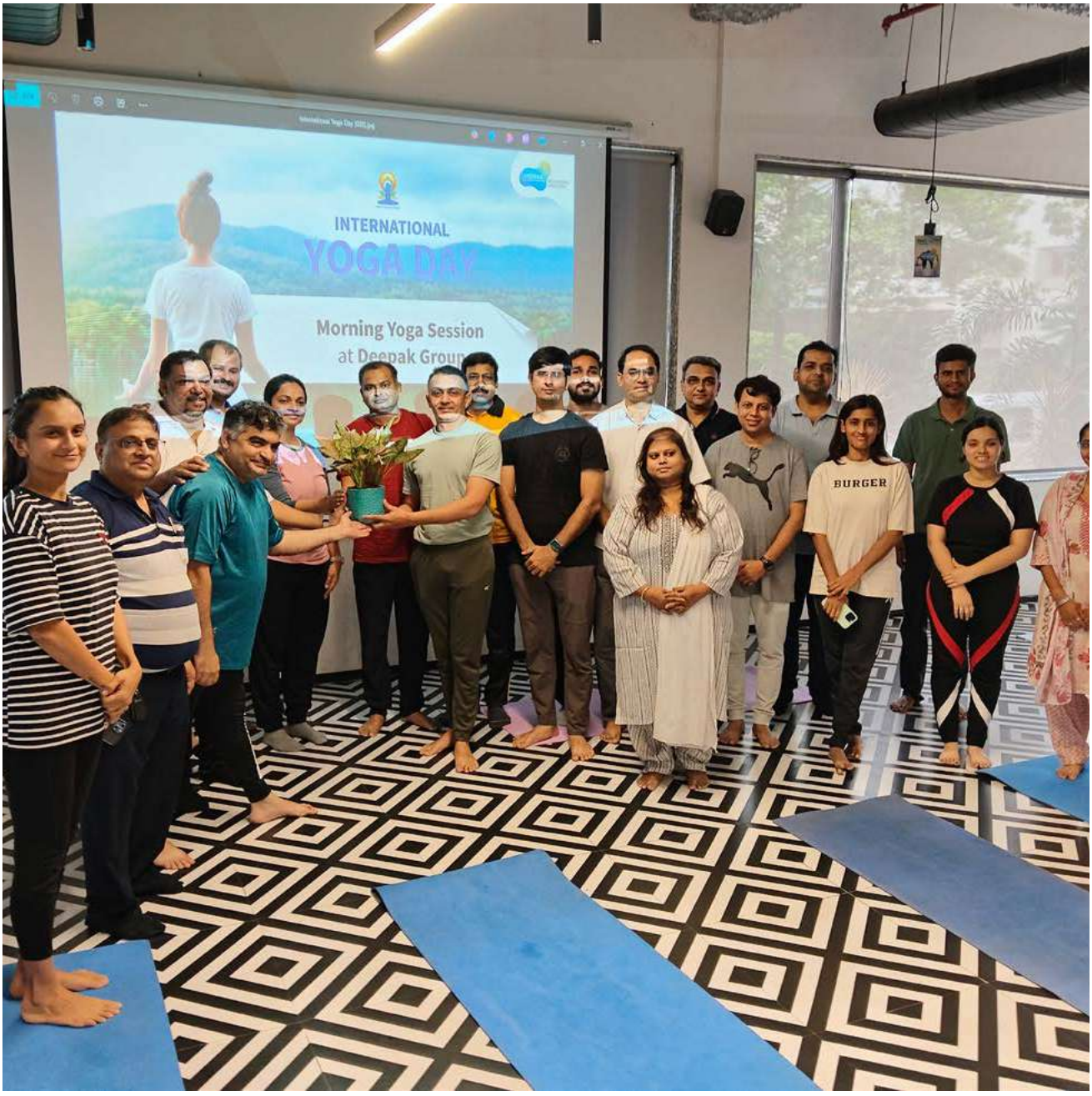
BUILDING A FUTURE-READY WORKFORCE - DPL

In FY 2024-25, we strengthened our talent pipeline through internal mobility, onboarding of trainees, and targeted capability building. 31 employees advanced into new roles across entities, while 34 trainees joined our ranks.



EMPLOYEE ENGAGEMENT

At Deepak Group, we believe that engaged employees are the foundation of a thriving organisation. Our initiatives focus on career growth, well-being, and fostering a vibrant workplace culture. From enabling internal mobility and showcasing talent to prioritising mental wellness and measuring engagement, we strive to create an environment where every employee can grow, contribute, and feel valued.



Employee Engagement Initiatives FY 2024-25

DEEPAK CARES

Prioritising Employee Wellness

We are committed to nurturing a culture of mental and emotional well-being through our partnership with Silver Oak Health Employee Assistance. Each month, we offer expert-led sessions and self-help resources designed to support the overall health of our employees. The initiative encourages open conversations around mental health, helping individuals recognise that seeking support is a sign of strength. First-time users can easily access the wellbeing portal by registering with their employee access code and setting a password. Through this platform, we aim to spotlight monthly wellbeing themes, promote mindfulness, and ensure that our workforce feels heard, supported, and empowered.

Talent Display Platform

Our Talent Display Platform provides a vibrant space for employees to showcase hobbies, interests, and hidden talents. This year's HOBBY Gallery and Musical Evenings saw overwhelming participation, celebrating creativity and fostering a sense of community across the organisation.

Growth through Internal Job Posting

Our Internal Job Posting policy empowers employees to explore growth opportunities within Deepak Group. Since its launch, 126 employees have successfully transitioned into new roles, demonstrating our commitment to career development and internal mobility.

STRESS BUSTER ACTIVITY – DCTL SITE

By organising collaboration training and stressbuster activities like the "Drop the Ball" game, DPL fosters a culture of teamwork, emotional well-being, and employee engagement. These initiatives enhance interpersonal trust, boost morale, and contribute to a more productive and resilient workforce, creating tangible value through improved collaboration, retention, and workplace satisfaction.

Employee Engagement Survey 2025

The AIKYAM Employee Engagement Survey (Great Place to Work Survey) was conducted by M/s. Lissen.IO measured engagement across the organisation. DNL achieved a score of 65, while DPL scored 70, reflecting strong participation and insights to guide future engagement initiatives.



VALUE CREATION STORY: BOOSTING EMPLOYEE SATISFACTION THROUGH "YOU SPOKE, WE LISTENED"

To better understand workforce sentiment, Deepak Phenolics Limited (DPL) conducted an employee satisfaction survey in FY 2022-23. The insights revealed gaps in policies, wellness support, and exit feedback. In response, the HR team launched the "You Spoke, We Listened" campaign, turning input into impactful actions.

We introduced employee-friendly policy reforms, new learning platforms for upskilling, and holistic health initiatives in collaboration with Silver Oak Health. Additionally, exit feedback analysis helped identify the drivers of attrition, enabling corrective measures.

Outcomes

An 8-point rise in employee satisfaction, a 6% drop in attrition, stronger trust in leadership, and higher participation in learning and wellness programmes.



- DNL Warriors (Dahej) earned international recognition by winning the Gold Award at the ICQCC (International Convention on Quality Control Concepts) held in Sri Lanka for their Kaizen AQC case on "Energy Conservation" during FY 2024-25. The team's initiative of installing VFDs on all feeders with PID-based pressure sensors resulted in daily energy savings of approximately 270 kWh and annual cost savings of ₹ 7.0 Lakhs, significantly exceeding the initial capital expenditure estimates. Beyond the financial impact, the project contributed to environmental sustainability by reducing energy consumption and lowering greenhouse gas emissions.
- International recognition was achieved through the DPL Fusion Team's Gold Award at ICQCC 2024, while leadership potential was nurtured through nominations to the ISB Hyderabad Leadership Development Program.

LEARNING & DEVELOPMENT

DNL		DPL	
17.8	**0.196**	**72.1**	**0.69**
Average Training Hours Employee	L&D spend (in ₹ Crores)	Average Training Hours Employee	L&D spend (in ₹ Crores)

EMPLOYEE TRAINING SYSTEM

DNL recognises that motivated employees are key to our success. To foster engagement, we focus on regular initiatives and targeted training programmes that enhance skills and development. Our comprehensive training covers various focus areas, equipping employees with both technical and soft skills essential for success at Deepak. Delivered through classroom sessions, external programmes, and experiential learning, the training is tailored to meet the specific needs of the workforce. Mandatory and compliance-related programmes ensure adherence to industry standards and regulatory requirements, reinforcing our commitment to safety and operational excellence.



WE BUILD CAPABILITIES, WE SHAPE FUTURE LEADERS

We are committed to the continuous growth and development of our employees, recognising it as a cornerstone of both individual and organisational success. To align with business needs, we design need-based, customised learning interventions curated by internal and external SMEs. Our initiatives span mentoring, leadership programmes, and skill-building opportunities. Through these programmes, we enhance capabilities, cultivate leadership potential, and empower employees to excel in their current roles while preparing them for future opportunities.



Organizsation Capability Building

1

TRAIN THE TRAINER PROGRAM

A total of 39 Subject Matter Experts (SMEs) were successfully trained and certified as internal trainers under the Train the Trainer initiative. This program has established a strong internal network of qualified facilitators equipped to deliver high-quality learning interventions, ensuring knowledge continuity, capability enhancement, and cost efficiency across functions.

2

MENTORSHIP PROGRAM

The Internal Mentorship Program experienced significant growth, with over 40 mentors actively guiding and developing young professionals. This structured mentoring ecosystem has strengthened talent retention, supported career development, and fostered a culture of shared learning and collaboration.

3

SKILL GAP ANALYSIS

A focussed Skill Gap Analysis was conducted for shopfloor employees across multiple departments, resulting in a measurable improvement in the overall Skill Matrix Index. Insights from this analysis are driving more targeted training plans and skill development initiatives aligned with the organisation's strategic business needs.

4

E-LEARNING PLATFORM

E-Learning Platform provided to the employees to provide them anywhere and anytime learning support. Through this e-learning platform employee has gained an average of 8 hours in e-learning in addition to 72 hours of in-person training, reflecting consistent engagement in upskilling and continuous professional development through both classroom and digital learning platforms.

5

LEADERSHIP DEVELOPMENT PROGRAMS

Focussed leadership interventions such as the Managerial Effectiveness Workshop and Strategic Thinking Workshop were conducted for managers and above. Designed in alignment with Employee Engagement Survey feedback, these programs have significantly contributed to enhancing engagement and improving the Employee Engagement Score from 62 to 70, marking notable progress in workplace culture and managerial capability.

LAUNCHED THE NEW L&D POLICY

The Learning & Development (L&D) Policy was launched at Deepak Nitrite Limited (DNL), effective September 1, 2024, to establish a structured framework for enhancing employee capabilities and aligning learning initiatives with business goals. It emphasises that training is essential for improving operational effectiveness, performance, and measurable change in employees' knowledge, skills, and behaviour, while providing clear guidelines for identifying needs, designing programmes, and measuring impact. The policy aims to align L&D processes with organisational objectives while bringing structure and governance to training implementation. It applies to all employees across cadres, functions, and locations within the organisation. Notably, the policy places strong emphasis on measuring training effectiveness, ensuring that every program delivers tangible outcomes and contributes to continuous improvement in capability building.

SAFETY TRAINING @GSFC

To equip employees and trainees with knowledge and practical skills on fire prevention, firefighting, and overall workplace safety – while ensuring compliance with statutory obligations under Section 111-A of the Factories Act, 1948 - a comprehensive one-day Fire & Safety Certification Training was conducted for Gujarat-based employees. The program covered around 192 employees across eight batches, with a strong focus on minimising occupational risks and strengthening workplace safety practices. To measure training effectiveness, both pre-training and post-training assessments were conducted, yielding an overall average post-assessment score of 82% across batches. As an outcome, participants not only earned statutory compliance certification but also gained hands-on competency in fire prevention, emergency response, and industrial safety, fully aligned with the provisions of the Indian Factories Act.

LAUNCH OF THE READY RECKONER ON FUNCTIONAL COMPETENCY

We unveiled the Ready Reckoner on Functional Competency, a strategic tool developed by Deepak Phenolics Limited (DPL) to support employee growth and performance alignment. This resource helps individuals identify skill gaps, plan targeted development, and prepare for assessments and interviews. By enabling managers and employees to engage in structured capability-building conversations, the Reckoner strengthens our talent pipeline and fosters a culture of continuous learning.



CAREER AND FINANCIAL PLANNING SUPPORT

We help employees manage career growth and life transitions through initiatives such as the Higher Education Scheme, pre-retirement planning sessions, and training on provident fund (PF), insurance, tax benefits, and investments. These programs ensure financial preparedness, continued employability, and capability building, with targeted sessions conducted across all work areas throughout the year.

EMPLOYEE WELLBEING & BENEFITS

We offer a comprehensive benefits framework that supports employees at various stages of their careers. This includes healthcare coverage, disability and invalidity benefits, and parental leave across all management levels, reflecting our commitment to work-life balance. Retirement benefits are also offered to strengthen long-term financial security. To encourage continuous learning, our Higher Education Policy provides financial assistance and study leave for further education. At the same time, the Death in Harness policy ensures protection for employees and their families in unforeseen circumstances.

TYPES OF EMPLOYEE BENEFITS & COVERAGE

Benefits	Employment Category		
	Senior Management	Middle Management	Junior Management
Life Insurance	100%	100%	100%
Health Care	100%	100%	100%
Disability & Invalidity Coverage	100%	100%	100%
Parental Leave	100%	100%	100%
Retirement Provision	100%	100%	100%

Note: We ensure transparent communication and fair treatment by providing at least two weeks' notice of significant operational changes. Non-bargaining employees are informed through appointment letters, consultations, and circulars, while bargaining employees receive notice via appointment letters, standing orders, and collective agreements.

RETIREMENT BENEFITS

We provide retirement benefits through both defined contribution and defined benefit plans. Contributions to defined contribution schemes, such as provident fund and retirement benefit plans, are recognised as expenses when employees render eligible service.

For defined benefit plans under the approved gratuity scheme, costs are determined through actuarial valuations at each reporting date and include service costs, net interest, and remeasurements. Service costs and net interest are recorded under employee benefit expenses in the Profit and Loss statement. At the same time, remeasurements are recognised directly in Other Comprehensive Income and transferred to retained earnings. Past service costs from plan amendments are recognised in the period in which they occur, ensuring fairness and compliance.

BALANCING WORK AND FAMILY

We support employees in managing work and family responsibilities through comprehensive parental leave policies. These flexible and secure processes enable employees to care for their families while advancing their careers, reflecting our commitment to an inclusive and supportive work environment that values both professional growth and personal well-being.

PERFORMANCE MANAGEMENT

At the core of our talent philosophy, performance management ensures every employee has clarity, direction, and support to succeed. Our appraisal process goes beyond assessment, fostering open dialogue, constructive feedback, and tailored development plans. This approach empowers employees to realise their potential while contributing meaningfully to organisational goals.

PERFORMANCE APPRAISAL

We conduct individual performance appraisals annually, based on clearly defined Key Result Areas (KRAs). These reviews offer a structured framework for evaluating contributions, supporting professional growth, and guiding career development. In line with our commitment to confidentiality and data sensitivity, appraisal outcomes are not disclosed publicly but are effectively used to enhance organisational performance.

For detailed information on performance and career development reviews, refer to page 216 of our Annual Integrated Report FY 2024-25.



HUMAN RIGHTS PROTECTION

We are committed to protecting and promoting human rights across all our operations and throughout our value chain. We ensure fair treatment, safe working conditions, and a workplace free from discrimination, harassment, child labour, forced or compulsory labour, and any form of unethical practices. Guided by our Code of Conduct, we enforce a zero-tolerance policy for violations and embed human rights principles into our operations, practices, and supplier relationships.

HUMAN RIGHTS ASSESSMENT AND DUE DILIGENCE

We are committed to protecting human rights across all our operations and value chains, ensuring compliance with labour laws such as the Equal Work Equal Pay Act and the Factories Act. When employing young individuals, we follow all required procedures, including obtaining fitness certifications from the local certifying surgeon. All company premises undergo annual government audits, and no non-compliance notices have been received regarding human rights. We have also established a Standard Operating Procedure (SOP) for human rights due diligence.

The due diligence process covers critical issues, including forced labour, child labour, freedom of association, right to collective bargaining, equal remuneration, and discrimination. Vulnerable groups identified include employees, women, children, indigenous people, migrant workers, third-party employees, and local communities. These assessments guide targeted interventions, monitor performance, and reinforce accountability, ensuring respect for human rights throughout our operations and partnerships.

DNL

100%

% of total operational sites assessed in the last three years under Human Rights issues

100%

% of total Contractors and Tier I Suppliers assessed under Human Rights issues

100%

% of total Joint Ventures assessed under Human Rights issues

HUMAN RIGHTS ASSESSMENT

Our company-wide human rights due diligence process systematically identifies, evaluates, and mitigates potential risks. This includes assessments within our own operations, across the entire value chain, and in new business relationships, such as mergers, acquisitions, or joint ventures. We conduct regular reviews of our risk mapping to ensure proactive management of potential issues.

During the reporting period, no risks or concerns were identified from the assessment. We continue to conduct regular training and awareness sessions to reinforce understanding and compliance.

HUMAN RIGHTS MITIGATION & REMEDIATION SYSTEMS

Child Labour and Forced Labour

We strictly prohibit child labour and ensure all employees meet legal age requirements. Young campus recruits are assigned non-manufacturing roles with approval from a certifying surgeon, as per the Factories Act, 1948, until they reach the legal working age. We also conduct regular audits of our vendors and suppliers to prevent forced or compulsory labour, and no instances were identified in FY 2024-25.

POSH Committees

We have established Internal Complaints Committees (ICs) in compliance with the POSH Act at all locations, trained and certified to address workplace concerns proactively, confidentially, and sensitively. These committees ensure that employees have a trusted mechanism for reporting issues and seeking resolution.

Awareness and Capacity Building

To strengthen the effectiveness of our ICs, we conducted a specialised session titled **"Crisis or Opportunity? How to Rebuild Trust After a Sexual Harassment Incident".** This training enhanced committee members' skills, readiness, and confidence in managing sensitive workplace matters, reinforcing a culture of accountability and trust.

A POSH sensitisation training was conducted for Internal Committee (IC) members and key role holders to strengthen awareness of the Prevention of Sexual Harassment Act and ensure compliance. The session focussed on building clarity around roles and responsibilities, complaint handling procedures, and fostering a safe workplace culture. Using case studies and interactive discussions, participants were sensitised on identifying, addressing, and preventing incidents effectively. As a result, participants were certified to conduct awareness sessions across various locations, further disseminating knowledge and reinforcing the organisation's commitment to a respectful and inclusive workplace.

EMPLOYEE AND SECURITY PERSONNEL TRAINING ON HUMAN RIGHTS

We provide structured human rights training to all employees, including security personnel, covering workplace safety, non-discrimination, and prevention of harassment. As part of our induction program, this training integrates human rights principles into daily decision-making, ensuring awareness and compliance across all operations. We extend this requirement to third-party security agencies, ensuring their personnel also receive comprehensive training delivered jointly by the agency and us.

A CULTURE OF ZERO TOLERANCE: POSH TRAINING FOR IC MEMBERS (DPL)

We strengthened our commitment to a zero-tolerance culture by deepening awareness around the Prevention of Sexual Harassment (POSH). Through focussed training for Internal Committee members, the session explored key responsibilities, real-world scenarios, and best practices for ensuring a safe, inclusive, and respectful work environment. This initiative reinforces our values of integrity, accountability, and employee well-being.

DNL

43%

Percentage of security personnel trained

DPL

100%

Percentage of security personnel trained

Communication and Culture: We consistently communicate our zero-tolerance stance on misconduct through internal emails, messages, and awareness initiatives. By reiterating our commitment as an Equal Opportunity Employer, we strive to create a safe, respectful, and inclusive work environment where every employee feels valued and protected.

EMPLOYEE GRIEVANCE - WHISTLEBLOWER POLICY & VIGIL MECHANISM

We provide multiple channels for employees to raise concerns. Our Whistleblower Policy ensures confidentiality and protection from retaliation, including direct access to the Audit Committee Chairman. Structured escalation and timely resolution reinforce transparency, accountability, and trust. For more details, refer to our Whistleblower Policy.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

We respect and uphold our employees' right to freely associate and join trade unions or employee organisations. We actively engage in collective bargaining and hold regular consultations with the seven registered trade unions across our manufacturing plants, maintaining harmonious industrial relations. For further details, please refer to our Diversity, Equal Opportunity and Freedom of Association policy.

Note: Details of employee and worker membership in associations or unions recognised by the company are provided on page 216 of our Annual Integrated Report FY 2024-25.

HUMAN RIGHTS AND LABOUR COMPLIANCE INDICATORS

Indicators	DNL	DPL
Incidents of violations involving the rights of Indigenous people	Zero	Zero
Incidents of discrimination and corrective actions taken	Zero	Zero
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Zero	Zero
Operations and suppliers are at significant risk of incidents of child labour	Zero	Zero
Operations and suppliers are at significant risk of incidents of forced or compulsory labour	Zero	Zero

OCCUPATIONAL HEALTH AND SAFETY

– DEEPAK NITRITE LIMITED

We are committed to safeguarding the health, safety, and well-being of everyone working under our control, including employees, contractors, subcontractors, and temporary staff. Our Health and Safety Policy form the foundation for this commitment, supported by an Integrated Management System (IMS) implemented across all locations. We also launched an internal Safety Management System named “Parivartan” consisting of seven core elements to enhance safety culture across all sites.



Our IMS are aligned with internationally recognised standards, including ISO 45001:2018 and ISO 14001, providing a structured framework to identify, assess, and manage occupational health, safety, and environmental risks. This proactive approach helps prevent work-related injuries and ill health while fostering a safe, secure, and inclusive work environment for all personnel without exception.

OHS GOVERNANCE

At Deepak Group, we manage OH&S through a structured governance framework aligned with ISO 45001 and the Plan-Do-Check-Act cycle. Line management ensures daily compliance, while leadership reviews performance to drive continual improvement. Open communication and active participation from employees and contractors promote a shared sense of ownership in safety. We are also having a dedicated portal access to all employees for the capturing of unsafe act, unsafe condition, near misses and incidents named as “Occusafe”.

Our dedicated in-house OHS team, comprising safety officers, occupational health physicians, engineers, fire and emergency specialists, and risk experts, develops policies, conducts risk assessments and audits, delivers training, ensures legal compliance, leads emergency preparedness, and drives ongoing performance improvement.

OHS MANAGEMENT FRAMEWORK

Health and Safety Policies	We have clearly defined policies and procedures that are communicated to all workers, reinforcing our commitment to a safe workplace.
Hazard Identification and Control	We regularly identify, assess, and control workplace hazards to prevent accidents and occupational illnesses.
Training and Awareness	We provide continuous training programmes to ensure workers are well-informed about safety protocols and emergency procedures.
Worker Participation	We actively engage employees and non-employee workers in health and safety discussions and decision-making processes.
Emergency Preparedness	We maintain comprehensive emergency response plans to effectively manage potential incidents, reduce risks, and ensure swift recovery.
Monitoring and Reporting	We systematically track health and safety performance through incident reporting, investigations, and reviews to identify areas for improvement.

Our Occupational Health and Safety Management System (OHSMS) cover 100% of employees, contractors, and visitors across all five manufacturing sites and DRDC. It applies to all functional areas, manufacturing, logistics, engineering, and administration, and governs both routine and high-risk activities such as hot work, confined space entry, and chemical handling. The system includes emergency preparedness, training, and active worker consultation, ensuring a safe and compliant work environment.

INDUSTRIAL HYGIENE

At Deepak, industrial hygiene is a commitment to protect every individual on site. By anticipating, recognising, evaluating, and controlling workplace hazards, we create an environment where people can work with confidence and peace of mind. Our approach blends science, engineering, and care, identifying chemical, physical, biological, ergonomic, and psychosocial risks, and applying the Hierarchy of Controls to eliminate hazards, substitute safer alternatives, isolate risks, refine work practices, and ensure the proper PPE is always in place.

We back this commitment with rigorous quantitative exposure monitoring, measuring workplace conditions against global standards. Using advanced area and personal air sampling, we track airborne contaminants such as ammonia, nitric acid, coal dust, nitro toluene, sulphur dioxide, and SNI dust. Each reading serves as a checkpoint toward zero harm, enabling swift and targeted interventions, from leak detection and repair in ammonia handling areas to dust suppression systems and N95 protection for coal dust exposure.

Impact: Safer breathing zones, reduced exposures well within permissible limits, heightened awareness through training and PPE mapping, and improved morale as employees see their well-being prioritised.

RISK ASSESSMENT - HIRA

We proactively identify and manage work-related hazards using structured methodologies such as Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and Hazard and Operability Study (HAZOP). We reinforce this approach through regular leadership walkthroughs and cross-site safety audits across all our locations. Every individual in our workforce is empowered to report hazards arising from routine or non-routine tasks. We have established a dedicated digital portal to capture, track, and ensure the timely closure of reported issues.

Through the HIRA framework, we systematically evaluate workplace risks and implement preventive measures before they escalate into safety incidents. To strengthen accountability, we have clearly defined roles, responsibilities, and authorities for all personnel involved in identifying, assessing, and controlling occupational health and safety risks. This collective effort ensures a transparent, responsive, and continuously improving safety culture across our operations.

QUALITY ASSURANCE IN RISK MANAGEMENT

We ensure the highest standards of reliability in our risk assessment processes by embedding structured methodologies and professional expertise. Employees engaged in risk assessment undergo specialised training programs that build technical knowledge and practical skills. We encourage them to pursue industry-recognised certifications, keeping our practices aligned with global benchmarks. To minimise subjectivity, we follow standardised procedures and evaluate competency levels through structured performance reviews. Independent reviews and audits further validate the robustness of our approach, ensuring risks are effectively addressed.

RISK ASSESSMENT OUTCOMES

We systematically review gaps identified through risk assessment studies, along with corresponding recommendations, during site safety meetings and management reviews. Corrective and preventive actions (CAPA), derived from root cause analyses of incidents, are tracked to ensure effective implementation and closure. Lessons learned are disseminated through safety contacts and 360° CAPA communications, enabling cross-site learning and consistent application of best practices. These insights are also integrated into training and awareness programmes to reinforce a proactive safety culture across all operations.

HAZARD REPORTING AND PROTECTION

We report work-related hazards on the OccuSafe portal under categories such as unsafe acts, unsafe conditions, and near misses, ensuring timely visibility and resolution. To further strengthen our safety culture, we have introduced the RPDM policy, which aims to foster motivation, enhance employee participation, and enforce disciplinary measures in cases of non-compliance.

INCIDENT REPORTING AND INVESTIGATION

We investigate all incidents thoroughly by forming cross-functional teams that conduct detailed Root Cause Analyses to determine appropriate corrective and preventive actions. To uncover underlying causes, we apply analytical tools such as the 5-Why Analysis and Fishbone Diagram. Corrective actions are implemented in accordance with the Hierarchy of Controls and are systematically tracked and monitored through our HSE portal to ensure both effectiveness and regulatory compliance.

OCCUPATIONAL HEALTH SERVICES

We maintain dedicated Occupational Health Centres (OHC) at all DNL sites, staffed with qualified medical personnel to support employee health and well-being. Every employee undergoes a basic medical check-up before entering the premises, and periodic health assessments are conducted in accordance with statutory requirements to monitor ongoing wellness. In the event of on-site injuries or illnesses, our OHCs provide immediate first aid. For more serious medical needs, we ensure timely referral to the Deepak Foundation

or partnered external hospitals for advanced care, reinforcing our commitment to comprehensive occupational health management.

CONFIDENTIALITY AND FAIR TREATMENT

We uphold the quality of our health services by adhering to statutory regulations, conducting regular audits, and providing ongoing training to medical personnel. All medical check-ups and treatments follow standardised procedures to ensure consistency and care. Employees have convenient access to on-site Occupational Health Centres during working hours, where they can receive timely support. In cases requiring advanced medical attention, individuals are referred to the Deepak Foundation or partnered hospitals for specialised care – reinforcing our commitment to comprehensive and responsive health management.

WORKER PARTICIPATION AND CONSULTATION

We recognise that the effectiveness of our OHSMS is strengthened through active worker participation. Employees and contract workers contribute through safety committee meetings, feedback mechanisms, and involvement in safety drills. Their inputs are carefully reviewed and, where applicable, integrated into operational practices. Information is shared using digital platforms, notice boards, and regular meetings, ensuring that safety communication is transparent and accessible.

SAFETY COMMITTEES

Our safety committees provide equal representation of workers and management, ensuring balanced decision-making. Meeting quarterly, they review safety performance, assess risks, and recommend improvements to OHS practices. With decision-making authority on key safety issues, committees strengthen governance of the OHSMS and act as an effective bridge between workers and leadership.

OHS TRAINING

	DNL	DPL
Number of safety emergency drills conducted	40	06
Total Occupational Health & Safety and occupational training hours provided (employee + workers)	1,18,895	20,621
Occupational Health and Safety Training Coverage (%)	Employees: 74.24% Workers: 50.94%	Employees: 100% Workers: 100%

We prioritise safety by delivering comprehensive training programmes to all employees and contract workers. These include general safety induction, Life Saving Rules, Permit to Work systems, emergency response, fire safety, PPE usage, working at heights, and task-specific hazard awareness. Training needs are identified through risk assessments, incident trends, and statutory requirements, ensuring relevance and impact.

Sessions are conducted by expert trainers, both internal and external, using interactive and multilingual formats to ensure adequate understanding across the workforce. Toolbox talks are held prior to any non-routine task to reinforce situational awareness and preparedness.

All training is provided free of charge during paid working hours, with mandatory attendance. Effectiveness is measured through questionnaires, practical assessments, feedback forms, and on-the-job performance reviews, ensuring continuous improvement and a deeply embedded safety culture.

HEALTH AND WELLNESS BEYOND WORK

We extend our commitment to employee wellbeing beyond occupational health by offering access to non-work-related medical services and wellness initiatives. Our health insurance plans cover a broad spectrum of medical needs, while wellness programs emphasise preventive care and the promotion of healthy lifestyles. Qualified doctors at our Occupational Health Centres (OHCs) are available for consultations on non-occupational health concerns, ensuring accessible support for everyday wellbeing.

To further enhance holistic care, we organise regular screenings, workshops, counselling sessions, and lifestyle awareness campaigns. All employees, including contract workers, have access to First Aid boxes and OHC facilities during working hours. This inclusive approach ensures that everyone within our premises receives timely and compassionate support, reinforcing our commitment to a safe, healthy, and caring workplace.



VOLUNTARY HEALTH & WELLNESS INITIATIVES

- **Silver Oak Employee Assistance App –** Provides confidential support, expert sessions, and self-help resources for mental and emotional well-being.
- **CPR Training by Lions Club –** Builds life-saving skills through hands-on Cardiopulmonary Resuscitation workshops.
- **International Yoga Day Sessions –** Promotes mindfulness, flexibility, and stress relief through guided yoga practices.
- **Gynaecology Health Session by Bhailal Amin Hospital –** Offers specialised health awareness and consultation for female corporate employees

MANAGING OHS RISKS IN THE VALUE CHAIN

We take a proactive and integrated approach to managing health and safety risks across our operations and extended supply chain. Regular risk assessments are conducted to identify potential hazards, and all employees, including new joiners, receive structured training on Environment, Health, and Safety (EHS) protocols to ensure preparedness and compliance.

Our workforce actively contributes to safety by reporting Unsafe Acts, Unsafe Conditions, and Near Miss incidents through the HSE portal, with corrective actions tracked to closure. To uphold safety standards beyond our direct operations, we conduct EHS compliance evaluations for toll manufacturers and suppliers, ensuring alignment with DNL's expectations. Additionally, we engage third-party partners such as LCS and Chemtrec to provide emergency response support during the transportation of finished goods, particularly in remote locations and international territories.

SAFER WORKSPACES THROUGH CONTRACTOR ENGAGEMENT

We improved safety and cleanliness in the contractor workshop area by organising a structured housekeeping drive and scrap management program. Through cross-functional collaboration, we created designated scrap zones, conducted safety awareness sessions, and introduced fortnightly safety talks. These proactive measures eliminated fire hazards, improved workspace hygiene, and reinforced a culture of accountability among contractors.

OHS - DEEPAK PHENOLICS LIMITED

We have implemented a robust Occupational Health and Safety Management System (OHSMS) that is aligned with ISO 45001:2018, ensuring a safe and healthy workplace for employees and contractors across all our operations. The framework adopts a structured, risk-based approach, supported by Standard Operating Procedures for routine tasks and a permit-to-work system for non-routine activities. Our dedicated Health, Safety, Environment and Fire (HSEF) team, comprising 136 professionals at DNL and 43 professionals at DPL, including employees and contractors, oversees effective implementation and compliance. To drive continuous improvement, we conduct monthly review meetings with top management to monitor performance and identify opportunities for enhancement. This proactive approach strengthens workplace safety and builds resilience against emerging risks. We cover all employees and workers, including contractual and non-employee workers, under our OHSMS. This ensures full inclusion in both internal and external audits, ensuring that no worker is excluded from the system's scope.

RISK MANAGEMENT AND SAFETY

Risk Assessment

We follow a structured risk assessment system to identify and evaluate hazards across both routine and non-routine tasks. Using a fixed risk rating matrix and the hierarchy of controls, we ensure all assessments are competent and consistent. The ALARP (As Low as Reasonably Possible) principle further helps us prioritise actions and drive continuous improvement.

Reporting Processes

To strengthen safety culture, we have established precise reporting mechanisms:

- **HSE Portal** for on-roll employees to log safety observations and incidents.
- **Safety observation boxes** for off-roll employees with slips for easy reporting.
- **Permit-to-work system** that empowers any worker to stop unsafe work without fear of retaliation.

INCIDENT MANAGEMENT

All incidents are recorded and investigated through the HSE Portal. The Head of Department appoints investigation teams in accordance with SOPs, while Corrective and Preventive Actions (CAPA) are tracked on the portal to ensure accountability and improvement.

OHS AUDIT

At DPL, we proactively prevent and mitigate potential negative impacts on occupational health and safety across our operations and business relationships. We conduct regular audits and inspections, including assessments by external agencies, to identify OHS risks, especially from process-related activities. Recommendations from these assessments are implemented promptly, driving continuous improvement and strengthening our overall OHS practices.

OCCUPATIONAL HEALTH SERVICES

DPL operates a well-established Occupational Health Centre (OHC) supporting the health and safety of all employees, including off-roll workers. In compliance with the Gujarat Factory Rules 1963, the OHC conducts regular health monitoring and surveillance programs tailored to job-specific risks.

We ensure high-quality and accessible occupational health services, providing preventive care and health assessments through a centralised hub. Personal health information is strictly protected via a secure OHC portal, accessible only to authorised personnel. Our confidentiality protocols ensure that participation in health programs or medical outcomes does not influence employment-related decisions, maintaining fairness and impartiality across the organisation.

WORKER PARTICIPATION AND CONSULTATION

We actively involve employees and workers in occupational health and safety through structured governance, hands-on engagement, and effective communication. Our Central Safety Committee oversees and coordinates OHS initiatives across the organisation, while four Sectional Safety Committees manage safety matters within specific sections.

Employees contribute directly to key processes, including:

- Participating in risk assessments to identify and evaluate workplace hazards.
- Supporting incident investigations to analyse and understand workplace incidents.
- Engaging in health and safety training programs.
- Taking part in safety-focussed events such as Safety Week and Fire Service Week.

We communicate OHS information through multiple channels to ensure awareness and transparency:

- Notice boards for essential updates.
- Toolbox talks for regular discussions on safety practices.
- Safety display boards to visualise metrics and procedures.
- Safety guide booklets providing detailed guidance on protocols.

OCCUPATIONAL HEALTH AND SAFETY TRAINING

We provide comprehensive occupational health and safety training for all employees, covering both mandatory and role-specific requirements. Every worker undergoes safety induction and 111-A compulsory safety awareness training. Training needs are assessed based on employee roles and grades, and an annual training calendar is prepared to address these requirements. The Learning Council team ensures the structured and effective delivery of all OHS training programs, building awareness, competence, and a strong safety culture across the organisation.

ACCESS TO NON-OCCUPATIONAL MEDICAL AND HEALTHCARE SERVICES

Our well-established Occupational Health Centre (OHC) provides support for personal health concerns. At the same time, partnerships with multispecialty hospitals extend care to address both occupational and individual health needs, ensuring all employees have access to non-occupational medical and healthcare services. Employees facing health issues such as high blood pressure or diabetes receive personalised counselling and guidance from our factory medical officer, ensuring holistic health support beyond workplace requirements. Our voluntary health promotion services and key programs designed to address significant non-work-related health risks include:



JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES

At DPL, we have established joint management-worker health and safety committees to ensure collaborative governance and active worker participation in health and safety matters. The Central Safety Committee oversees overarching safety policies and strategies, while Sectional Safety Committees address safety concerns specific to their respective sections. Roles and responsibilities, including policy development, risk management, and incident response, are clearly defined in the Safety Committee SOP to ensure effective implementation.

Committees operate with structured meeting frequencies:

- Sectional Committees meet monthly to review and address local safety issues.
- Central Committee convenes quarterly to evaluate overall safety performance and policies.

Decision-making authority is explicitly defined, enabling committees to implement and manage safety practices efficiently. In line with the Gujarat Factory Rules 1963, committees include 50% worker representation, ensuring that all employees are included in safety discussions and decisions, fostering a culture of shared responsibility and proactive engagement.

CORPORATE SOCIAL RESPONSIBILITY

₹ 24.36 Crores
CSR Spend

25
Districts across 5 States served

7,00,000+
CSR Beneficiaries during FY 2024-25

2,000+
Villages covered

We are deeply committed to creating meaningful and lasting impact in the communities where we operate. Our CSR initiatives are thoughtfully designed to enhance quality of life, respond to locally identified needs, and promote inclusive development. We foster active dialogue through local consultation committees that include representation from vulnerable groups, ensuring that diverse voices are heard and respected. To support transparency and responsiveness, we maintain a structured grievance redressal mechanism that enables collaborative resolution of concerns with residents, partners, and our CSR team.

We continue to uphold rigorous standards and responsible practices to ensure that our operations contribute positively to the social and environmental well-being of the communities in which we operate. For more details, refer to our DNL Corporate-Social-Responsibility-Policy.

CSR VISION & MISSION

To remain a responsible corporate entity mindful of its social responsibilities to all stakeholders, including consumers, shareholders, employees, local community and society at large.

OUR STRATEGY

We shape our CSR strategy through data-driven need assessments, strategic collaborations, and long-term program implementation, primarily led by Deepak Foundation and supported by other trusted implementing partners. As Deepak Nitrite Limited and its subsidiaries (collectively, the Deepak Group), we deliver social intervention programs across critical areas, including health, education, livelihood, skill development, and social inclusion.

Our approach combines grassroots engagement with institutional partnerships, enabling us to respond to community needs both near our facilities and in underserved regions. Over the years, we have collaborated closely with local stakeholders to enhance livelihoods and improve socio-economic conditions. Through our flagship initiatives, we remain committed to enhancing the quality of life for those at the margins, ensuring that our impact reaches even the most remote communities and contributes meaningfully to inclusive development.

CSR FOCUS AREAS

- Education
- Healthcare
- Women's Empowerment
- Community Welfare And Infrastructure Development Initiatives
- Environment, Sanitation and Water Conservation

EMPLOYEE PARTICIPATION IN CSR ACTIVITIES

We actively involve employees in CSR activities through various engagement programs that encourage participation, ownership, and shared purpose. To strengthen this involvement, we have established sub-CSR committees at each plant location, enabling localised planning, execution, and monitoring of initiatives.

COMMUNITY RELATIONS

We are committed to fostering meaningful relationships with local communities through structured engagement, transparent communication, and inclusive development practices.

- **Impact Assessments:** We conduct comprehensive community impact assessments, including gender-specific evaluations, to ensure our development programs are tailored to local needs, as identified through baseline studies.
- **Stakeholder Communication:** We establish broad-based community consultation committees to maintain clear, accessible channels for local stakeholders to engage with us and voice concerns.
- **Capacity Building:** Our initiatives focus on empowering communities through capacity-building programs that enhance their ability to communicate effectively and participate in decision-making processes.
- **Perception Reviews:** We regularly conduct surveys and reviews to understand stakeholder perceptions, enabling us to refine our engagement strategies and ensure alignment with community expectations.
- **Issue Identification:** Through ongoing dialogue and regular meetings, we identify emerging concerns early and adapt our programs proactively to address evolving community needs.
- **Grievance Mechanism:** We maintain formal grievance processes that allow community members to raise concerns. All grievances are tracked to ensure timely and effective resolution.
- **Consistent Engagement:** Our stakeholder engagement programs are implemented uniformly across all local operations, reinforcing our commitment to inclusive and responsible business practices.
- **Community Impact:** During the reporting period, we did not identify any significant actual or potential negative impacts on local communities, nor were there any violations involving the rights of indigenous peoples. No incidents required review or remediation.

CSR INITIATIVES

Advancing Women's Health Through Mobile Screening - DPL

We've introduced Gujarat's first Mobile Mammography Unit (MMU) to bring early breast cancer detection directly to women in underserved communities. By focussing on women aged 40 and above, we aim to reduce breast cancer mortality by up to 25% through timely screening and intervention.

This initiative creates meaningful value by improving access to diagnostic care, empowering women to prioritise their health, and bridging healthcare gaps in rural areas. It reflects our belief that Responsible Chemistry extends beyond our products – into the lives we touch and the communities we uplift.

Smart Digital Anganwadi – Investing in Early Childhood Development

We are advancing early childhood care through the Smart Digital Anganwadi initiative in the Angadh region of Nandesari. By supporting 67 Anganwadi centres under the ICDS scheme, we are positively impacting over 3,500 children and their families. These centres offer a digitally-enriched, print-rich learning environment for children under five, along with regular health screenings, annual medical check-ups, and eye examinations. Through the capacity building of Anganwadi workers and improved infrastructure, we are fostering inclusive education, achieving better health outcomes, and increasing attendance among vulnerable groups – laying the foundation for lifelong learning and well-being.





Shaping Futures & Greening the Coast – Empowerment and Ecosystem Restoration

We continue to shape futures and restore ecosystems through targeted community and environmental initiatives. Our Vivek Vidhya Sathi program empowers women across six communities in Gujarat, Maharashtra, and Telangana with foundational literacy, numeracy, and soft skills, building confidence, creativity, and teamwork. In parallel, our coastal restoration efforts in partnership with the Forest Department have led to the planting of over 50,000 mangrove saplings across 50 acres in the Vagra block. These actions not only support biodiversity and climate resilience but also reflect our commitment to inclusive development and environmental stewardship.

Strengthening Community Infrastructure through Inclusive Development

In FY 2023-24 and FY 2024-25, we supported the construction of a Community Hall in Radhiyapura village, Nandesari, covering 365.00 square metres, with a total contribution of ₹ 0.62 Crore. This initiative was undertaken as a donation to empower local residents by providing a dedicated space, Samaj Wadi, for family functions, cultural gatherings, and community events. The facility includes essential sanitation infrastructure to enhance hygiene and accessibility. We are pleased to report that the community has not raised any negative impacts, and the hall has been received positively as a valuable addition to the village's social infrastructure.

For detailed information on our CSR initiatives in FY 2024-25, please refer to pages 93–100 of our Annual Integrated Report FY 2024-25.







SUPPLY CHAIN MANAGEMENT

	DNL	DPL
Total no. of Suppliers	2236	68
% of input materials sourced from Local Suppliers (by business value)	76.13%	50%
% of input materials sourced from MSME Suppliers (by business value)	19.45%	57%

We embed sustainability at the core of our supply chain strategy, focussing on responsible sourcing, efficient logistics, and proactive risk management. In FY 2024-25, we strengthened supply chain stability through long-term supplier partnerships, strategic sourcing, and digital tools that enhance operational efficiency and collaboration.

We prioritise local and sustainable sourcing, guided by our Sustainable Procurement Policy, and ensure supplier compliance, adherence to ethical practices, and alignment with ESG principles through a robust risk assessment framework and Supplier Code of Conduct. This Code sets clear expectations across labour and human rights, occupational health and safety, working conditions, freedom of association, environmental performance, including emissions, resource efficiency and biodiversity, as well as business ethics such as anti-corruption and conflict of interest, reinforcing responsible practices throughout our supply chain. For more details, refer to our Supplier Code of Conduct.

STRENGTHENING RESPONSIBLE SOURCING WITH ISO 20400

We have launched the Sustainable Supply Chain Initiative to embed ESG principles into our procurement and sourcing practices, in alignment with ISO 20400. As part of this effort, we introduced a Supplier Assessment Portal that enables the systematic monitoring of key ESG parameters, thereby enhancing transparency, compliance, and responsible sourcing throughout our value chain. This initiative enhances our performance on global sustainability platforms and reflects our commitment to developing a resilient, ethical, and future-ready supply chain ecosystem.

SUPPLY CHAIN GOVERNANCE AND RISK MANAGEMENT

We prioritise financial stability, supplier risk, geographic location, compliance, product quality, sustainability, and resilience in our Supply Chain Management (SCM) framework. By mapping demand-supply dynamics, assessing supplier reputation, and engaging proactively with vendors, we systematically identify, evaluate, and mitigate risks. Strategies such as onboarding new suppliers reduce reliance on single sources, ensuring continuity and resilience. Our SCM team conducts these assessments, and we maintain transparent reporting of value chain performance to promote accountability and stakeholder trust.

SUPPLIER SCREENING AND ASSESSMENT

ESG and sustainability considerations are central to our supplier screening and assessment process. We evaluate suppliers across Environmental, Social, Governance, and Business relevance criteria, while also factoring in country-, sector-, and commodity-specific risks for significant suppliers. We maintain a stringent supplier assessment and development process, which includes:

- Desk assessments with systematic verification of evidence
- On-site assessments conducted by our employees or contracted consultants (2nd party)
- Implementation of supplier corrective action and improvement plans

The Sustainable Procurement Policy guides our ESG-focussed supply chain practices. Supplier performance is continuously monitored against ESG standards, the Supplier Code of Conduct, and KPIs such as quality rejection rate, lead time, availability, competitiveness, and EcoVadis rating, where applicable. A comprehensive vendor assessment questionnaire ensures evaluation of business ethics, conduct, and ESG performance across the supply chain. In FY 2024-25, 80% of suppliers were assessed against environmental and social criteria, and no significant negative impacts were identified.

KEY SUPPLIER SUSTAINABILITY METRICS

KPIs	DNL	DPL
Total number of Tier-1 suppliers	356	29
Total number of significant suppliers in Tier-1	55	29
% of total spend on significant suppliers in Tier-1	51	90
Total number of significant suppliers in non-Tier-1	107	39
Total number of significant suppliers (Tier-1 and Non-Tier-1)	**162**	**68**
Total number of significant tier-1 and non-tier-1 suppliers assessed via desk or on-site assessments	98	NA
% of unique significant suppliers assessed	60.49	NA
Number of suppliers assessed with substantial actual/potential negative impacts	0	NA
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/ improvement plan	0	NA
Number of suppliers with substantial actual/potential negative impacts that were terminated	0	NA
Total number of suppliers supported in the corrective action plan implementation	0	NA
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	0	NA

SUPPLIER ESG PROGRAMS

We actively ensure the effective implementation of supplier ESG programs under the oversight of executive management. Our purchasing practices are regularly reviewed to ensure alignment with the Supplier Code of Conduct and ESG requirements, thereby avoiding potential conflicts. Suppliers demonstrating strong ESG performance are prioritised, with ESG criteria integrated into supplier selection and contract awarding.

We also provide training for our buyers and internal stakeholders on their roles in supplier ESG programs to enhance accountability and capability. These measures enable us to engage effectively with suppliers, promote sustainability, and establish long-term, responsible partnerships throughout our supply chain.

SUPPLIER ENGAGEMENT AND DEVELOPMENT

We actively engage with our suppliers to strengthen capabilities, drive sustainability, and foster long-term partnerships. Our initiatives focus on digital enablement, capacity building, and financial support to ensure a resilient and responsible supply chain.

Digital Initiatives: We have implemented advanced software solutions to streamline supplier onboarding, simplify procurement processes, and enhance transparency. Digital initiatives, including e-auctioning for engineering and packing materials, are underway to optimise efficiency and create a seamless interface for supplier interactions.

SUPPLIER TRAINING AND CAPACITY BUILDING

We offer comprehensive training and development programs to our suppliers, with a focus on sustainability, safety compliance, and emergency response planning. These initiatives empower our vendors to align with our operational standards and ESG expectations, strengthening overall supply chain performance.

	DNL
Total number of suppliers in capacity building programs	75
% of unique significant suppliers in capacity building programs	46.29

**DPL has not initiated the process during FY 2024-25.*

VALUE CREATION: SUPPLIER AND TRANSPORTER ENGAGEMENT

We actively strengthen partnerships across our supply chain through dedicated forums and summits. During the year, Deepak organised the Suppliers Partnership Summit to engage key project suppliers, align on timelines, safety protocols, and quality expectations, and foster open dialogue on challenges and opportunities. The summit reinforced the role of suppliers as critical stakeholders and provided a platform to recognise outstanding contributions while promoting continuous improvement and innovation.

Similarly, “Synergy 2024”, Deepak Phenolics Limited’s first Transporters Meet, celebrated our transport partners who ensure seamless operations. The event, themed Samanvay (Collaboration), Suraksha (Safety), and Pragati (Progress), facilitated discussions on operational excellence, safety practices, and strengthened collaboration, honouring partners’ contributions and reinforcing our shared commitment to efficiency, safety, and sustainable growth.

PAYMENTS AND FINANCIAL SUPPORT

We ensure that payments to all registered Micro, Small, and Medium Enterprises (MSMEs) are made within 45 days from the invoice date, reinforcing timely cash flow. Additionally, we offer financial assistance through bill discounting options, helping suppliers manage working capital requirements efficiently and maintain operational stability.



CUSTOMER CENTRICITY

1,500+
Customers

50+
Countries served

34+
High valued products

56+
Product applications

We strengthen our customer relationships by fostering trust, transparency, and active listening to fully understand their needs. By focussing on understanding customer requirements, developing high-quality products, and maintaining clear communication, we aim to enhance their experience and satisfaction. We continuously digitally transform our processes to maximise efficiency, drive innovation, and go beyond standard expectations.



DIGITAL ENABLEMENT AND CRM INTEGRATION

We leverage an advanced Customer Relationship Management (CRM) system, integrated with our Enterprise Resource Planning (ERP) platform, to track customer preferences, automate routine tasks, and enable personalised interactions. Real-time updates on orders, despatch and delivery ensure a transparent and reliable experience. By actively addressing feedback and providing innovative, cost-effective solutions, we build loyalty and long-term partnerships, reinforcing our position as a dependable partner of choice.

QUALITY AND COMPLIANCE

Quality and compliance are non-negotiable at DNL. We adhere to globally recognised standards, including International Standards (IS), and hold key certifications from the Bureau of Indian Standards (BIS) and REACH, ensuring our products meet stringent safety and quality benchmarks. Long-standing relationships with bulk customers are built on trust, reliability, and consistent performance, supported by agile and competitive pricing strategies that create lasting value for both customers and our business.

PRODUCT AND CUSTOMER SAFETY

As a manufacturer of intermediate chemicals, we develop products tailored to customer-specific requirements and proactively communicate safe usage guidelines. We engage with customers and supply chain partners to promote responsible handling through multiple channels. While we do not provide essential services, we maintain robust mechanisms to keep customers informed about planned plant shutdowns or operational disruptions, ensuring transparency and reliability at every step.

PRODUCT LABELLING

Beyond mandatory requirements, our product labels provide detailed information, including product name, contents, hazard symbols, and manufacturing location. This ensures customers can make informed decisions and reinforces our commitment to transparency, safety, and superior service.

CUSTOMER GRIEVANCE MECHANISM

Customer complaints are received by relevant sales teams and recorded in our web-based Consumer Complaint Management system. Each complaint is registered, investigated, and resolved in accordance with site-specific SOPs, ensuring consistent workflows and timely resolutions. This structured approach guarantees high levels of customer satisfaction. For details, refer to page 233 of our Annual Integrated Report FY 2024-25.

CUSTOMER SATISFACTION

We engaged Feedback Business Insights to conduct a customer engagement study to assess our customer experience, satisfaction, and partnership perception across the BI, PP, and FSC business units. The survey, with 247 respondents and a 71% participation rate, evaluated key parameters such as satisfaction, loyalty, advocacy, and value for money on a 7-point scale.

The findings reflected a consistently positive brand perception, with 83% of respondents associating us with quality, reliability, and professionalism – attributes that define our responsible business practices. However, customers largely continue to view us through the lens of our products, presenting an opportunity to strengthen relationships by deepening focus on innovation, collaboration, and sustainability-driven partnerships.

Customer experience levels were strong in BI and PP, indicating high satisfaction and trust, while feedback from FSC customers pointed to opportunities for improvement in communication, complaint resolution, and delivery responsiveness. Domestic customers demonstrated higher engagement scores than international customers, and our performance was strongest where we served as a sole or major supplier, underscoring the value of long-term, trust-based relationships.

Most customers currently recognise us as a preferred vendor (59%), while 34% identify us as a strategic partner. Key focus areas include enhancing transparency in commercial practices, ensuring timely and reliable deliveries, and strengthening proactive stakeholder communication.

The study reinforces our strengths in product quality, operational reliability, and ethical conduct, while emphasising the need to accelerate digital integration and build stronger customer engagement frameworks. Strengthening responsiveness, fostering innovation, and embedding sustainability into our partnership approach remain essential for us to progress from being a preferred vendor to a trusted, sustainable partner of choice in the chemical industry.

ANNEXURE

ESG Factsheet

ENVIRONMENTAL PERFORMANCE

Environmental Violations

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Number of Violations	Nos	0	0	1
Amount of Fines/Penalties	₹	0	0	1,00,00,000
Environmental Liability Accrued at Year End	₹	0	0	0

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Number of Violations	Nos	0	0	0
Amount of Fines/Penalties (In ₹)	₹	0	0	0
Environmental Liability Accrued at Year End	₹	0	0	0

Water Withdrawal

Deepak Nitrite Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	1,167	1,352	1,402
Total Water Withdrawal	**ML**	**1,167**	**1,352**	**1,402**

Deepak Phenolics Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	2,307	2,267	2,292
Total Water Withdrawal	**ML**	**2,307**	**2,267**	**2,292**

Water Discharge

Deepak Nitrite Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	502	597	692
Total Water Discharge	**ML**	**502**	**597**	**692**

Deepak Phenolics Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	247	241	252
Total Water Discharge	**ML**	**247**	**241**	**252**

Water Consumption

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Water Consumed	**ML**	**670**	**755**	**709**

The data coverage represents 100% of operations, ensuring comprehensive reporting on water usage across all facilities.

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Water Consumed	**ML**	**2,239**	**2,026**	**2,040**

The data coverage represents 100% of operations, ensuring comprehensive reporting on water usage across all facilities.

Water Consumption Intensity

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Water Consumption intensity as per products	ML/MT of production	0.0025	0.0032	0.0034
Water Consumption intensity as per sales	ML/₹ in Crores	0.2652	0.2771	0.2337

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Water Consumption intensity as per products	ML/MT of production	0.0021	0.0021	0.0023
Water Consumption intensity as per sales	ML/₹ in Crores	0.3819	0.4016	0.4091

Water Withdrawal in Water-Stressed Regions

Deepak Nitrite Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	986	1,155	1,204
Total Water Withdrawal in Water-Stressed Regions	**ML**	**986**	**1,155**	**1,204**

Deepak Phenolics Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	2,307	2,267	2,292
Total Water Withdrawal in Water-Stressed Regions	**ML**	**2,307**	**2,267**	**2,292**

Water Discharge in Water-Stressed Regions

Deepak Nitrite Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third-party water (Municipality Pipelines)	ML	442	538	495
Total Water Discharge in Water-Stressed Regions	**ML**	**442**	**538**	**495**

Deepak Phenolics Limited

Source	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Surface water	ML	-	-	-
Ground water	ML	-	-	-
Seawater	ML	-	-	-
Produced water	ML	-	-	-
Third party water (Municipality Pipelines)	ML	247	241	252
Total Water Discharge in Water-Stressed Regions	**ML**	**247**	**241**	**252**

Water Consumption in Water-Stressed Regions

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Water Consumed in Water-Stressed Regions	**ML**	**545**	**617**	**709**

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Water Consumed in Water-Stressed Regions	**ML**	**2,239**	**2,026**	**2,040**

Waste Generation

Deepak Nitrite Limited

Waste Type	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Hazardous Waste				
E-waste	MT	9	4	0.11
Bio-medical waste	MT	0.02	0.02	0.02
Battery waste	MT	7	1	0.22
Other Hazardous waste	MT	73,050	1,07,856	74,710
Total Hazardous Waste Generated	**MT**	**73,065**	**1,07,861**	**74,710**
Non-Hazardous Waste				
Plastic waste	MT	1,347	1,537	202
Construction and demolition waste	MT	91	472	-
Other Non-hazardous waste generated	MT	9,117	13,226	-
Total Non-Hazardous Waste Generated	**MT**	**10,555**	**15,235**	**202**
Total Waste Generated	**MT**	**83,619**	**1,23,097**	**74,912**

Deepak Phenolics Limited

Waste Type	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Hazardous Waste				
E-waste	MT	3	1	-
Bio-medical waste	MT	0.00125	0.0013	0.00244
Battery waste	MT	0.084	-	-
Other Hazardous waste	MT	451	461	309
Total Hazardous Waste Generated	**MT**	**454**	**462**	**309**
Non-Hazardous Waste				
Plastic waste	MT	22	3	2
Construction and demolition waste	MT	-	-	-
Other Non-hazardous waste generated	MT	183	147	206
Total Non-Hazardous Waste Generated	**MT**	**204**	**150**	**208**
Total Waste Generated	**MT**	**658**	**612**	**517**

Waste Generation Intensity

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Waste intensity as per products	MT/MT of production	0.32	0.51	0.36
Waste intensity as per sales	ML/₹ in Crores	33.10	45.18	24.69

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Waste intensity as per products	MT/MT of production	0.0006	0.0006	0.0006
Waste intensity as per sales	ML/₹ in Crores	0.11	0.12	0.10

Waste Diverted from Disposal

Deepak Nitrite Limited

Waste Type	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Hazardous Waste				
Preparation for reuse	MT	-	-	-
Recycling & Co-processing	MT	60,074.59	94,247	64,191
Other Recovery Operations	MT	8.52	4.19	-
Total Hazardous Waste Diverted from Disposal	**MT**	**60,083.11**	94,252	**64,191**
Non-Hazardous Waste				
Preparation for reuse	MT	-	-	-
Recycling & Co-processing	MT	9,085.11	13,226	-
Other Recovery Operations	MT	1,444.33	2,009	-
Total Non-Hazardous Waste Diverted from Disposal	**MT**	**10,529.44**	**15,236**	**-**
Total Waste Diverted from Disposal	**MT**	**70,612.30**	**1,09,488**	**64,191**

Deepak Phenolics Limited

Waste Type	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Hazardous Waste				
Preparation for reuse	MT	316.52	312	11
Recycling & Co-processing	MT	12.52	2	4
Other Recovery Operations	MT	-	-	22
Total Hazardous Waste Diverted from Disposal	**MT**	**329.04**	**314**	**37**
Non-Hazardous Waste				
Preparation for reuse	MT	-	-	-
Recycling & Co-processing	MT	204.11	150	208
Other Recovery Operations	MT	-	-	-
Total Non-Hazardous Waste Diverted from Disposal	**MT**	**204.11**	**150**	**208**
Total Waste Diverted from Disposal	**MT**	**533.15**	**464**	**245**

Waste Directed to Disposal

Deepak Nitrite Limited

Waste Type	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Hazardous Waste				
Incineration (with energy recovery)	MT	-	-	-
Incineration (without energy recovery)	MT	0.02	4	5
Landfilling	MT	12,595.63	13,605	10,717
Other disposal operations	MT	-	-	-
Total Hazardous Waste Directed to Disposal	**MT**	**12,595.65**	13,609	**10,722**
Non-Hazardous Waste				
Incineration (with energy recovery)	MT	-	-	-
Incineration (without energy recovery)	MT	-	-	-
Landfilling	MT	410.88	-	-
Other disposal operations	MT	-	-	-
Total Non-Hazardous Waste Directed to Disposal	**MT**	**410.88**	**-**	**-**
Total Waste Directed to Disposal	**MT**	**13,007**	**13,609**	**10,722**

Deepak Phenolics Limited

Waste Type	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Hazardous Waste				
Incineration (with energy recovery)	MT	00	-	-
Incineration (without energy recovery)	MT	00	0.000860	0.00166
Landfilling	MT	124.06	173	352
Other disposal operations	MT	-	-	-
Total Hazardous Waste Directed to Disposal	**MT**	**124.06**	**173**	**352**
Non-Hazardous Waste				
Incineration (with energy recovery)	MT	-	-	-
Incineration (without energy recovery)	MT	-	-	-
Landfilling	MT	-	-	-
Other disposal operations	MT	-	-	-
Total Non-Hazardous Waste Directed to Disposal	**MT**	**-**	**-**	**-**
Total Waste Directed to Disposal	**MT**	**124.06**	**173**	**352**

Direct Chemical Oxygen Demand (COD)

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Direct Chemical Oxygen Demand	**MT**	**109**	**113**	**119**

The percentage of operations covered is 100%, as percentage of revenues.

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Direct Chemical Oxygen Demand	**MT**	**32.28**	**20.57**	**32.72**

The percentage of operations covered is 100%, as percentage of revenues.

Greenhouse Gas Emissions (Scope 1, 2 & 3)

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Scope 1 GHG Emissions	tCO_2e	1,21,129	1,17,226	1,38,304
Total Scope 2 GHG Emissions	tCO_2e	1,01,908	93,029	84,305
Total Scope 3 GHG Emissions	tCO_2e	2,46,570	3,29,555	4,76,792
Total GHG Emissions	**tCO_2e**	**4,69,607**	**5,39,810**	**6,99,401**

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Scope 1 GHG Emissions	tCO_2e	4,53,317.93	4,07,466.89	4,12,179
Total Scope 2 GHG Emissions	tCO_2e	10,704.29	12,530.14	18,633
Total Scope 3 GHG Emissions	tCO_2e	5,42,024.82	4,56,387.37	4,88,647
Total GHG Emissions	**tCO_2e**	**10,06,047.05**	**8,76,384.40**	**9,19,459**

Scope 3 Emissions Breakdown by Category

Deepak Nitrite Limited

Scope 3 Category	Emissions (in Metric tonnes CO_2e)	Emissions Calculation Methodology & Exclusions
1. Purchased Goods and Services	1,88,911.45	The emissions are calculated using a spend-based approach based on data from DNL's procurement system.
2. Capital Goods	1,819.54	Spend-based method is used, gathering data from DNL's procurement system for capital expenditures.
3. Upstream Transportation and Distribution	9,100.96	Emission factors are derived from a standardised emissions database, using supplier location data and transportation details from DNL's procurement system.
4. Waste Generated in Operations	15,997.55	Activity data on waste quantities, types and disposal methods is sourced from DNL's EHS department.
5. Business Travel	344.61	Data sourced from the travel portal database, with emission factors based on standard emissions databases.
6. Employee Commuting	11,119.37	Data from the HR database, using literature-based statistics and emission factors.
7. Upstream Leased Assets	89.06	Energy consumption data from leased warehouse assets is used in calculations.
8. Downstream Transportation and Distribution	19,187.58	Activity data from sales and distribution is used, with distance estimates based on customer locations.

Deepak Phenolics Limited

Scope 3 Category	Emissions (in Metric tonnes CO_2e)	Emissions Calculation Methodology & Exclusions
1. Purchased Goods and Services	4,57,648.13	The emissions are calculated using a spend-based approach based on data from DPL's procurement system.
2. Capital Goods	587.29	Spend-based method is used, gathering data from DPL's procurement system for capital expenditures.
3. Upstream Transportation and Distribution	52,822.31	Emission factors are derived from a standardised emissions database, using supplier location data and transportation details from DPL's procurement system.
4. Waste Generated in Operations	59.15	Activity data on waste quantities, types and disposal methods is sourced from DPL's EHS department.
5. Business Travel	80.53	Data sourced from the travel portal database, with emission factors based on standard emissions databases.
6. Employee Commuting	3,371.73	Data from the HR database, using literature-based statistics and emission factors.
7. Upstream Leased Assets	24.24	Energy consumption data from leased warehouse assets is used in calculations.
8. Downstream Transportation and Distribution	27,431.44	Activity data from sales and distribution is used, with distance estimates based on customer locations.

Greenhouse Gas Emissions Intensity

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
GHG emissions intensity in terms of physical output (Scope 1 & 2)	tCO_2e/MT of production	0.8415	0.8784	1.0657
GHG emissions intensity as per sales (Scope 1 & 2)	tCO_2e/₹ in Crores	88.28	77.18	73.38
GHG emissions intensity as per sales (Scope 3)	tCO_2e/₹ in Crores	97.59	120.97	157.17

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
GHG emissions intensity in terms of physical output (Scope 1 & 2)	tCO_2e/MT of production	0.4260	0.4272	0.4891
GHG emissions intensity as per sales (Scope 1 & 2)	tCO_2e/₹ in Crores	79.14	83.26	86.40
GHG emissions intensity as per sales (Scope 3)	tCO2e/₹ in Crores	92.45	90.47	98.00

Air Emissions

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
NOx	MT	630	427	432
SOx	MT	136	300	329
Particulate matter (PM)	MT	64	65	75
VOC	MT	0	0	0

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
NOx	MT	103	87	78
SOx	MT	85	59	124
Particulate matter (PM)	MT	59	50	28
VOC	MT	0	0	0

Energy Management

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Renewable Energy Consumption	MWh	425.21	6.59	2.54
Total Non-Renewable Consumption	MWh	5,97,196.37	5,85,325.16	5,39,634.12
Total Energy Consumption	**MWh**	**5,97,621.58**	**5,85,331.75**	**5,39,636.66**

The percentage of operations covered is 100%, as a percentage of revenues.

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total Renewable Energy Consumption	MWh	179.3	173.70	-
Total Non-Renewable Consumption	MWh	13,47,886.17	11,42,293.48	11,86,934.44
Total Energy Consumption	**MWh**	**13,48,065.47**	**11,42,467.18**	**11,86,934.44**

The percentage of operations covered is 100%, as a percentage of revenues.

Energy Intensity

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Energy intensity as per products	MWh/MT of production	2.25	2.45	2.58
Energy intensity as per sales	MWh/₹ Crores	236.54	214.85	177.89

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Energy intensity as per products	MWh/MT of production	1.238	1.162	1.347
Energy intensity as per sales	MWh/₹ Crores	229.92	226.48	238.05

Social Performance

DNL operates entirely within India, with all manufacturing facilities and corporate office located in Gujarat, Maharashtra, and Telangana. Our workforce comprises 100% Indian nationals, sharing the same race and ethnicity.

Workforce Breakdown

Deepak Nitrite Limited

Employee Category	FY 2024-25					
	< 30 years		30-50 years		>50 years	
	Male	Female	Male	Female	Male	Female
Senior management	0	0	26	3	33	0
Middle management	0	0	89	5	35	1
Junior management	455	21	781	19	288	1
Contractual employees	815	0	1,765	0	135	0
Total	**1,270**	**21**	**2,661**	**27**	**491**	**2**

Deepak Phenolics Limited

Employee Category	FY 2024-25					
	< 30 years		30-50 years		>50 years	
	Male	Female	Male	Female	Male	Female
Senior management	0	0	14	1	10	0
Middle management	1	0	42	1	4	0
Junior management	143	18	175	10	8	0
Contractual employees	19	0	8	2	8	0
Total	**163**	**18**	**239**	**14**	**30**	**0**

Workforce Breakdown: Gender

Deepak Nitrite Limited

Indicator	UoM	FY 2024-25
Share of women in total workforce (as % of total workforce)	%	2.8
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	%	3.2
Share of women in junior management positions, i.e., first level of management (as % of total junior management positions)	%	3
Share of women in top management positions, i.e., maximum two levels away from the CEO or comparable positions (as % of total top management positions)	%	8.33
Share of women in management positions in revenue-generating functions (e.g., sales) as % of all such managers (excluding support functions)	%	2

Deepak Phenolics Limited

Indicator	UoM	FY 2024-25
Share of women in total workforce (as % of total workforce)	%	6.90
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	%	6.90
Share of women in junior management positions, i.e., first level of management (as % of total junior management positions)	%	7.79
Share of women in top management positions, i.e., maximum two levels away from the CEO or comparable positions (as % of total top management positions)	%	3.23
Share of women in management positions in revenue-generating functions (e.g., sales) as % of all such managers (excluding support functions)	%	2.08

Human Capital Return on Investment

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total revenue FY 2024 (a)	₹	2,675.66 Crores	2,848.05 Crores	3,135.13 Crores
Total Operating Expenses (b)	₹	2,338.12 Crores	2,369.59 Crores	2,525.29 Crores
Total employee related expenses (salaries + benefits) (c)	₹	275.05 Crores	250.36 Crores	229.59 Crores
Total Employees	Nos.	1,757	1,720	1,469
Resulting HC ROI (a - (b-c)) / c		**2.23**	**2.91**	**3.66**

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total revenue FY 2024 (a)	₹	5,863.20 Crores	5,044.49 Crores	4,986.00 Crores
Total Operating Expenses (b)	₹	5,068.35 Crores	4,403.03 Crores	4,386.86 Crores
Total employee related expenses (salaries + benefits) (c)	₹	100.89 Crores	96.61 Crores	87.45 Crores
Total Employees	Nos.	464	412	399
Resulting HC ROI (a - (b-c)) / c		**8.88**	**7.64**	**7.85**

Performance and Career Development Reviews by Gender and Category

Deepak Nitrite Limited

	Male	Female
Senior Management	100%	100%
Middle Management	100%	100%
Junior Management	100%	100%

Deepak Phenolics Limited

	Male	Female
Senior Management	100%	100%
Middle Management	100%	100%
Junior Management	100%	100%

Hiring

Deepak Nitrite Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total number of new employee hires	Nos	229	230	339
Percentage of open positions filled by internal candidates	%	8.4%	11%	4%
Average hiring cost/FTE	₹	18,005	20,501	28,165

Deepak Phenolics Limited

	UoM	FY 2024-25	FY 2023-24	FY 2022-23
Total number of new employee hires	Nos	88	107	111
Percentage of open positions filled by internal candidates	%	4.54%	10.28%	1.0%
Average hiring cost/FTE	₹	14,605	14,591	17,741

Total Employee Turnover

Deepak Nitrite Limited

Category	Age group (1 Apr 2024 - 31 Mar 2025)					
	<30		30-50		>50	
	Male	Female	Male	Female	Male	Female
Top Management	0	0	5	0	6	0
Senior Management	0	0	0	0	0	0
Middle Management	0	0	16	0	7	0
Associates	97	6	50	3	20	0

**100% coverage (as % of all FTEs globally)*

Deepak Phenolics Limited

Employee Category	Age group (1 Apr 2024 - 31 Mar 2025)					
	<30		30-50		>50	
	Male	Female	Male	Female	Male	Female
Top Management	0	0	2	0	3	0
Senior Management	0	0	12	1	7	0
Middle Management	1	0	42	1	4	0
Associates	143	18	175	10	8	0

**100% coverage (as % of all FTEs globally)*

Average Hours of Training and Development Overview

Deepak Nitrite Limited

Average Hours of Training	FY 2024-25	
Employee Category		
Senior Management	1,353	
Middle Management	130	
Junior Management	62	
By Gender		
	Male	Female
Workers (permanent)	1,495	50
Contractual Workers	34	2

Deepak Phenolics Limited

Average Hours of Training	FY 2024-25	
Employee Category		
Senior Management	74.17	
Middle Management	58.98	
Junior Management	32.84	
By Gender		
	Male	Female
Permanent Employees	71.27	83.45
Contractual Employees	NA	NA

Parental Leave Benefits

Deepak Nitrite Limited

	Male	Female
Number of employees entitled to parental leave	1,495	50
Number of employees who took parental leave	71	1
Number of employees who returned to work after parental leave ended	71	1
Number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work	71	1
Return to work	**71**	**1**
Retention Rate	**100%**	**100%**

Deepak Phenolics Limited

	Male	Female
Number of employees entitled to parental leave	397	30
Number of employees who took parental leave	24	1
Number of employees who returned to work after parental leave ended	24	1
Number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work	22	1
Return to Work Rate	**91.67%**	**100%**
Retention Rate	**91.67%**	**100%**

Employee Support Programs

Deepak Nitrite Limited

Family benefits	FY 2024-25
Paid parental leave for the primary caregiver	24 weeks
Paid parental leave for the non-primary caregiver	1 week
Paid family or care leave beyond parental leave	Yes

Deepak Phenolics Limited

Family benefits	FY 2024-25
Paid parental leave for the primary caregiver	24
Paid parental leave for the non-primary caregiver	1
Paid family or care leave beyond parental leave	0

Trend of Employee Wellbeing

Deepak Nitrite Limited

	FY 2024-25	FY 2023-24	FY 2022-23
% of employees with top level of engagement, satisfaction, wellbeing or employee net promoter score (eNPS)	65	68	68

Deepak Phenolics Limited

	FY 2024-25	FY 2023-24	FY 2022-23
% of employees with top level of engagement, satisfaction, wellbeing or employee net promoter score (eNPS)	70	62	-

Note (DNL & DPL): As part of our employee metrics framework, we conduct surveys that explore key dimensions of workforce well-being. These include job satisfaction (external motivation), assessed by whether employees feel content with their roles; purpose (internal motivation), evaluated through perceptions of meaningful work; happiness, measured by how often employees feel positive at work; and stress, tracked by the frequency of stress-related experiences.

Occupational Health and Safety

Deepak Nitrite Limited

Indicators	DNL
Total Manhours (Employees)	33,48,830
Total Manhours (Contractors)	52,48,973
Near Miss Cases	1,043
Lost time injury (LTI) frequency rate*	Employees: 0.29 Contract Workers: 0
Lost time injury (LTI) severity rate	Employees: 0 Contract Workers: 0
Number of high-consequence work-related injuries (excluding fatalities)	Employees: 0 Contract Workers: 0
No. of fatalities	Employees: 0 Contract Workers: 0
Total recordable work-related injuries (Loss Time Injury-Reportable & MTC- Medical Treatment Case)	Employees: 2 Contract Workers: 9
Rate of recordable work-related injuries	Employees: 0.60 Contract Workers: 1.71
Rate of high-consequence work-related injuries (excluding fatalities)	Employees: 0 Contract Workers: 0

** 100% Data coverage (as % of employees and contractors)*

** LTIFR calculated based on 1,000,000 hours worked.*

** No workers have been excluded from this disclosure.*

** Data compiled following the IS 3786 standard for calculating incident and incident rates.*

Deepak Phenolics Limited

Indicators	FY 2024-25
Total Manhours (Employees)	6,84,762
Total Manhours (Contractors)	18,60,792
Safe Working Hours (No Lost Time Accidents)	2.54 million
Near Miss Cases	177
Lost time injury (LTI) frequency rate*	Employees: 00 Contract Workers: 00
Lost time injury (LTI) severity rate	Employees: 00 Contract Workers: 00
Number of high-consequence work-related injuries (excluding fatalities)	Employees: 00 Contract Workers: 00
No. of fatalities	Employees: 00 Contract Workers: 00
Total recordable work-related injuries (Loss Time Injury-Reportable & MTC- Medical Treatment Case)	Employees: 00 Contract Workers: 01
Rate of recordable work-related injuries	Employees: 00 Contract Workers: 0.53
Rate of high-consequence work-related injuries (excluding fatalities)	Employees: 00 Contract Workers: 00

** 100% Data coverage (as % of employees and contractors)*

** LTIFR calculated based on 1,000,000 hours worked.*

** No workers have been excluded from this disclosure.*

** Data compiled following the IS 3786 standard for calculating incident and incident rates.*

Process Safety Event Overview

Deepak Nitrite Limited

	FY 2024-25	FY 2023-24	FY 2022-23
Number per million hours worked	0	0	0

** 100% Data coverage (as % of employees)*

Deepak Phenolics Limited

	FY 2024-25	FY 2023-24	FY 2022-23
Number per million hours worked	0	0	0

** 100% Data coverage (as % of employees)*

Governance

	Average Tenure of the Board (years)	Board of Directors by age	Indian and Foreign Nationality
DNL	**Average Tenure of the Board members:** 10.71 years **Tenure of Executive Director:** Maximum 5 years at a time and further renewed for 5 years. **Tenure of Non-Executive Director:** Retire by rotation at Annual General Meeting in accordance with the Act. **Tenure of Independent Director:** Two term of maximum 5 years each. **Tenure of Directors (Nos):** • 0-5 years – 5 • 6-10 years – 5 • More than 10 years – 2	• Younger than 50: 33.33% • Between 50 & 70: 50% • Older than 70: 16.67%	Indian: 12 Foreign: 0
DPL	**Average Tenure of the Board members:** 7.05 Years **Tenure of Executive Director:** 2.9 Years **Tenure of Non-Executive Director:** 8.6 Years **Tenure of Independent Director:** 4.4 Years **Tenure of Directors (Nos):** • 0-5 years – 4 • 6-10 years – 4 • More than 10 years - 2	• Younger than 50: 20% • Between 50 & 70: 70% • Older than 70: 10%	Indian: 10 Foreign: 0

Note: 1. Number of other mandates for non-executive/independent directors restricted to: (DNL: 6 listed companies or 9 public limited companies, DPL: 9 public limited companies)

2. Number of non-executive/independent directors with 4 or less other mandates: (DNL: 4, DPL: 3)

CEO-to-Employee Pay Ratio

Deepak Nitrite Limited

CEO Compensation (₹)	Median Employee Compensation (₹)	Mean Employee Compensation (₹)
₹ 4.95 Crores	₹ 6.26 Lakhs	₹ 10.72 Lakhs
Pay Ratio:	79.07	46.18

Deepak Phenolics Limited

CEO Compensation (₹)	Median Employee Compensation (₹)	Mean Employee Compensation (₹)
₹ 3.78 Crores	₹ 7.99 Lakhs	₹ 12.50 Lakhs
Pay Ratio:	47.30	30.23

GRI Index

Statement of use	Deepak Nitrite Limited has reported **"with reference"** to the GRI Standards for the period April 1, 2024 to March 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI Standard / Other Source	Disclosure	Location
GRI 2 - General Disclosures 2021- The organisation and its reporting practices	2-1 Name of the Organisation	About the Company – Pg. 6
	2-2 Entities included in the organisation's sustainability reporting	About The Report – Pg. 2
	2-3 Reporting period, frequency and contact point	About The Report – Pg. 2
	2-4 Restatements of information	About The Report – Pg. 2
	2-5 External assurance	About The Report – Pg. 2
GRI 2 - General Disclosures 2021- Activities and Workers	2-6 Activities, value chain and other business relationships	Business & Value Chain Activities – Pg. 8 & 9
	2-7 Employees	Total Workforce – Pg. 80
	2-8 Workers who are not employees	Total Workforce – Pg. 80
GRI 2 - General Disclosures 2021- Governance	2-9 Governance structure and composition	Corporate Governance – Pg. 31 Annual report - Corporate Governance
	2-10 Nomination and selection of the highest governance body	Corporate Governance – Pg. 32 Annual report – Corporate Governance
	2-11 Chair of the highest governance body	Corporate Governance – Pg. 31
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance – Pg. 31
	2-13 Delegation of responsibility for managing impacts	ESG Governance & Oversight – Pg. 35
	2-14 Role of the highest governance body in sustainability reporting	ESG Governance & Oversight – Pg. 35
	2-15 Conflicts of interest	Code of Conduct & Conflict of Interest – Pg. 37
	2-16 Communication of critical concerns	Grievance Redressal & Whistle-Blower Mechanism – Pg. 37
	2-17 Collective knowledge of the highest governance body	Board of Directors: Core Skills and Competencies – Pg. 31
	2-18 Evaluation of the performance of the highest governance body	Board Performance Review – Pg. 32
	2-19 Remuneration policies	Board Nomination And Remuneration Pg. 32
	2-20 Process to determine remuneration	Board Nomination And Remuneration Pg. 32

GRI Standard / Other Source	Disclosure	Location
GRI 2 - General Disclosures 2021– Strategy, policies and practices	2-21 Annual total compensation ratio	Annual Total Compensation Pg. 32
	2-22 Statement on sustainable development strategy	Leadership Message – Pg. 16
	2-23 Policy commitments	Codes & Policies – Pg. 36
	2-24 Embedding policy commitments	Codes & Policies – Pg. 36
	2-25 Processes to remediate negative impacts	Grievance Redressal & Whistleblower Mechanism – Pg. 37
	2-26 Mechanisms for seeking advice and raising concerns	Grievance Redressal & Whistle-blower Mechanism- Pg. 37 Annual report – BRSR P4 & P5
	2-27 Compliance with laws and regulations	Board Oversight on Ethics - Pg. 36
	2-28 Membership associations	Industry Associations and Memberships – Pg. 12
GRI 2 - General Disclosures 2021– Stakeholder engagement	2-29 Approach to stakeholder engagement	Stakeholder Engagement – Pg. 23
	2-30 Collective bargaining agreements	Freedom of Association and Collective Bargaining – Pg. 94
GRI 3 - Material Topics 2021	3-1 Process to determine Material Topics	Double Materiality Pg. 24-30
	3-2 List of Material topics	Double Materiality Pg. 24-30
	3-3 Management of Material Topics	Double Materiality Pg. 24-30
GRI 201 - Economic Performance 2016	201-1 Direct Economic Value Generated	Economic Performance - Pg. 52
	201-2 Financial Implications and Other Risks and Opportunities Due to Climate Change	Climate Strategy – Pg. 58-61
	201-3 Defined Benefit Plan Obligations and Other Retirement Plans	Retirement Benefits – Pg. 90
GRI 202 - Market Presence 2016	202-1 Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	Annual Report BRSR P5: E2 – Pg. 221
	202-2 Proportion of senior management hired from the local community	New Employees Hired – Pg. 81
GRI 203 - Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Strategic Investments and Capital Allocation – Pg. 52
	203-2 Significant indirect economic impacts	Corporate Social Responsibility – Pg. 102-104 Annual Report – Social & Relationship Capital- Pg. 92
GRI 204 - Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Annual Report BRSR P8: E4 – Pg.232

GRI Standard / Other Source	Disclosure	Location
GRI 205 - Anti-Corruption 2016	205-1 Operations Assessed for Risks Related to Corruption	Anti-Bribery & Anti-Corruption (ABAC) Policy – Pg. 37
	205-2 Communication and Training About Anti-Corruption Policies and Procedures	Anti-Bribery & Anti-Corruption (ABAC) Policy – Pg. 37
	205-3 Confirmed Incidents of Corruption and Actions Taken	Grievance Redressal & Whistle-blower Mechanism- Pg. 37
GRI 206 - Anti-Competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Grievance Redressal & Whistle-blower Mechanism- Pg. 37
GRI 207 - Tax 2019	207-1 Approach to tax	Annual Report – Pg. 310
	207-2 Tax governance, control, and risk management	Annual Report – Pg. 310
	207-3 Stakeholder engagement and management of concerns related to tax	Annual Report – Pg. 310
	207-4 Country-by-country reporting	Annual Report – Pg. 300
GRI 301 - Materials 2016	301-1 Materials used by weight or volume	Materials Management- Pg. 55
	301-2 Recycled input materials used	No recycled materials have been used in the production.
	301-3 Reclaimed products and their packaging materials	Not Applicable
GRI 302 - Energy 2016	302-1 Energy Consumption within the organisation	Energy Management – Pg. 119 BRSR P6: E1 Pg. 224
	302-3 Energy Intensity	Energy Intensity – Pg. 119
	302-4 Reduction of Energy Consumption	Energy and Emission Reduction Initiatives –Pg. 64-65
GRI 303 - Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management – Pg. 67 -71
	303-2 Management of water discharge related impacts	Effluent Management- Pg. 68-70
	303-3 Water withdrawal	Water Withdrawal - Pg. 110, 112 Annual Report BRSR P6: E3, 4, 5 & L1- Pg. 224-225 & 228
	303-4 Water discharge	Water Discharge – Pg. 111 & 112 Annual Report BRSR P6: E3, 4, 5 & L1 - Pg. 224-225 & 228
	303-5 Water consumption	Water Consumption – Pg. 111 & 113 Annual Report BRSR P6: E3, 4, 5 & L1- Pg. 224-225 & 228

GRI Standard / Other Source	Disclosure	Location
GRI 304 - Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity - Pg. 75-76
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity - Pg. 75-76
	304-3 Habitats protected or restored	Biodiversity - Pg. 75-76
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity - Pg. 75-76
GRI 305 - Emissions 2016	305-1 Direct (Scope 1) GHG Emissions	Greenhouse Gas Emissions (Scope 1, 2 & 3) – Pg. 116 BRSR P6:E7 – Pg. 226
	305-2 Energy Indirect (Scope 2) GHG Emissions	Greenhouse Gas Emissions (Scope 1, 2 & 3) – Pg. 116 BRSR P6:E7 – Pg. 226
	305-3 Other Indirect (Scope 3) GHG Emissions	Greenhouse Gas Emissions (Scope 1, 2 & 3) – Pg. 116-117 BRSR P6:L2 – Pg. 229
	305-4 GHG Emissions Intensity	Greenhouse Gas Emissions Intensity – Pg. 118
	305-5 Reduction of GHG Emissions	Energy And Emission Reduction Initiatives – Pg. 64 & 65
	305-7 Nitrogen Oxides (NOx), Sulphur Oxides (SOx), And Other Significant Air Emissions	Air Emissions – Pg. 118 BRSR P6:E6 – Pg. 225
GRI 306 - Waste 2020	306-1 Waste Generation and Significant Waste-Related Impacts	Waste Management – Pg. 72-74
	306-2 Management of Significant Waste-Related Impacts	Waste Management – Pg. 72-74
	306-3 Waste Generated	Waste Management – Pg. 72 BRSR P6:E9 – Pg. 227
	306-4 Waste Diverted from Disposal	Waste Management – Pg. 72 BRSR P6:E9 – Pg. 227
	306-5 Waste Directed to Disposal	Waste Management – Pg. 72 BRSR P6:E9 – Pg. 227
GRI 401 - Employment 2016	401-1 New Employee Hires and Employee Turnover	New Employees Hired – Pg. 81 Hiring & Total Employee Turnover– Pg. 122 BRSR Section A:22 – Pg. 200
	401-2 Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees	Employee Wellbeing & Benefits- Pg. 90
	401-3 Parental Leave	Parental Leave – Pg. 124 Annual report – BRSR P3:E5 – Pg. 215
GRI 402 - Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Types of Employee Benefits & Coverage – Pg. 90

GRI Standard / Other Source	Disclosure	Location
GRI 403 - Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health And Safety - Pg. 95- 99
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health And Safety - Pg. 95- 99
	403-3 Occupational health services	Occupational Health And Safety - Pg. 95- 99
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health And Safety - Pg. 95- 99
	403-5 Worker training on occupational health and safety	Occupational Health And Safety - Pg. 95- 99
	403-6 Promotion of worker health	Occupational Health And Safety - Pg. 95- 99
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health And Safety - Pg. 95- 99
	403-8 Workers covered by an occupational health and safety management system	Occupational Health And Safety - Pg. 95- 99
	403-9 Work-related injuries	Occupational Health and Safety – Pg. 125 BRSR P3:E11 – Pg. 218
	403 -10 Work-related ill health	Occupational Health and Safety – Pg. 125 BRSR P3:E11 – Pg. 218
GRI 404 - Training and Education 2016	404-1 Average hours of training per year per employee	Average Hours of Training and Development Overview – Pg. 123
	404-2 Programs for upgrading employee skills and transition assistance programs	Learning & Development – Pg. 87-89
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance Management - Pg. 91 BRSR P3:E9 – Pg. 216
GRI 405 - Diversity and Equal Opportunity 2016	405-1 Diversity of Governance Bodies and Employees	Board Composition - Pg. 31 Diversity and Inclusion - Pg. 80-82
	405-2 Ratio of Basic Salary and Remuneration of Women to Men	Equitable Pay Practices - Pg. 82
GRI 406 - Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights & Labor Compliance Overview - Pg. 94 BRSR P5:E6 – Pg. 222
GRI 407 - Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Freedom of Association and Collective Bargaining - Pg. 94
GRI 408 - Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Human Rights & Labor Compliance Overview - Pg. 94
GRI 409 - Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human Rights & Labor Compliance Overview - Pg. 94

GRI Standard / Other Source	Disclosure	Location
GRI 410 - Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Percentage of security personnel trained – Pg. 94
GRI 411 - Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Human Rights & Labor Compliance Overview - Pg. 94
GRI 413 - Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility - Pg. 102-104
	413-2 Operations with significant actual and potential negative impacts on local communities	Corporate Social Responsibility - Pg. 102-104
GRI 414 - Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Screening And Assessment – Pg. 105
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Governance And Risk Management – Pg. 105
GRI 416 - Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Safety Communication - Pg. 41
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Safety Communication - Pg. 41 BRSR P9:E6 – Pg. 234
GRI 417 - Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Product Safety Communication - Pg. 41 BRSR P9: 233-234
	417-2 Incidents of non-compliance concerning product and service information and labelling	Product Safety Communication - Pg. 41 BRSR P9: 233-234
	417-3 Incidents of non-compliance concerning marketing communications	Product Safety Communication - Pg. 41 BRSR P9: 233-234
GRI 418 - Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy & Protection - Pg. 51 BRSR P9: Pg. 233-234

SASB Index

Topic	Metric Category	Category	Unit of Measure	Remarks/Status (DNL)
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tonnes (t) CO_2-e, Percentage (%)	Greenhouse Gas Emissions (Scope 1, 2 & 3) – Pg. 116 BRSR P6:E7 – Pg. 226
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion & Analysis	n/a	
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	Metric tonnes (t)	Air Emissions – Pg. 118 BRSR P6:E6 – Pg. 225
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	Energy Management – Pg. 119 BRSR P6:E1 Pg. 224
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m^3), Percentage (%)	Water Consumption – Pg. 111, 113 Annual Report BRSR P6: E3,4,5 & L1- Pg. 224-225 & 228
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion & Analysis	n/a	Water Management – Pg. 67-71
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	Quantitative	Metric tonnes (t), Percentage (%)	Waste Management – Pg. 72 BRSR P6:E9 – Pg. 227
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion & Analysis	n/a	Corporate Social Responsibility – Pg. 102-104
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	Occupational Health and Safety- Pg. 125
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion & Analysis	n/a	Occupational Health and Safety- Pg. 95-99
Product Design for Use-phase efficiency	Revenue from products designed for use-phase resource efficiency	Quantitative	Percentage	Not Applicable

Topic	Metric Category	Category	Unit of Measure	Remarks/Status (DNL)
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	Percentage (%) by revenue, Percentage (%)	100% (Both)
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	Discussion & Analysis	n/a	**Product Stewardship & Safer Alternatives:** We actively manage chemicals of concern through rigorous screening, regulatory alignment, and continuous evaluation. Our strategy includes developing safer alternatives with reduced human and environmental impact, supporting responsible innovation and compliance. **Product Awareness Communication Training (PACT):** Through PACT, we provide customers with essential guidance on safe product handling, usage, and disposal, reinforcing shared accountability for health, safety, and sustainability.
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	Percentage (%) by revenue	Not Applicable
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	Discussion & Analysis	n/a	Industry Associations and Memberships – Pg. 12 Ethics & Compliance – Pg. 36
Operational Safety, Emergency Preparedness and Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	Number, Rate	Zero
	Number of transport incidents	Quantitative	Number	3

UNGC Index

Principles	Description	Sections
	Human Rights	
1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Human Rights Protection – Pg. 92-94
2	Make sure that they are not complicit in human rights abuses.	Human Rights Protection – Pg. 92-94
	Labour	
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Freedom of Association And Collective Bargaining- Pg. 94
4	The elimination of all forms of forced and compulsory labour	Types of Employee Benefits & Coverage- Pg. 94
5	The effective abolition of child labour; and	Types of Employee Benefits & Coverage- Pg. 94
6	The elimination of discrimination in respect of employment and occupation.	Types of Employee Benefits & Coverage- Pg. 94
	Environment	
7	Businesses should support a precautionary approach to environmental challenges;	Environmental Impact Assessments – Pg. 57
8	Undertake initiatives to promote greater environmental responsibility; and	Energy And Emission Reduction Initiatives – Pg. 64 & 65
9	Encourage the development and diffusion of environmentally friendly technologies.	Product Stewardship – Pg. 41
	Anti-Corruption	Waste management initiatives - Pg. 73 & 74
10	Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-Bribery & Anti-Corruption (ABAC) Policy- Pg. 34

Aligning Businesses with UNSDGs

SDG's	Focus Areas	Sections
SDG 1	No Poverty	Community Involvement - Corporate Social Responsibility
SDG 3	Good Health and Wellbeing	Community Involvement - Corporate Social Responsibility People Strategy – Employee Wellbeing
SDG 4	Quality Education	Corporate Social Responsibility
SDG 5	Gender Equality	People Strategy – Diversity and Inclusion
SDG 6	Clean Water and Sanitation	Environmental Stewardship – Water Management
SDG 7	Affordable and Clean Energy	Environmental Stewardship – Energy & Emission Management
SDG 8	Decent Work and Economic Growth	People Strategy – Employee Engagement & OHS
SDG 9	Industry, Innovation and Infrastructure	Business Sustainability – Product Excellence Through Innovation
SDG 10	Reduced Inequalities	People Strategy – Diversity and Inclusion
SDG 11	Sustainable Cities and Communities	Community Involvement - Corporate Social Responsibility
SDG 12	Responsible Consumption and Production	Environmental Stewardship – Energy, Water & Waste Management
SDG 13	Climate Action	Climate Strategy
SDG 15	Life on Land	Environmental Stewardship - Biodiversity
SDG 16	Peace, Justice and Strong Institutions	Corporate Governance
SDG 17	Partnerships for the Goals	Community Involvement - Corporate Social Responsibility & Supply Chain Management

Independent Third-Party Assurance Statement

INDEPENDENT ASSURANCE STATEMENT

To

The Board of Directors of Deepak Nitrite Limited

Introduction and objectives of work

The Board of Directors of **Deepak Nitrite Limited** ('the Company') have engaged us to undertake an Independent Assurance of the company's Sustainability report for the financial year ended **March 31, 2025** (**Deepak Nitrite Limited - Sustainability Report – FY 2024-25)** and provide **Limited Assurance** Statement on the aforesaid report. **Deepak Nitrite Limited** has prepared the Sustainability Report with reference to Global Reporting Initiative (GRI) Standards, 2021 with stated parameters **(Annexure 1)** for the reporting period **April 1, 2024 to March 31, 2025**, based on which this overall assessment has been carried out. This Assurance Statement applies to the related information included within the scope of work described below.

Intended User

The intended user of this assurance statement is **Deepak Nitrite Limited**. We disclaim any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this assurance Statement. Bureau Veritas planned and performed the work to obtain the evidence, considered necessary to provide a basis for our assurance opinion.
The assurance engagement considers an acceptable uncertainty ratio based on the materiality threshold for estimation, measurement errors, and omissions. We did not engage with any external stakeholders as part of this assurance engagement.

Scope of Work

We have performed the **Limited Assurance** engagement for Sustainability report prepared with reference to GRI Standards 2021, verification engagement in accordance with ISAE 3000 methodology and in line with the requirements of Bureau Veritas's standard procedures and guidelines for External Assurance of Sustainability Reports, based on current best practice in independent assurance for the reporting period **April 1, 2024** to **March 31, 2025**. The selected GRI disclosures referred to in Appendix – 1 for this statement.

The reporting boundaries considered for this reporting period are as follows.

Site Name/ Location	Site Address
Nandesari	DEEPAK NITRITE LIMITED 4/12, GIDC Chemicals Complex, Nandesari - 391340, Gujarat, India
Dahej	DEEPAK NITRITE LIMITED 12/B/2, GIDC Dahej - 392130, Bharuch, Gujarat, India
Roha	DEEPAK NITRITE LIMITED Roha - Plot No. 1-7 & 26-31, MIDC Dhatav - 402116, Taluka Roha, Dist. Raigad. Maharashtra, India
Taloja	DEEPAK NITRITE LIMITED Taloja - K-9/10, MIDC, Taloja - 410208, Dist. Raigad. Maharashtra, India

Hyderabad	DEEPAK NITRITE LIMITED Unit 1, 90 F, Unit 2, 70 A & B, Unit 3, 22 IDA, Phase I, Jeedimetla, Hyderabad-500055, Telangana, India

As part of its Independent Assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze and review the information reported. In this process, we undertook the following activities:

The assessment was conducted by means of physical site visits at **Nandesari & Dahej** and virtual site audits at **Roha, Taloja & Hyderabad Manufacturing Sites**. Bureau Veritas interviewed personnel of the Company including CSR, L&D, EHS, Administration, Opex, SCM, Stores, Sustainability and other relevant departments and review of the Company's data & information systems for collection, aggregation, analysis and review.

Data on various GRI disclosures were assessed for the locations that were visited. Later, it was confirmed that the same assessed data went into preparation of the final data within the Sustainability Report 2024-25.

Management Responsibility

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the Sustainability report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of Sustainability Report. Our sole responsibility is to provide Independent Assurance on the Sustainability report for the financial year ended **March 31, 2025**.

Our findings

On the basis of our methodology and the activities described above,

- Based on our review, the GRI disclosures are accurate, and the information included therein is fairly stated.
- It is our opinion that Company has established appropriate systems for the collection, aggregation, and analysis of data on Sustainability/Non-Financial performance disclosures with reference to GRI.
- The Sustainability Report provides a fair representation of the Company's activities as included therein such as.
    - GHG Footprint: Total scope 1, scope 2 and scope 3.
    - Water Footprint: Total Water consumption, withdrawal, discharge and water consumption Intensity
    - Energy Footprint: Total energy consumed, Percentage of energy consumed from renewable sources and energy intensity.
    - Embracing circularity -details related to waste management by the entity: Waste generated, disposal/recycled, recovered, re-used.
    - Enhancing Employee Wellbeing and Safety
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the Company and status during the reporting period.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Data and Information falling outside the defined reporting assurance period (April 1, 2024 to March 31, 2025.
- Positional statements (expressions of opinion, belief, aim or future intention by the Company

and statements of future commitment).

Our assurance does not extend to the activities and operations of the Company outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

Our assurance of the economic and financial performance data or information about the Company is based solely on the annual audited financial statements for the Financial Year 2024-25, and our conclusions rest exclusively on that audited report.

Conclusion

Based on the procedures performed and the evidence obtained, we believe that the sustainability disclosures in the **Deepak Nitrite Limited's** Sustainability Report for the year ended March 31, 2025, prepared with reference to the GRI Standards 2021, are fairly presented, in all materials respects.

Statement of Independence, Integrity, and Competence

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety, and social accountability with over 196 years history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.
The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Deepak Nitrite Limited.

Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Restriction on use of Our Report

Our Limited Assurance report for Sustainability Report has been prepared and addressed to the Management of Deepak Nitrite Limited at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company. Our deliveries should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.



Dinesh PATEL
Lead Assuror
Bureau Veritas (India) Private Limited.
Vadodara, Gujarat, India.
Dt: 16th Sep 2025



Munji Rama Mohan RAO
Technical Reviewer
Bureau Veritas (India) Private Limited.
Hyderabad, India.
Dt: 17th Sep 2025

Appendix-1

GRI Standard	Disclosure
General disclosures	
GRI 2: General Disclosures 2021	2-1 Organizational details
	2-2 Entities included in the organization's sustainability reporting
	2-3 Reporting period, frequency and contact point
	2-4 Restatements of information
	2-5 External assurance
	2-6 Activities, value chain and other business relationships
	2-7 Employees
	2-8 Workers who are not employees
	2-9 Governance structure and composition
	2-10 Nomination and selection of the highest governance body
	2-11 Chair of the highest governance body
	2-12 Role of the highest governance body in overseeing the management of impacts
	2-13 Delegation of responsibility for managing impacts
	2-14 Role of the highest governance body in sustainability reporting
	2-15 Conflicts of interest
	2-16 Communication of critical concerns
	2-17 Collective knowledge of the highest governance body
	2-18 Evaluation of the performance of the highest governance body
	2-19 Remuneration policies
	2-20 Process to determine remuneration
	2-21 Annual total compensation ratio
	2-22 Statement on sustainable development strategy
	2-23 Policy commitments
	2-24 Embedding policy commitments
	2-26 Mechanisms for seeking advice and raising concerns
	2-27 Compliance with laws and regulations
	2-28 Membership associations
	2-29 Approach to stakeholder engagement
	2-30 Collective bargaining agreements
Material topics	

GRI 3: Material Topics 2021	3-1 Process to determine material topics
	3-2 List of material topics
	3-3 Management of material topics
Biodiversity	
GRI 304 - Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
	304-2 Significant impacts of activities, products and services on biodiversity
	304-3 Habitats protected or restored
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations
Economic Performance	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed
	201-2 Financial implications and other risks and opportunities due to climate change
GRI 202- Market Presence 2016	202-1 Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage
	202 -2 Proportion of senior management hired from the local community
Indirect Economic Impacts	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported
	203-2 Significant indirect economic impacts
Procurement Practices	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers
Anti-Corruption	
GRI 205: Anticorruption 2016	205-1 Operations Assessed for Risks Related to Corruption
	205-2 Communication and training about anti-corruption policies and procedures
	205-3 Confirmed incidents of corruption and actions taken
GRI 206 - Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
Materials	
GRI 301: Materials 2016	301-1 Materials used by weight or volume
	301-2 Recycled input materials used
	301-3 Reclaimed products and their packaging materials
Energy	
GRI 302: Energy 2016	302-1 Energy consumption within the organization
	302-3 Energy intensity
	302-4 Reduction of energy consumption
Water	

GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource
	303-2 Management of water discharge-related impacts
	303-3 Water withdrawal
	303-4 Water discharge
	303-5 Water consumption
Emissions	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions Stationery Combustion, Mobile Combustions, Refrigerants
	305-2 Energy indirect (Scope 2) GHG emissions Purchase Electricity & Steam
	305-3 Other indirect (Scope 3) GHG emissions Category-1: Purchased Goods and Services, Category-2: Capital Goods, Category-4: Upstream Transportation and Distribution, Category-5: Waste Generated in Operations, Category-6: Business Travel, Category-7: Employee Commuting, Category-8: Upstream Leased Assets, Category-9: Downstream Transportation and Distribution
	305-4 GHG emissions intensity
	305-5 Reduction of GHG emissions
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions
Waste	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts
	306-2 Management of significant waste-related impacts
	306-3 Waste generated
	306-4 Waste diverted from disposal
	306-5 Waste directed to disposal
Employment	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover
	401-2 Benefits provided to full- time employees that are not provided to temporary or part-time employees
	401-3 Parental leave
Labor/Management Relations	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes
Occupational Health and Safety	

GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system
	403-2 Hazard identification, risk assessment, and incident investigation
	403-3 Occupational health services
	403-4 Worker participation, consultation, and communication on occupational health and safety
	403-5 Worker training on occupational health and safety
	403-6 Promotion of worker health
	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
	403-10 Work-related ill health
Training and Education	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee
	404-2 Programs for upgrading employee skills and transition assistance programs
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GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees
	405-2 Ratio of Basic Salary and Remuneration of Women to Men
Non-discrimination	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken
Freedom of Association and Collective Bargaining	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
Child Labor	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor
Forced or Compulsory Labor	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor
Security Practices	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures
Rights of Indigenous Peoples	

GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples
Local Communities	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs
	413-2 Operations with significant actual and potential negative impacts on local communities
Supplier Social Assessment	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria
	414-2 Negative social impacts in the supply chain and actions taken
Customer Health and Safety	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories
	416-2 Incidents of non- compliance concerning the health and safety impacts of products and services
Marketing and Labelling	
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling
	417-2 Incidents of non-compliance concerning product and service information and labelling
	417-3 Incidents of non-compliance concerning marketing communications
Customer Privacy	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data



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