



LEADING RESPONSIBLY



Chemplast Sanmar Ltd
Chemplast Cuddalore Vinyls Ltd

Sustainability Report 2021-2022

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For the online version of this Sustainability Report, please log on to
<https://www.chemplastsanmar.com/sustainability-report.php>

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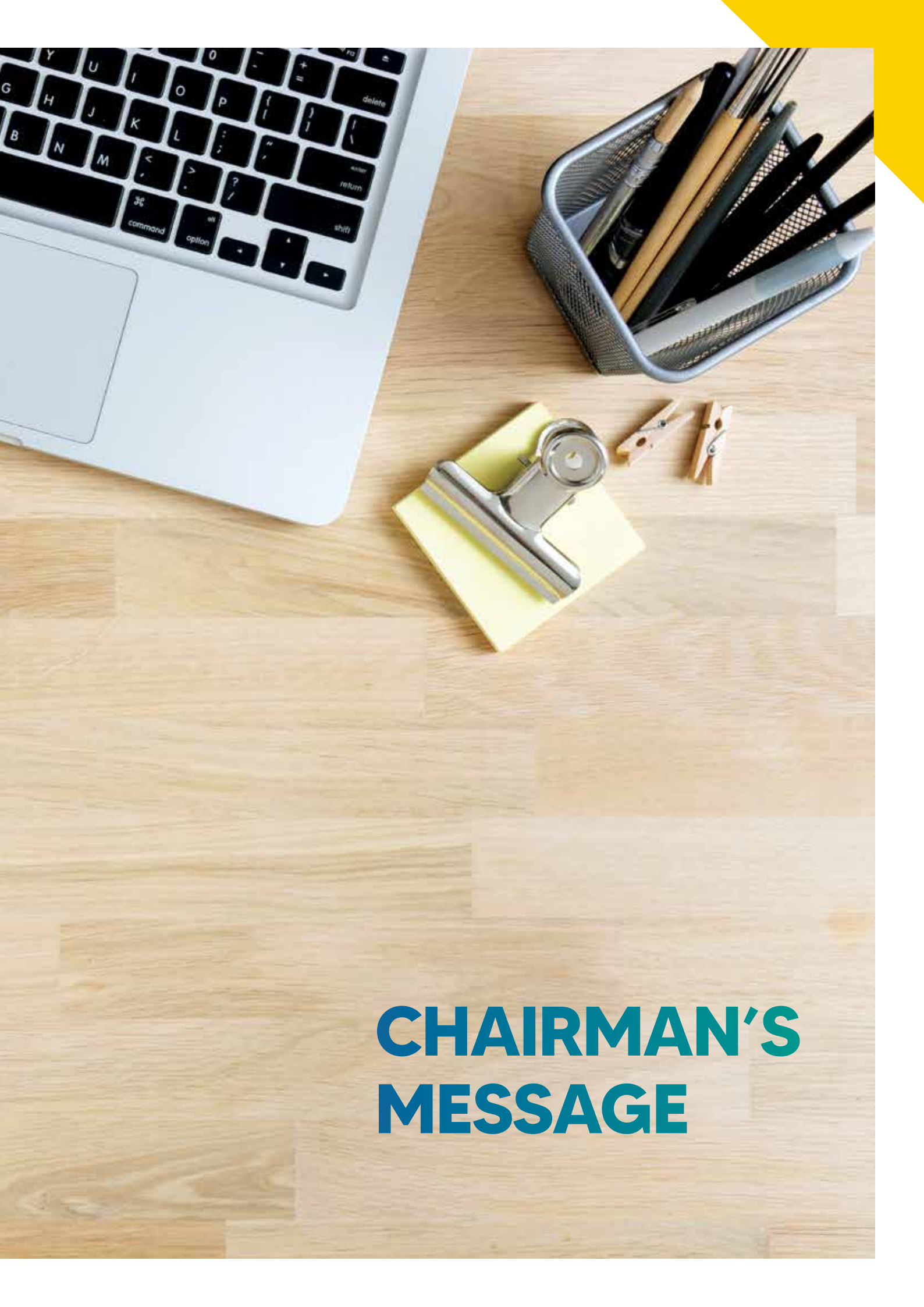
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**Assurance
Statement**



Cover Photograph: Light house at Vedaranyam, where Chemplast Sanmar's Salt Pans are located.





CHAIRMAN'S MESSAGE

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Vijay Sankar, Chairman, Chemplast Sanmar Ltd.

“

With continuous and persistent efforts, Chemplast has outperformed in every domain in the reporting period and achieved several milestones on its journey to being a sustainable business.

”

Chairman's Message

Dear Stakeholders,

Hope you and your families are safe and healthy! At the outset, I would like to take this opportunity to extend my gratitude to our customers, employees, and their families, communities, investors and business partners for their unwavering support during these unprecedented times. Despite the uncertainties and the challenges posed by recurring waves of COVID-19, we have managed to maintain our dominant position in the market while creating value for our stakeholders and achieving considerable growth without major disruption in operations.

Our 14th sustainability report details our financial performance, environmental initiatives and community upliftment programmes. We have a prudent financial management system in place. Our business strategy is tailored to minimise the impact of our operations on the environment and society and improve our ESG performance. Chemplast has achieved excellence through responsible corporate governance and sustainable business practices. The Company has always upheld the trust of its stakeholders and met their expectations.

With continuous and persistent efforts, Chemplast has outperformed in every domain in the reporting period and achieved several milestones on its journey to being a sustainable business. As a result, Chemplast Sanmar Mettur, Plant II, has retained the Five Star Award in 2022 and has been granted the Sword of Honour by the British Safety Council for 2021. In addition, Plant III has also been awarded British Safety Council Five Star Award in 2022. These awards are a testament to Sanmar's outstanding commitment to health and safety management.

Future Outlook

We are a company with an experience of five decades and the soul of a start-up. Aligning our goals to our actions, we

are all set to grow capacity in Speciality Paste PVC and Custom Manufactured Chemicals. The Suspension PVC capacity of CCVL is being optimised to add 10% to the existing capacity while the Company aims to ramp up the capacity utilisation of Hydrogen peroxide in FY 2022-23. Revenue growth is likely to be sustained at a healthy boost with the commissioning of the new multi-purpose custom manufacturing facility in FY 2023- 24 and the introduction of several new products.

Furthermore, we are also cognizant of our responsibility to expand the portfolio and generate financial returns in a responsible manner that safeguards the environment and supports our communities.

The management is optimistic that the runway is clear: a combination of cash flows, character, credentials and competitiveness is expected to enhance value quicker and more sustainably.

N Sankar (NS), our Chairman Emeritus who passed away recently, always believed that to be truly successful, businesses must integrate a sustainability mindset into their business models.

We will strive to follow his footprints in keeping with our vision, "Where Integrity Meets Excellence".

I must thank our investors for their trust in our Company. I am optimistic that we will be able to live up to the expectations of all our stakeholders and build the Company into one that enhances value for all stakeholders in a sustainable way in the long term.

Vijay Sankar
Chairman



N Sankar

“

Execution is a discipline and integral to strategy. Execution must be a core element of an organisation's culture. Execution is the major job of the business leader.

- N Sankar

”

Forever in our hearts

N Sankar (NS) was a true business leader who walked the talk.

As a veteran industrialist with significant contributions over five decades, NS was instrumental in making Chemplast Sanmar what it is today - one of the leading and sustainable chemical manufacturers in India. He was responsible for some of the most original choices made in the field, including the highly integrated manufacturing processes at the numerous facilities of Chemplast.

Under NS' leadership, Chemplast Sanmar continuously improved its manufacturing processes and stayed well ahead of mandated norms in compliance with environmental standards.

His concern for the environment led to pioneering the Zero Liquid Discharge (ZLD) concept, wherein no facility would let out a drop of effluent into the land or sea.

Thereafter, all shore-based new plants had to implement water conservation at the design stage. Coastal plants were planned not to draw any groundwater but rely only on desalination.

As a successful entrepreneur, NS pioneered various joint ventures, focused on international business, diversified

business portfolios and implemented best-in-class manufacturing practices to make Sanmar a truly global company.

He was a role model for entrepreneurs and institution builders alike, with an unusual combination of business acumen and ethical conviction – upright, farsighted and innovative.

Ethics and corporate governance were articles of faith with NS, and he used values, integrity and trust as cornerstones in building Sanmar.

Throughout his career, he pioneered innovative ways to enable effective collaboration, and fostered good governance and integrated manufacturing. All his contributions have been well-recognised in the industry and are a beacon for others to follow.

He was an avid sports enthusiast and offered sustained patronage to cricket and tennis.

NS passed away on April 17, 2022, leaving behind a legacy that doubles up as a roadmap for us. We will follow his vision and build upon his legacy to take our business to greater heights sustainably.

SUSTAINABILITY AT CHEMPLAST SANMAR





About the Report

We are pleased to present our 14th Annual Sustainability Report for the financial year 2021-22 (hereafter referred to as the 'Reporting Period'). This report provides a holistic overview of our sustainable and responsible approach to creating long-term value for our stakeholders, including customers, investors, employees, communities, etc., and sustainably leading our business operations. It also reflects a retrospective analysis of our ESG performance in the reporting period against previous years.

This report has been prepared in accordance with the GRI Standards: Comprehensive option. The previous report was released in 2021, covering the financial period 2020-21. The Limited Assurance of this report has been provided by our assurance partner, Ernst & Young Associates LLP.

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Chemplast Sanmar Limited, Mettur.



Chemplast Sanmar Limited, Karaikal

Scope and Boundary

The report discloses the annual financial and non-financial performance of our manufacturing facilities for FY 2021-22. The report covers the manufacturing units of:

1. Chemplast Sanmar Limited - Mettur, Karaikal, Berigai and Vedaranyam
2. Chemplast Cuddalore Vinyls Limited (CCVL) - Cuddalore

The information/data in the report apply to FY 2021-22. The data was collected from all the manufacturing sites, and further, the evaluated data was audited and verified by an external assurance provider following the limited assurance criteria.

No information from the previous report has been restated in this reporting year.

For any comments or clarifications on this report, please reach out to:

Mr Ramkumar Shankar

Managing Director

chemplast_sustainability@sanmargroup.com

Executive level position with responsibility for Sustainability

Dr R Palaniappan

Vice President – Safety, Health and Environment

rp4@sanmargroup.com

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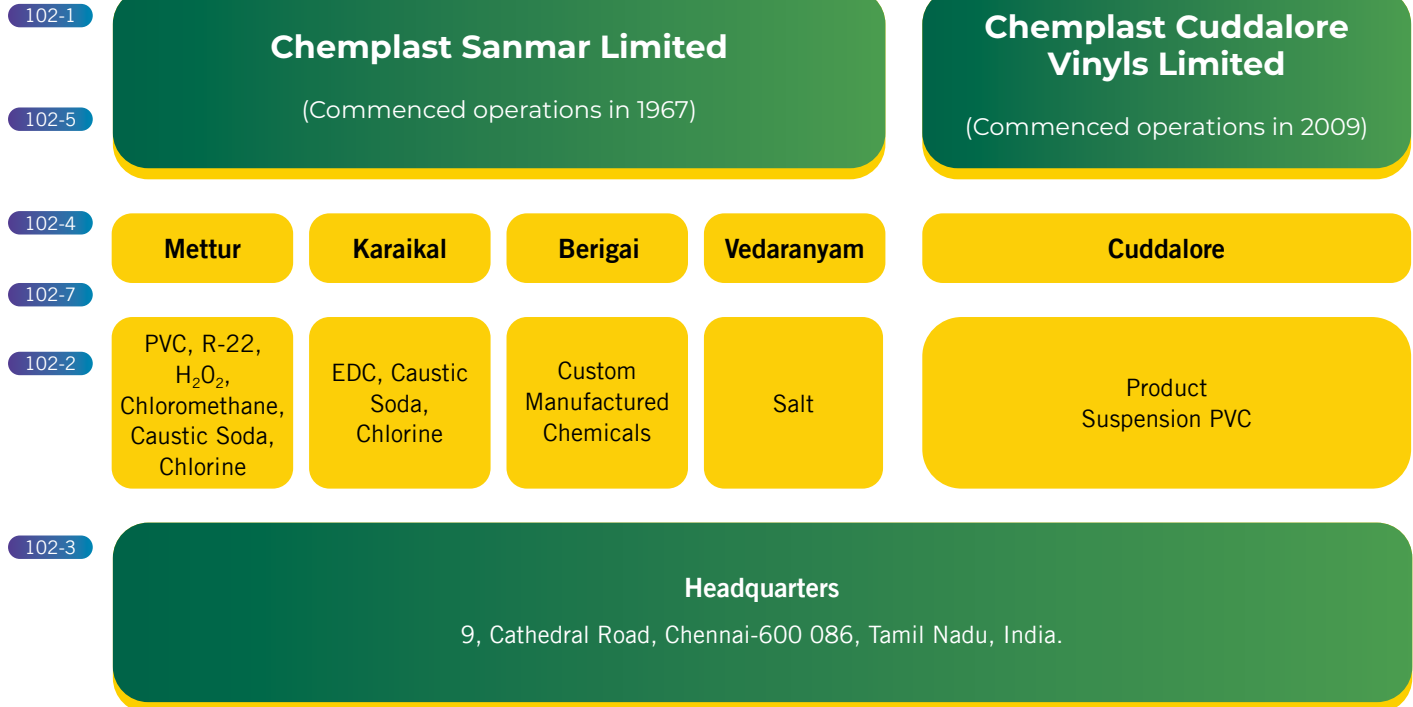
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Company and Product Portfolio

The Sanmar Group



Market Presence

While catering to the burgeoning Indian market, Chemplast Sanmar aims to build long-term relationships with key global innovators to expand its product portfolio. Chemplast supplies custom-manufactured chemicals to the international market in the agrochemical, pharma, and fine chemicals space. A recent addition to the product portfolio is Hydrogen Peroxide, which has a huge demand across sectors. It is sold to paper/pulp, dye, health care, and water treatment plants in Southern India. Caustic Soda, being a commodity chemical, has applications in almost all sectors including paper, aluminium, water treatment and other industries. We also have captive salt fields at Vedaranyam to produce the salt needed for chlorine manufacture. Our product portfolio gives us an edge; as a result, we have been a leader in the South Indian market for over five decades.

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Manufacturing Capacity

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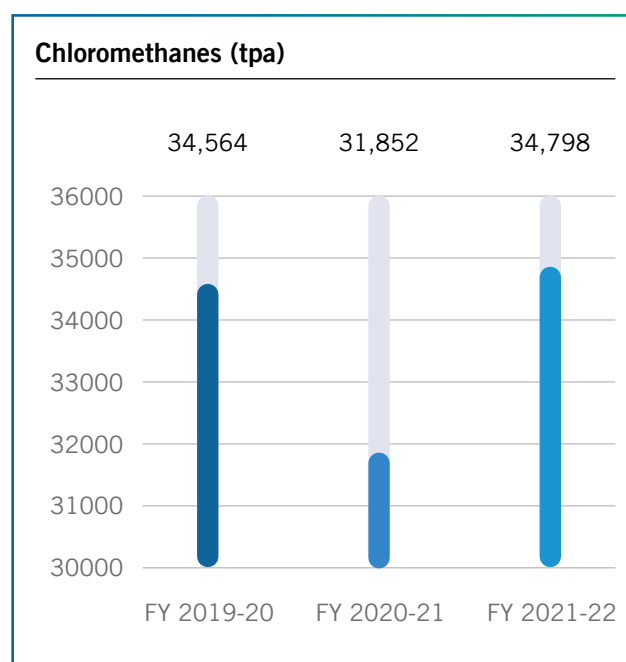
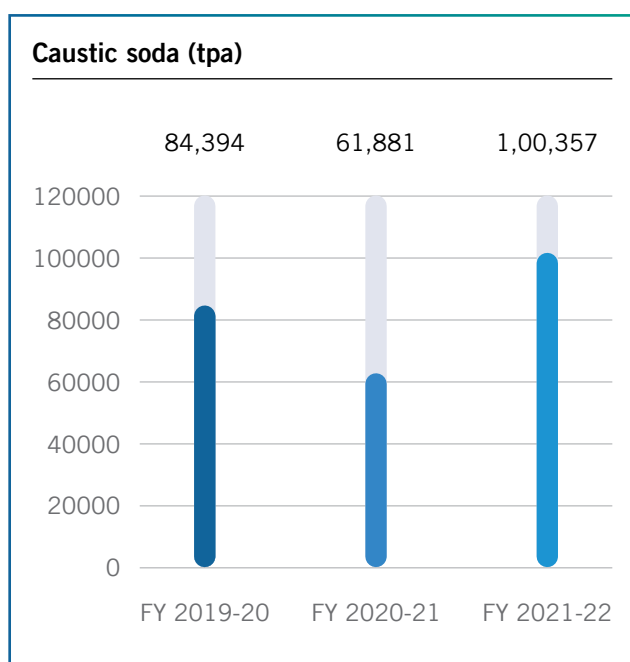
Products & by-products	Location	Units	Annual Capacity	Production in 2021-22
PVC Paste PVC	Mettur	tpa	66,000	3,63,249
	CCVL-Cuddalore	tpa	3,00,000	
EDC	Karaikal	tpa	84,000	77,137
Caustic soda	Mettur and Karaikal	tpa	1,19,000	1,00,357
Chlorine	Mettur and Karaikal	tpa	1,05,000	90,667
Chloromethanes	Mettur	tpa	35,000	34,798
Salt	Vedaranyam	tpa	4,00,000	73,793
Refrigerant gas (R-22)	Mettur	tpa	2,500	742
Hydrogen Peroxide (50% Basis)	Mettur	tpa	34,000	16,448
Custom Manufacturing Chemicals	Berigai	tpa	1,080	1,046

Production

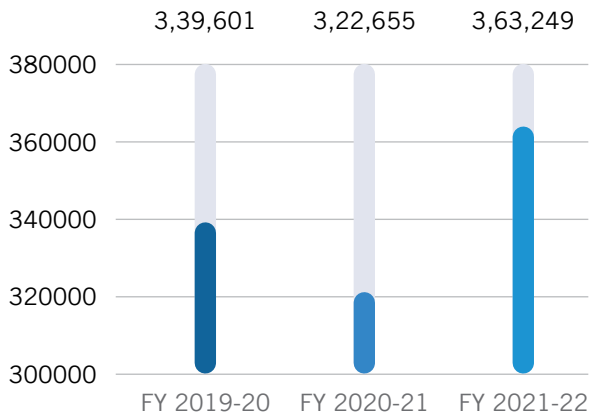
Chemplast Sanmar is the largest producer of Speciality Paste PVC resin in India. Chemplast Cuddalore Vinyls Limited is the second largest producer of Suspension PVC resin in India and the largest producer in the focus market of South India.

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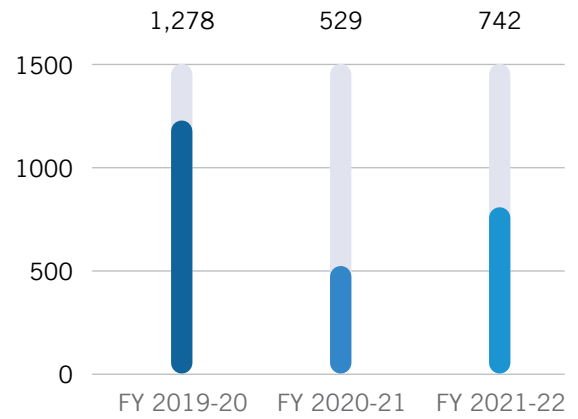
Scale of Production



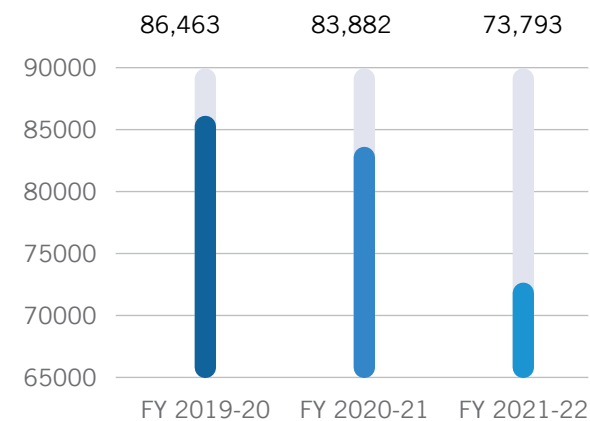
PVC Resin (tpa)



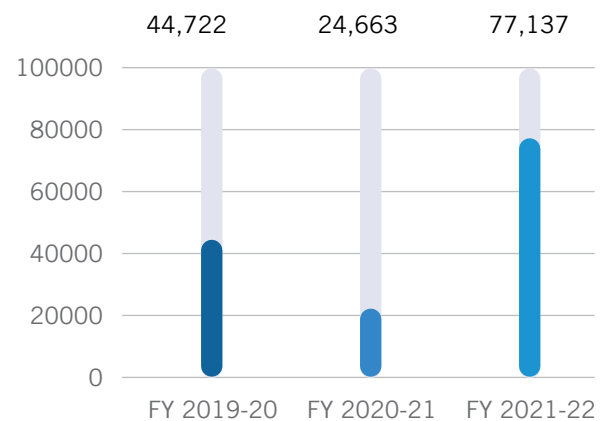
R-22 (tpa)



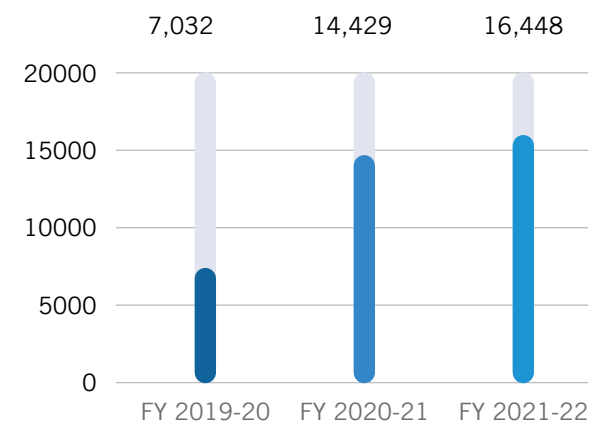
Salt (tpa)



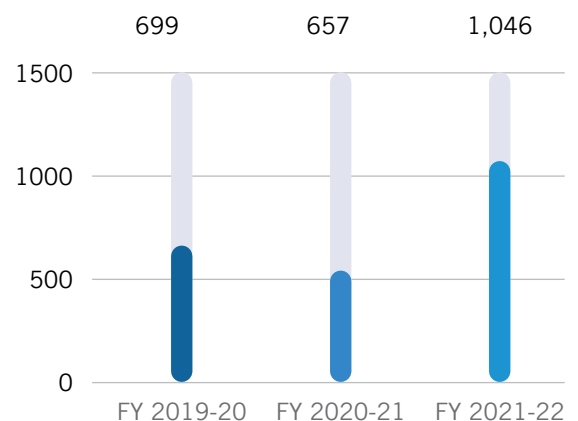
EDC (tpa)



Hydrogen Peroxide (tpa) - 50% basis



Custom Manufactured Chemical Division (tpa)



Syngenta Sustainability award

In recognition of its efforts to reduce the overall carbon footprint in manufacturing operations, Chemplast Sanmar's Custom Manufactured Chemicals Division recently received a Sustainability award from one of its key customers, Syngenta, a global agrochemical innovator.

Sanmar has significantly reduced the carbon footprint of a product supplied to Syngenta by implementing a holistic approach of multiple solutions to produce an intermediate to reduce electricity and fuel consumption, as well as incremental improvements throughout the process.

Since 2010, the Sanmar Berigai site has been manufacturing an intermediate for Syngenta. Carbon emissions have decreased between 2016 and 2021, leading to a 26% reduction in the carbon footprint of this intermediate.

Over a six-year period, actions taken to reduce carbon emissions included energy conservation techniques, improving boiler fuel efficiency, improving equipment efficiency, and increasing capacity by 300% with no major equipment additions.

Chemplast Sanmar is committed to enabling safe operations, improving community well-being, and contributing to a more sustainable, safe, and healthy society.



Product Responsibility

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We measure our success by customer satisfaction and customer experience. We can proudly say that we have accomplished both with our portfolio of premium quality products. To understand the needs of our customers and their expectations from us, we conduct an annual customer service satisfaction survey. The survey results help us formulate strategies to meet customer demands and create value for them. In 2021-22, we received 255 responses to the customer satisfaction survey across our customer base for PVC resin, Refrigerant Gas, Chloromethanes, and Caustic Soda.

Product	% customers totally satisfied	% customers satisfied
Suspension PVC-Cuddalore	75.6	24.4
Paste PVC-Mettur	84.2	15.8
Caustic Soda	88.4	11.6
Chloromethanes & Refrigerant gas	76.2	23.8

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As part of our company's policy, we ensure transparency and safety by providing customers with adequate information about our products. It boosts customer confidence and reflects on our company's credibility. We offer a comprehensive Material Safety Data Sheet (MSDS) for products, which includes data on product handling, storage and transport precautions, and emergency

mitigation actions in the event of spillage and disposal recommendations and manufacturer's contact information. Product grades of PVC (K6701 and CP-124, 121, and 120) manufactured at Cuddalore and Mettur are tested as per compliant requirements, Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH).

Certifications and Management Systems

102-12

	ISO 9000	ISO 14000	ISO 45000	Responsible Care
Mettur	●	●	●	●
Karaikal	●	●	●	●
Berigai	●	●	●	●
Cuddalore	●	●	●	●
Vedaranyam				●

307-1 Chemplast conducts its business honestly, ethically, and in compliance with all applicable laws and regulations. During FY 2021-22, no significant fines or non-monetary sanctions were imposed on Chemplast for non-compliance. There were also no incidents of non-compliance concerning the following activities:

- 417-3 » Marketing communications including advertising, promotions, and sponsorship by the type of outcomes
- 417-2 » Product and service information and labelling by type of customers
- 416-2 » Health and safety impacts of products and services

417-1

419-1 Our Company has no history of legal actions for anti-competitive behaviour, antitrust or monopoly practices, and their outcomes. Our Company has not dealt in or sold any disputed or banned products. During the current reporting period, there were no complaints about customer privacy breaches and loss of customer data.

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Memberships

102-13 Our Company partners with apex bodies and industry associations to promote higher standards of sustainable business practices and actively advocates and influences positive changes in the sector. These associations enable us to participate in cutting-edge research, learn about the latest developments and adopt and share industry best practices. At present, we are active members of multiple associations:

 <p>Indian Chemical Council</p>	 <p>Chemical Industries Association</p>	 <p>Madras Chamber of Commerce and Industry</p>
 <p>National Safety Council</p>	 <p>Alkali Manufacturers' Association of India</p>	 <p>Indian Plastics Institute</p>
 <p>Madras Management Association</p>	 <p>FICCI</p>	 <p>Confederation of Indian Industry</p>
 <p>ASSOCHAM</p>	 <p>Association of Chloromethane Manufacturers</p>	 <p>Refrigerant Gas Manufacturers' Association</p>
 <p>Employers' Federation of India</p>	 <p>Indo-Japan Chamber of Commerce & Industry</p>	 <p>Indo-American Chamber of Commerce</p>
 <p>Industrial Waste Management Association</p>		

Governance

Chemplast Sanmar has a robust corporate governance framework for building a resilient business, elevating our sustainable performance, and creating long-term value for all stakeholders. The framework helps us ensure a strong and balanced relationship with stakeholders by upholding the highest and unwavering standards of transparency, accountability, and independence.

Members of the Board

The Board of Directors of Chemplast Sanmar comprises the Managing Director, Independent Directors, and Non-Executive Directors with substantial expertise and experience in the industry.

Responsibilities of Board of Directors



Effective implementation
of strategy



Oversee developments
in industrial and human
relations



Review performance across
financial and ESG aspects



Identify new opportunities for
business growth



Formulate broad operating
plans and capital budgets



Review Risk assessment and
mitigation strategies

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experiences which enhances the quality of the Board's decision-making process.

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Chemplast Sanmar Limited

102-23



Vijay Sankar

Chairman & Non- Executive Director



Ramkumar Shankar

Managing Director



Dr Amarnath Ananthanarayanan

Non-Executive Director



Chandran Ratnaswami

Non-Executive Director



Aditya Jain

Independent Director



Dr Lakshmi Vijayakumar

Independent Director



Prasad Raghava Menon

Independent Director



Sanjay Vijay Bhandarkar

Independent Director

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Female



Male

Chemplast Cuddalore Vinyls Limited



Ramkumar Shankar

Managing Director



Aditya Jain

Independent Director



Dr Amarnath Ananthanarayanan

Non-Executive Director



Dr Lakshmi Vijayakumar

Independent Director

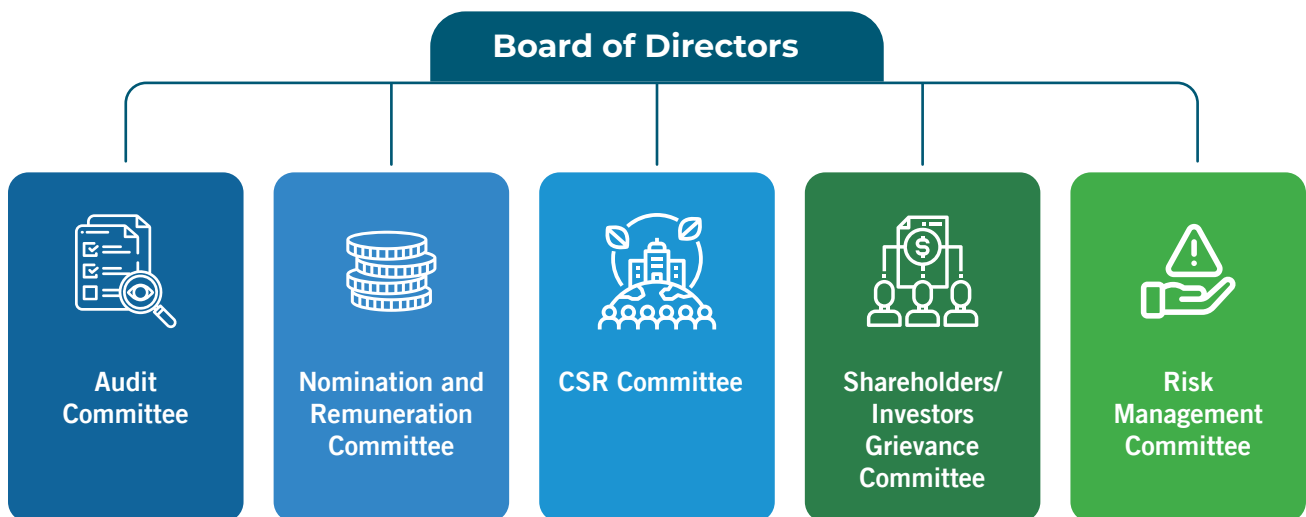
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102-25 A major responsibility of the Board of Directors is to resolve any conflict of interest that arises from business operations vis-a-vis personal gain. The code of conduct policy carries explicit clauses covering conflict of interest, which stipulates that “None of the Directors and/or Senior Management Executives and/or personnel will put himself/ herself in a position where there is a potential conflict of interest between personal interest and his/ her duty. None of the Directors and/or Senior Management Executive and/or personnel will exploit an opportunity arising while associated with the companies for his/ her personal gain either directly or indirectly”.

102-34 In FY 2021-22, no critical concerns were communicated to the highest governance body.

Board Committees

Chemplast Sanmar has established various committees under the board to enhance its effectiveness in addressing issues and to ensure that objective decisions are taken in critical areas that require subject-specific expertise.



During the current reporting period, there have not been any significant changes to the organisation’s size, structure, ownership, and its supply chain.

102-10



Audit Committee

- » Ensures compliance with regulatory guidelines
- » Reviews financial reporting system

Audit Committee Members

Sanjay Vijay Bhandarkar
Chairman

Vijay Sankar

Prasad Raghava Menon

102-24

Nomination & Remuneration Committee

- » Makes recommendations on remuneration and the nomination process
- » Determines remuneration packages for directors and senior management

102-35

Nomination & Remuneration Committee Members

Aditya Jain
Chairman

Sanjay Vijay Bhandarkar

Vijay Sankar

102-19

Corporate Social Responsibility Committee

- » Ensures alignment with CSR regulation under Companies Act
- » Oversees implementation of CSR activities and allocates budget for projects finalised

102-18

Corporate Social Responsibility Committee Members

Vijay Sankar
Chairman

Ramkumar Shankar

Dr Lakshmi Vijayakumar

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102-22

Risk Management Committee

- » Framing, implementation, and monitoring of risk management plan
- » Review of mitigation measures against the risks identified

Risk Management Committee Members

Aditya Jain
Chairman

Sanjay Vijay Bhandarkar

Vijay Sankar

Shareholders/Investors Grievance Committee

- » Enhances engagement with stakeholders
- » Expedites the redressal of shareholder and investor complaints

Shareholders/Investors Grievance Committee Members

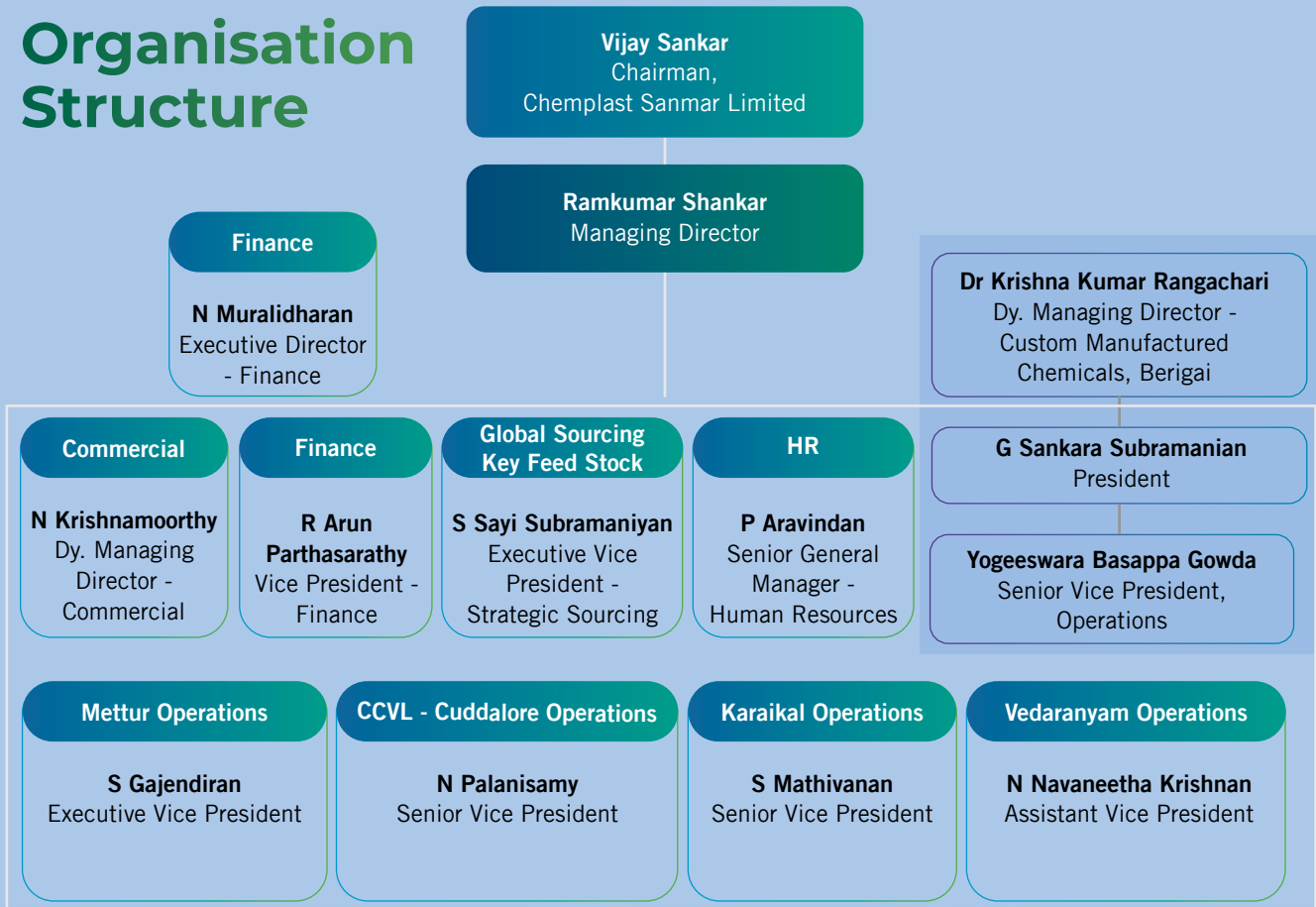
Aditya Jain
Chairman

Vijay Sankar

Dr Amarnath Ananthanarayanan

Organisation Structure

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Responsible Supply Chain

- 103-1** We believe in nurturing long-term relationships with our suppliers and business partners by building trust and transparency in procurement-related processes and decisions. We regularly evaluate our supply chain across environmental, social, and governance parameters. We follow a structured approach to engage, analyse and assess the impact of our procurement operations. Based on the assessment, we build an inclusive risk mitigation strategy to minimise the negative effects on businesses, the environment, and society. We also conduct various awareness programs to educate our suppliers on an ongoing basis about the concept of responsible and sustainable sourcing.
- 103-2**
- 102-9**

Our plants' strategic location and proximity to each other are of great advantage as the by-products generated in one plant can be easily used as input in another plant. Through industrial symbiosis and exchange of materials, we have reduced the waste generated at each site and enhanced the quality of raw materials procured.

We follow a holistic approach to identify the gaps and evaluate the sustainability challenges faced by our suppliers. To ensure responsible and ethical sourcing, we formulate corrective action plans and design capacity-building programs to foster a resilient supply chain. We have a structured approach for responsible sourcing that we follow diligently.



We regularly engage with our suppliers to review the environmental and social impact of their operations through a standard questionnaire. In FY 2021-22, we interacted with 73 suppliers on their strategy, processes, and management systems and their impact on environmental and social parameters. We support our suppliers in developing mitigation plans for the risks identified to ensure business continuity and sustainability in the supply chain.

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308-2

414-2

73

Suppliers evaluated for environment & social parameters

73

Total key responses received

15

Suppliers adhering to ISO 14001

4

Suppliers required to be followed up on certain non-compliance for improvement

20

Suppliers adhering to OHSAS 18000/ISO 45000

8

New suppliers screened on environmental and social parameters

44

Suppliers adhering to ISO 90001

We proactively encourage our suppliers to embed sustainable practices in their operations and align themselves with EHS standards. We collaborate on various initiatives with our suppliers' community. We connect with them regularly – through personal interactions, periodic discussions, and visits to their facilities. We intend to scale up this initiative further and drive capacity building among our suppliers, thereby filling the gaps identified during their assessments.

Risks & Opportunities

In this dynamic world, we are prone to externalities that could impact our business financially and non-financially and impede the value creation process. To overcome this, our company has a robust risk management policy and procedure to proactively identify, analyse and mitigate risks that may hinder our operations today and in the future. Risk identification and management are critical to the overall profitability of the business, competitive market positioning, and long-term viability. We understand the ramifications of ignoring risks. Hence, we have embedded it in our core business strategy and planning process. Our company thrives on our ability to transform risks and uncertainties into opportunities to expand and consolidate our position as a leader.

Keeping in line with the environmental and social risk precautionary approach, we have proactively undertaken several initiatives. These include desalination at sea-shore-based operations, a pipe-in-pipe system for VCM pumping line, utilisation of imported low ash/sulphur coal, conducting annual surveillance studies near our operations, and introduction of various transportation safety practices, among other measures.

Our strategy for addressing risk and opportunities identified against economic, environmental, and social parameters is given below:

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Economic

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S.No.	Key Risks / Opportunities	Company strategy
1	Sustaining leadership position in Paste PVC and Suspension PVC production	<ul style="list-style-type: none"> » Sustaining market leader position in Paste PVC » Capitalising on growing demand through differentiation and quality » Customer relationship management to retain the customers » Increasing the shareholders' value » Plan to establish a greenfield project of Paste PVC facility of 70,000 tpa (in phases) in Cuddalore. Environmental Clearance and Consent to Establish have been obtained, and the first phase is expected to be operational by September 2023. » Minimising the costs by optimised sourcing
2	Minimising the energy cost through captive power and maximising the surplus power for export	<ul style="list-style-type: none"> » Investing in efficiency improvement initiatives at power generation units at Mettur and Karaikal (Coal & NG) » Increasing the share of renewable power » Supplementing captive power with import from the grid
3	Continuing our efforts to gain the leadership position in the overall PVC market in India	<ul style="list-style-type: none"> » Enhancing the production to the approved level of 66,000 tpa at Mettur by improving process efficiencies
4	Enhancing the production capacity of our products sustaining the leadership position in the Indian market	<ul style="list-style-type: none"> » Obtained Consent to Establish and approval to increase production from 1,080 tpa to 1,600 tpa at Berigai » Increase the production to 5000 tpa at Berigai » Plan to install a greenfield project of 5,000 tpa at Custom Manufactured Chemicals Division at Karaikal » Plan to increase production of EDC to 1,40,000 tpa and Caustic Soda to 1,00,000 tpa at Karaikal
5	Improving efficiencies of production apart from taking initiatives on energy conservation to sustain the contribution level	<ul style="list-style-type: none"> » Regular maintenance to ensure the working capability of the production machinery (without any breakdown) » Operational review and energy audit to identify the bottlenecks » Identification of energy conservation saving programs for execution
6	Improving power consumption in the Caustic manufacturing at Mettur and Karaikal Plants for improving the economical contribution to the bottom line	<ul style="list-style-type: none"> » Implemented power reduction measures in the process of caustic manufacturing units of Mettur and Karaikal to reduce the specific consumption of product » Identifying potential energy conservation measures, deriving various initiatives, and implementation of the schemes
7	After carrying out the forward integration of Hydrogen-to-Hydrogen Peroxide to increase the revenue growth and bottom line	<ul style="list-style-type: none"> » Optimise the process of Hydrogen Peroxide production » Maximise the production capacity to the approved level » Improve the efficiency to reduce the manufacturing cost
8	To be the supplier of choice in the products that we supply to Global innovative – Custom manufacturing	<ul style="list-style-type: none"> » Excellence in SHE system » Cost-competitive operation » Meeting and exceeding quality requirements » Technically adapt to changes » Responsive for changing customer needs » Innovation » Sustainability
9	Continuously look for newer opportunities in the Custom Manufacturing Chemicals Business	<ul style="list-style-type: none"> » Invest in R&D » Invest in new assets & develop new capabilities » Invest in talented human resources to be able to identify opportunities and deliver on time



Environment

S.No.	Key Risks / Opportunities	Company strategy
1	Sustaining Zero Liquid Discharge (ZLD) status for all the locations	<ul style="list-style-type: none"> » Continuous improvement in operational efficiency in our Zero Liquid Discharge Plant » Exploration of opportunities to reduce evaporation costs » Increasing the rate of reuse and recycling of effluent » Reduction of effluent generation quantity at the source
2	Coping with the more stringent emission level and other regulatory standards imposed by the regulating authorities	<ul style="list-style-type: none"> » Several improvement schemes to reduce emission levels much lower than the compliance norms for the statutory level of emissions » Investment in efficient system/ process that mitigate environmental risks on long term basis » The utilisation of low Sulphur coal to meet the recent stringent SO₂ emission level stipulated by the regulating authorities
3	Effective waste management	<ul style="list-style-type: none"> » Incineration of organic waste generated from the VCM Plant and Chloromethane Plant in a captive incinerator » Continued sourcing of low ash coal for the power plant to reduce the Fly Ash generation » Utilisation of common waste disposal facility for the future to reduce the environmental liability » The Company has started disposing of its Brine Sludge waste in the common facility (TSDF) instead of captive secured landfill » In the process of replacing old incinerator with the technologically updated one during 2022-23 at Karaikal
4	Effective water management	<ul style="list-style-type: none"> » Rainwater harvesting during the rainy season is used for the plant's daily water requirements. » The Company reuses more than one-third of the water consumed at Mettur. » Due to our desalination Plant, there is no dependence on the ground or river water sources at CCVL-Cuddalore. » Established raw water bulk storages of 75,000 KL capacity at the Mettur location to combat uncertain water availability during the summer. » Initiated measures to collect the roof water in all plants at Mettur and recycle it as an alternative source of water.
5	Managing impacts of water stress on local communities	<ul style="list-style-type: none"> » Supply of potable water to local communities in and around Mettur to the tune of 25-30 % of the total water withdrawal » Continuous financial support towards desilting of lakes and water storage facilities
6	Reducing the Carbon footprint of our operations	<ul style="list-style-type: none"> » Adoption of new energy-efficient measures/technologies » Use of alternative fuels and renewable energy » Incineration of R-23 in a captive incinerator to prevent high GWP gases, which could cause global warming » Use of Hydrogen gas and natural gas as clean sources of energy instead of fossil fuels » Monitoring of Scope-3 energy and initiation of strategic actions to reduce the carbon footprint of operations in the value chain » Installation of microturbine at Coal Power Plant to sustain conservation of energy » Installation of high efficiency chillers & increasing steam condensate recycle at Berigai » Increasing the product output with the same quantum energy
7	Financial impact due to climate change	<ul style="list-style-type: none"> » Climate change is a potential threat to sustainable development. Incidence of sea level rise, changes in precipitation, extreme weather, and water scarcity are the impacts and are becoming evident. In the long run, sea level rise may impact our raw material procurement at our Marine Terminal Facilities at Cuddalore and Karaikal. We recognise such risks and are committed to developing strategies to address any such impact.

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201-2



Social

S.No.	Key Risks / Opportunities	Company strategy
1	Minimise Health Safety and Environment risks of employees and near-by communities.	<ul style="list-style-type: none"> » Responsible Care code of practices to reduce HSE risks » Regular safety training, audits, and initiatives to improve the management of safety » Formulation of a strategic plan to reduce transport incidents and thus improve chemical transportation safety aspects » Implementation of Process Safety Management System sequentially in all the Process plants
2	Being a chemical company, the transportation safety of the finished product is the key factor - to minimise the impact on the society during the transport of the materials	<ul style="list-style-type: none"> » Implemented several safety practices for combating the risks associated with transport safety » Installed GPS for vehicles which carry hazardous chemicals, namely EDC, Chlorine, Chloromethane, Caustic Soda, and Methanol, to monitor the movement of the vehicles » Introduced safety measures like journey risk management, defensive driving, fixing of useful life period for transport vehicle, safety video for transport crews, among others to improve transportation safety » Joined "Nicer Globe", a Responsible Care initiative promoted by Indian Chemical Council on transport distribution safety, emergency response, and transport security
3	Potential/actual negative impacts due to chemical operation to the nearby areas	<ul style="list-style-type: none"> » Annual environmental surveillance to monitor the air/water and soil in the surrounding area of operation » Engagement with MoEF & CC approve the agency for the environmental surveillance system to exclude the possibility of "signature presence" of chemicals in operation as raw material/intermediate product/final product » Company has implemented an LDAR system for reducing the fugitive emissions of targeted chemicals (e.g., Vinyl Chloride) into the environment
4	Addressing the actual needs of local communities	<ul style="list-style-type: none"> » Getting feedback from the local community on an annual basis on the need for CSR programs in each locality » Prioritisation of CSR programs based on the needs of the local communities » Regular feedback and grievance mechanism from beneficiaries to ensure effectiveness of the programs



Materiality Assessment

102-46

Materiality Assessment is a strategic tool that helps us assess business and stakeholder priorities. This exercise critically influences our company's strategies, investments, and operations based on the risks and opportunities identified for each material topic.

Our materiality assessment encompasses a structured and inclusive process – a combination of internal and external factors. In FY 2021-22, we revisited and reviewed the material topics identified in FY 2019-20 to ensure additional potential issues relevant to the business. These are mapped out periodically. The scope and boundaries of the topics are consistent with the previous reporting period.

Our approach is illustrated below:

102-42



Stakeholder Identification

- » Identified stakeholders who are directly or indirectly impacted and influenced by our business activities



Materiality workshops

- » Organised workshops with various stakeholders to identify the topics for deliberation
- » Questionnaires were also circulated among stakeholders to seek their feedback for prioritising the material topics and obtain quantitative rating



Response Assessment

- » Based on the responses received, the draft of materiality matrix was developed which captures the importance of sustainability aspects from stakeholders and business perspective



Materiality Matrix Finalisation

- » Based on validation of the materiality matrix stakeholder and the Materiality Analysis Committee, the materiality matrix is finalised

102-42

After discussions with our stakeholders, we identified 38 material topics and noted no significant difference in FY 2021-22 material topics compared to the previous fiscal year. The material and non-material issues relevant for Chemplast are listed below:

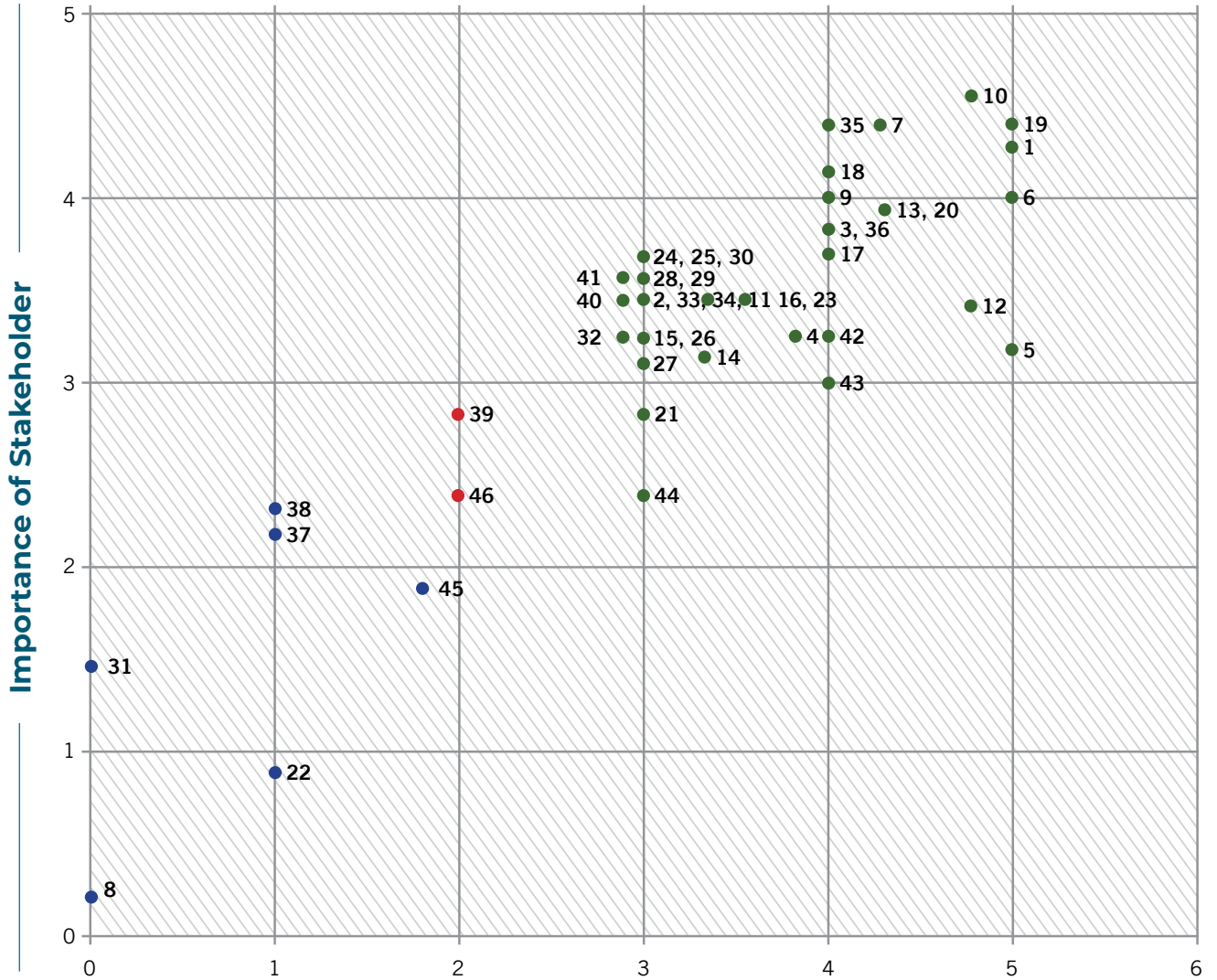
S. No.	Sustainability Topics	Boundary
1.	Economic performance	Within
2.	Market presence	Within
3.	Indirect Economic performance	Within
4.	Procurement practices	Within
5.	Material usage	Within
6.	Energy	Both
7.	Water drawal	Both
8.	Biodiversity	Within
9.	Emission	Both
10.	Effluent & Wastes	Within
11.	Product & Services	Within
12.	Compliance	Within
13.	Transport	Both
14.	Environmental expenditure	Within
15.	Supplier environmental assessment	Outside
16.	Environmental grievance mechanism	Both
17.	Employee turnover, benefits	Within
18.	Labour management relations	Within
19.	Occupational Health & Safety	Within
20.	Training & Education	Within
21.	Governance & employee diversity	Within
22.	Equal remuneration – men & women	Within
23.	Supplier assessment on labour practices	Outside
24.	Labour practices grievance mechanisms	Within

S. No.	Sustainability Topics	Boundary
25.	Significant investment agreement & contracts	Within
26.	Non-discrimination	Within
27.	Freedom of association & collective bargaining	Within
28.	Child Labour	Within
29.	Forced and compulsory labour	Within
30.	Security Practices	Within
31.	Indigenous rights	Within
32.	Human rights reviews / impact assessment	Within
33.	Supplier human rights assessment	Outside
34.	Human Rights grievance mechanisms	Within
35.	Local communities	Within
36.	Anti-corruption	Within
37.	Public policy	Within
38.	Anti-competitive behaviour	Within
39.	Compliance (laws & regulations)	Within
40.	Supplier assessment for impacts on society	Outside
41.	Grievance mechanism for impacts on society	Within
42.	Customer Health and Safety	Within
43.	Product & Service Labelling	Within
44.	Marketing communications	Within
45.	Customer privacy	Within
46.	Compliance (products & services)	Within

■ Not material. Relevant but not significant.

■ Not material. Not relevant.

102-47



Impact on Chemplast Sanmar Ltd., and CCVL

● Aspects are “not Material”

● Aspects are “Material”

● Aspects are “relevant but not significant”

Stakeholder Engagement

We have established a robust and comprehensive stakeholder engagement process in line with our commitment to conduct our business transparently and ethically. This helps us to build long-term, mutually beneficial relationships. We continuously engage with our stakeholders to understand their needs and perspectives and to identify key focus areas to drive business sustainably, thereby creating value.

Key Stakeholders of Chemplast Sanmar



Employees



Customers



**Regulatory
Authorities**



**Local Bodies/
Associations**



Transporters



**Local
Communities**



Investors



Suppliers

102-40



Chemplast Sanmar Limited, Karaikal

The engagement mechanism we follow for diverse categories of stakeholders is summarised below:

Stakeholders	Engagement mechanism	Notable initiatives
Near-by communities	<ul style="list-style-type: none"> » Need-based regular interaction by public relations function and discussion/meeting with the community representatives » Open dialogue with local communities » Survey to derive the priorities on community development initiatives/ programs » Celebration of cultural festivals/ occasions 	<ul style="list-style-type: none"> » Contributed INR 6 Lakhs for community hall construction in Chithiraipettai » Incurred INR 2.03 Lakhs towards running a rural health centre » Supported Mega cleaning camp at Thipampatti » Provided essential medical support to Primary Health Centre (PHC) - Santhaithanapatti, Komburankadu & Salem camp » Contributed INR 50.18 lakhs to the COVID-19 relief fund » Constructed a shuttle court for the rural youth at the Panangadu village near Mettur » Contributed INR 3.5 lakhs towards the erection of barricades for Armed Police and Recreation Club at Cuddalore » Donated Tamil and English books and a desktop computer to the Mettur library
Government and regulatory authorities	<ul style="list-style-type: none"> » Monthly inspections » Periodical reports » Regular interactions/ review 	<ul style="list-style-type: none"> » Routine compliance with rules, regulations, and stipulations » Submission of monthly/semi-annual/yearly reports and returns » Immediate response by way of corrective actions on issues raised by government/regulatory authorities » Coordination of monitoring studies/ survey programs with regulatory authorities » Carrying out risk control programs like process safety analysis, environmental audits, and health studies with the help of an approved external organisation as per regulatory authorities' requirements and complying with their recommendations » Carrying out the training programs in partnership with the regulatory authorities for the small-medium scale chemical manufacturing/user units on chemical handling, chemical safety, emergency response, and product stewardship
Employees	<ul style="list-style-type: none"> » Intranet facilities » Monthly reports » Internal magazines » Communication meetings » Training programs » Drills 	<ul style="list-style-type: none"> » Internal magazine – Scribbles » Quarterly in-house magazine – MATRIX » Risk control programs » Internal communication e-newsletter “Libretto” » Recognition for best performance on an annual basis » Suggestion scheme » Quality Circles and 5S activities » Knowledge-sharing programs » Fire & chemical leak-based emergency drills

102-42

102-40

102-43

102-44

Stakeholders	Engagement mechanism	Notable initiatives
Customers	<ul style="list-style-type: none"> » Discussions » Personal interactions on an ongoing basis » Plant visit 	<ul style="list-style-type: none"> » Customer satisfaction survey » Quick response to customer complaints » Arranging plant visits » Correspondence with customers » Customer audit
Suppliers/ transporters	<ul style="list-style-type: none"> » Discussions » Personal interactions on a regular basis » Plant visit » Quarterly transporters meet 	<ul style="list-style-type: none"> » Supplier meets » Training program for drivers and cleaners safe transportation and emergency response » Visiting the suppliers/service providers' facility » Quarterly discussion, implementation, and follow-up on recommendations related to transport safety issues » Daily correspondence with the transporter on the safety performance of transport vehicles » Inspection and briefing on safety aspects to the crew members of hazardous goods transport
Media	<ul style="list-style-type: none"> » Advertisements » Press conference » Interviews of senior management 	<ul style="list-style-type: none"> » Publicising Company related matters » Releasing/ publishing of annual sustainability report under triple bottom line approach
Contract labours/ supervisors	<ul style="list-style-type: none"> » Induction training » Training program on various safety topics » 'Toolbox' » Fire drills » Emergency response training 	<ul style="list-style-type: none"> » Rewards for recognition of safety performance » Chemplast Sanmar Limited, Plant III (Chlorochemicals Division), Mettur was awarded British Safety Council's Five Star rating » Chemplast Sanmar Limited, Plant-II (PVC Division), Mettur was awarded the British Safety Council's Sword of Honour » Mettur Plant-III was awarded a Silver EcoVadis medal by the EcoVadis International system evaluation in 2021 » Mettur Plants I and II received Star Award; the Berigai Plant received the Appreciation award for Occupational Health and Safety Award 2020 from National Safety Council, Tamil Nadu Chapter » Recognition for valuable suggestions/ performance during the drill or an emergency » Reporting of workplace hazards/near-miss incidents » Involvement in the safety committee meeting

102-40

102-43

102-44

ECONOMIC VALUE





Economic Performance

The financial year, FY 2021-22, has been a remarkable year for our company. Our initial public offering (IPO) worth INR 3,850 crore was launched in August 2021. We maintained a strong balance sheet and cash reserve through operational excellence and debt repayment using IPO proceeds. We are focussing on prudently investing in expanding the business and strengthening our product portfolio.

The financial indicators listed below depict our company's performance in FY 2021-22:

KPI	Unit	Chemplast Sanmar	CCVL
Gross sales and Other Income	INR Million	20,448	39,076
Profit Before Tax	INR Million	4,336	3,619
Capital employed	INR Million	44,132	6,295

Revenue for FY 2021-22 (INR Millions)

Direct Economic Value Generated

20,448

Chemplast Sanmar

39,076

CCVL

Economic Value Distributed

19,311

Chemplast Sanmar

45,739

CCVL

Financial Indicators for FY 2021-22 (INR Millions)

Interest & Finance Charges (i.e., Lenders & Partners)

1,357

Chemplast Sanmar

1,856

CCVL

Material & Services Purchase (i.e. Suppliers)

13,397

Chemplast Sanmar

31,722

CCVL

Community Development (i.e., Society)

30

Chemplast Sanmar

3

CCVL

Contribution to National Exchequer, Through Taxes & Duties (i.e. Government)

4,108

Chemplast Sanmar

10,745

CCVL

Personnel Cost & Contribution to Employee Gratuity Fund (i.e. Employees)

798

Chemplast Sanmar

442

CCVL

201-4 In FY 2021-22, we have not received any financial assistance from the government.

Economic Value Distributed To Suppliers For FY 2021-22 (INR Millions)

Procurement from International Markets

7,598

Chemplast Sanmar

23,363

CCVL

Procurement from Local Markets

5,799

Chemplast Sanmar

8,359

CCVL

Purchase of Materials & Services from Suppliers

13,397

Chemplast Sanmar

31,722

CCVL

Percentage of Local Supply of Material and Services

43.29%

Chemplast Sanmar

26.35%

CCVL

Environmental Expenditure

Our Company has invested INR 425 Million in activities which affect our business directly. These include research and development, work environment monitoring, Environment Management System (EMS) for our sites, statutory requirements, and certifications. All these measures help us to mitigate the negative impacts of the operational and business activities, protect the environment and conserve natural resources.

Environmental Expenditure for FY 2021-22 (INR Millions)

378

Chemplast Sanmar

47

CCVL

CSR Expenditure

Our Company is deeply committed to protecting the social culture of the local communities and fostering development. In FY 2021-22, we undertook various CSR interventions focussing on livelihood initiatives, rural infrastructure projects, healthcare, education, clean water, disaster management, training and skill development.

Besides CSR interventions, various training and apprenticeship programs are designed for employees to enhance their skill set and boost professional growth. In FY 2021-22, 113 trainees and 2 apprentices were imparted requisite knowledge and skills.

CSR Expenditure for FY 2021-22 (INR Millions)

30

Chemplast Sanmar

3

CCVL



**CARE FOR
PEOPLE**



Our employees are our most significant assets, and we recognise their contribution to our success story. We nurture and empower our employees by fostering an inclusive and purpose-driven work culture. We are concerned about the well-being and growth of our employees and have policies in place to take care of them.

102-7

Total Employees

Our workforce comprises two categories: regular (full-time) and contractual employees. We have a total workforce of 3,856 employees of which 26% (998 nos.) are regular employees, and the remaining 74% (2858 nos.) are contractual employees. We have no direct female employees stationed at any of our plant operations. We have 396 female employees in our contractual workforce.

102-8



Chemplast Sanmar IPO Listing Ceremony at NSE Mumbai on 24th August 2021.

405-1

Employee Diversity

Chemplast is committed to building a diverse and inclusive workplace for employees and providing them fair opportunities without discrimination on gender identity, age, nationality, ethnicity, colour, religion, sexual orientation, disability, faith, or marital status. We have taken proactive steps to maintain gender diversity and create a mix of diverse work experiences and backgrounds. We believe diversity alone can bring perspectives that promote innovation and foster a creative work environment.

Our regular employees fall under three categories which include Management (ME), Junior Management (JME), and Non-Management (NME). All the employees belong to the management category at Cuddalore (CCVL), Karaikal, and Berigai Plants. The category-wise breakup of regular employees is given below:

102-8

SNo	Category	Mettur	Karaikal	CCVL	Vedaranyam	Berigai
1	Management	301	110	178	17	183
a)	TMVs	85	44	57	5	73
b)	EMVs	216	66	121	12	110
2	Non-Management	143	0	0	55	0
3	Junior Management	11	0	0	0	0

The age-wise distribution of our regular employees is summarised in the table below:

Age Category	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai
≤30	213	38	60	9	127
31-40	155	36	60	22	35
41-50	49	16	37	17	15
Above 50	38	20	21	24	6
Total	455	110	178	72	183

405-1



New Hires and Separations

401-1 In FY 2021-22, Chemplast hired 197 employees across 5 locations - Mettur, Karaikal, CCVL-Cuddalore, Berigai and Vedaranyam. In FY 2021-22, the attrition rate for regular employees stood at 14%. Similarly, the attrition rate for new hires (employees who joined and left the organisation in the same year) is 11%.

402-1 The notice period policy is aligned with the Industrial Disputes Act, 1947. Our Junior and Non-management cadre serve a notice period ranging from 21 days to 1 month. Based on their seniority, the minimum notice period of our Executive employees' cadre ranges from 2-4 months. During the reporting period, all our executive-level employees were of Indian origin.

202-2 The age group of new hires leaving the company in FY 2021-22 is highlighted below:

401-1 New Hires during FY 21-22

Age Category	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai
≤30	47	3	20	2	89
31-40	15	2	1	2	7
41-50	2	0	1	0	2
Above 50	0	1	1	1	1
Total	64	6	23	5	99

New Hires joining and leaving the organisation in FY 21-22

Age Category	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai
≤30	5	0	3	0	11
31-40	1	0	0	2	0
41-50	0	0	0	0	0
Above 50	0	0	0	0	0
Total	6	0	3	2	11

401-1 Employees leaving organisation in FY 21-22

Age Category	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai
≤30	26	4	16	0	54
31-40	11	0	9	2	8
41-50	2	2	2	0	1
Above 50	0	0	1	0	2
Total	39	6	28	2	65

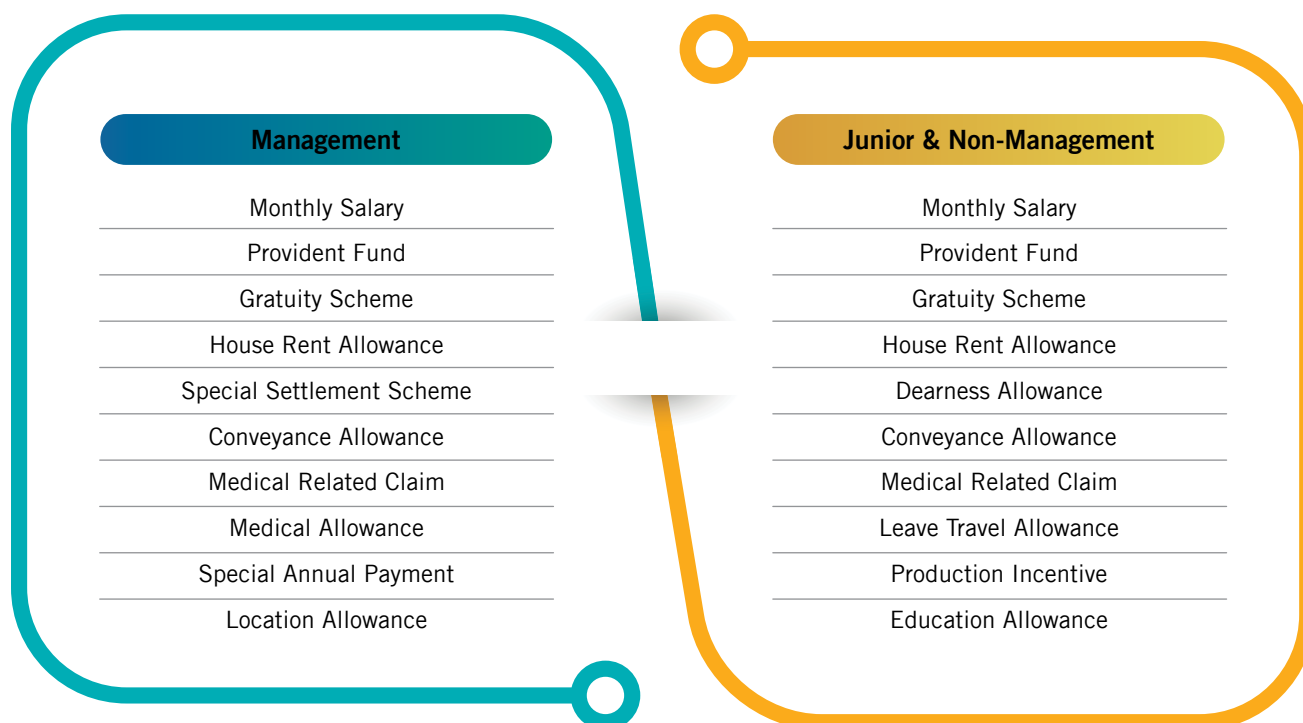
103-1 Employee Engagement

Chemplast aims to build a conducive work environment for employees that supports their growth and aspirations. We engage with employees regularly through various initiatives such as frequent training, career guidance sessions, performance reviews, surveys etc. These engagements and dialogues enable us to understand their concerns and optimally address their requirements. To be more effective, we have fulfilled the statutory requirements and implemented a bouquet of innovative welfare schemes.

Appreciation in terms of monetary and non-monetary awards promotes a culture of excellence among employees, boosts their confidence and motivates them to perform better. With our rewards and recognition program, we acknowledge the contribution of our employees to the organisation.

Benefits provided to full-time employees

401-2



401-3 As per the current policy of the company, no parental leave is applicable to the plant employees.

Training & Development

Chemplast facilitates regular training and development programs for employees to acquire new skills and enhance their competence levels. Various focal topics of our training are human rights, emergency handling, first aid, workplace safety, chemical safety, firefighting, respiratory problems, permit to work, and environment management. We ensure that our permanent and contractual employees have access to this training.

404-1 In FY 2021-22, we have devoted 55226 training hours to our employees. A total of 82 programs were carried out on career development that lasted for 3184 man-hours. We evaluate the effectiveness of these training regularly to design future training and development programmes. We also assess and capture the skill development needs of the employees through the lens of departmental requirements, trainer reviews, training workshops, quarterly meetings, and performance appraisals.

404-2

404-1

Training Hours	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai	Average Training Hours / Employees
Regular	7,909	1,141	1,985	685	5,756	17.51
Contractual	22,099	1,943	7,584	1,137	4,988	13.21

412-3 Training Programs for Communities and Families of Employees

We take responsibility for our employees. We also extend our support to the families of our employees and the local communities. We have developed various awareness programs on high-risk diseases (diabetes, dengue, and water-prone illness, among others) and preventive care - yoga, road safety and the impact of dust on a healthy workforce/society.

In FY 2021-22, we have organised 24 sessions for our communities, employees and their families, and transport truck drivers that fall under our risk control program.

Sessions	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai
Training Sessions	19	4	0	0	1

Human Rights

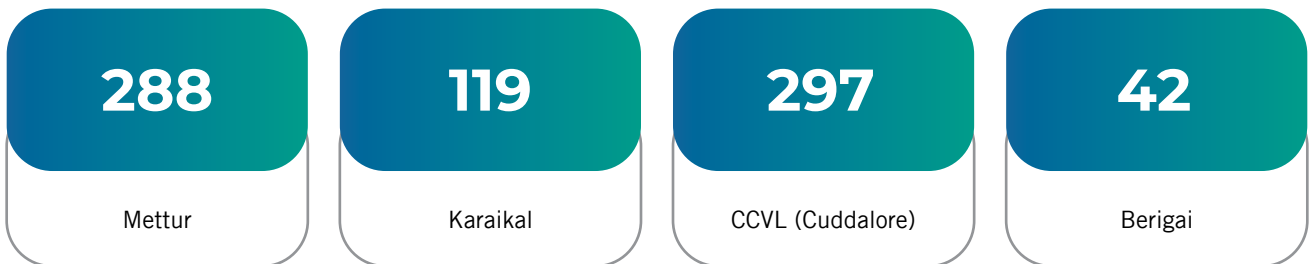
Chemplast ensures that human rights principles are embedded in all our practices. Complying with statutory requirements is one aspect of our human rights strategy. We have zero-tolerance for violations of human rights at all our sites and corporate offices. Furthermore, we ensure that all the employees are treated respectfully and without discrimination.

Our Company follows a stringent process of due diligence to prevent any instances of child labour, forced labour, or any other human rights violation. We carry out background verification to ascertain employees' eligibility, including age, address, and medical history. We have also formed a team comprising HR heads, function heads, and various plant heads to carry out human rights reviews and impact assessments across all our sites. In FY 2021-22, our sites underwent human rights review. There were no complaints about child labour, forced labour, involuntary labour, or other human rights violations. We have also incorporated the human rights clause in all our investment agreements and contracts relevant to the reporting period.

We ensure that our workforce is aware of the labour laws and human rights applicable to them to avoid exploitation. Accordingly, our training schedule has intricately embedded training on human rights. In FY 2021-22, we have covered 409 hours of formal training on Human Rights for our employees and executives.

The number of training hours for security personnel on human rights is summarised in the table below:

Number of Training Hours to Security Personnel (100% Security Personnel Covered)



Anti-Corruption

Our Company is strongly committed to conducting business ethically and fairly. We understand that corruption, as a practice, can have severe consequences on our reputation and business integrity. We have stringent policies that all employees are expected to abide by. Our Company follows a robust system of checks and balances to counter any instance of corruption or bribery. In FY 2021-22, there were no cases of corruption or bribery against our Company or our employees.

HR Policies and Fair Work Practices

We believe that our Company's growth is interlinked with the performance of the employees along with strong human resources policies and fair work practices. Our employees have ready access to the HR policies on the intranet. Furthermore, all our employees undergo training on the Company's policies and code of conduct – as a result, they are well versed with policy amendments. In addition, we have an open communication channel called VOTE (Voice of the Employees), where employees can share their feedback on the policies. It provides valuable insights into the expectations of the employees from us. After reviewing the feedback, our HR team incorporates the relevant suggestions into our policies.

- 405-2 Our policies are the amalgamation of the best available practices and the statutory requirements of the Equal Remuneration Act, Minimum Wages Act etc. In FY 2021-22, there were no cases of discrimination or prohibited practices such as sexual harassment, child labour, forced labour, human rights violation, discriminatory employment, etc., a testament to the successful implementation of our policies. As a responsible business, we stick to a fair remuneration policy and take into consideration the following parameters to ensure fair remuneration for all:

- » Compensation is benchmarked against similar jobs in the market
- » At middle and senior levels, the value of the person to the organisation
- » At junior levels, changes in the cost of living and performance of the individual.
- » Revisions in the compensation structure are done on a case-to-case basis
- » Affordability of the business

102-38 In FY 2021-22, the ratio of compensation of the highest paid employee to median compensation is 35.54:1.

102-39 At CCVL, the ratio of compensation of the highest paid employee to the median is 19.32:1. At Chemplast Sanmar and CCVL, the percentage increase in compensation of the highest paid individual in the current period is 13% and 15% respectively.

407-1 We also endorse our workers' Right to Freedom of Association and Collective Bargaining. In FY 2021-22, we had 143 employees under collective bargaining at our Mettur facility and 55 employees at our Vedaranyam facility. All our practices and discussions are transparent and related to our operations, employee compensation and benefits. Any significant operational changes such as the introduction of new or different technology, work procedures, process changes, automation, changes in systems/procedures, etc., are also discussed formally and documented in our agreements with trade unions.

Performance and Career Development Reviews

102-16

Performance reviews and feedback are crucial for evaluating the growth and skill gaps of employees in the organisation. Organisational objectives are broken down into departmental targets. All the tasks and targets are reviewed semi-annually to identify the areas of constraints that limit the performances. This is followed by implementing detailed plans to upskill our employees. We conduct an objective assessment for all our executive employees, and the development plan for each employee is implemented through training sessions designed especially for them. We have an internal online portal, "SPARSH", that facilitates employee performance reviews. This portal contains a management philosophy handbook that explains the company's policies on fair work practices and grievance redressal through case studies and live sessions. The plant head, location head, and HR perform the appraisal review exercise.

We also have an ethics manual that highlights the behaviour expected from each employee. Our employees can refer to this manual for issues related to ethics. These can also be taken up with the immediate seniors of employees or function heads. We have appointed an Ombudsman to whom employees can reach out for queries.

Percentage of employees who received performance Appraisal (%)

404-3

Mettur	66%
Karaikal	100%
CCVL (Cuddalore)	100%
Vedaranyam	24%
Berigai	100%

PROTECTING OUR PLANET





We believe that environmental stewardship is one of our primary responsibilities, and we are continuously progressing towards minimising our ecological footprint. We aim to effectively manage the lifecycle impact of our operations through prudent management of materials, energy, emissions, water, and waste.

Materials

Responsible production and consumption are pivotal in our environmental sustainability journey, mainly because chemical sector companies are material intensive.

416-1 We are committed to responsible sourcing of materials, and our strategy of 'Optimal Resource Utilisation' aims to ensure that the quality of raw materials does not deteriorate during transportation and that material wastage is minimised.

301-2 Furthermore, we encourage the packaging material to be sold by our customers at their end since reclaiming packaging items in the chemicals business is a complicated process. Our raw material consumption for FY 2021-22 is summarised in the table below:

301-1

Material	tpa
Anhydrous HF	453
Salt	1,61,017
Methanol	12,441
Ethylene	22,325
EDC-Ethylene di chloride	1,10,343
Vinyl chloride monomer	3,06,043
Chloroform	1,178
Vanillin	554
Sodium cyanide	232
Thionyl chloride	131
Hydrogen (m ³)	71,62,314

103-1

103-2



Here are the initiatives that we have taken up to ensure judicious management of materials:

416-1



GPS Tracking

We use GPS-equipped vehicles for carrying materials like Methanol, EDC, Chlorine, Chloromethane, Caustic, HCl, and Hydrogen. This enables real-time monitoring and communication in case of any process deviation relating to material consumption.



Periodic Training

Our vehicle drivers undergo periodic training to get familiar with mitigation during “real-time” emergency while transporting materials. We have introduced a training module for all our vehicle drivers to deal with tough situations. To transport Chlorine, vehicle drivers are required to have an additional endorsement of understanding of Chlorine safety by the Safety officer.



Periodic Safety Check

To ensure safe driving on roads, all vehicle drivers are screened through an ‘Alcohol Breath Analyser’ test. We do not allow any vehicle over 15 years old to load any hazardous goods for transportation.

416-1



ISO 14000 Certification

We encourage all our suppliers to obtain ISO-14000 certification and follow high standards of environmental aspects for becoming an approved vendor.



Material Safety data

We require all our suppliers to identify environmental and safety related impacts of the material supplied. It is also a prerequisite for all suppliers to produce the MSDS for hazardous goods supplied.



Pollution Check Certificate

All vehicles are required to carry an emission certificate before entering the premises. Also, all vehicle drivers need to possess an endorsement for hazardous goods transportation in their driving license.



Rubber Lining

All vehicles carrying acids are required to have a valid certification for the integrity of the rubber lining, checked once a quarter by approved vendors. Before the new material is loaded into tankers, all tankers are checked and cleaned properly to reduce the probability of rubber lining failure due to excessive heat from exothermic reactions between incompatible materials.



Safeguarding Valves

We have installed a sturdy rectangular metallic frame with the base support in all trucks to safeguard the non-metallic (PP) valve and to withstand the impact during a collision. For added protection, we have maintained a minimum safe distance of 50 cm between the metallic frame and the PP valve.



HAZCHEM Label

To comply with the Motor Vehicle Rules, all vehicles should be marked with the HAZCHEM labels. The transporters are required to display the HAZCHEM label as per the requirement.

417-1



Safety review with truck crews

Quarterly review of truck crews and the safety aspects associated with chemical transportation. This review helps in implementing the corrective actions for minimising transportation risks. A dedicated transport safety officer monitors chemicals transportation and implementation of safety rules.



Chemical transport safety film for truck crews

An educational video is shared with the truck crews to make them aware of the safety aspects to be followed while transporting chemicals.

Energy and Emissions

We understand and acknowledge the current and potential repercussions of climate change. Being cognizant of the huge impact of climate change with the heavy cost of global warming, we have embarked upon a journey towards transitioning to an energy efficient and clean energy future. We are already taking action to decarbonise our business by implementing various energy and emissions reduction initiatives and increasing the deployment of renewable energy in our operations.

Our energy and emissions-related statistics for FY 2021-22 are in the following tables:

Our Energy Consumption Within the Organisation

302-1

Source	Energy consumed (GJ)
Furnace Oil	1,04,079
Diesel	13,090
LSHS	17,119
Coal	46,99,470
Natural Gas	5,76,720
Kerosene	2,94,421
Hydrogen	67,077
Electricity from Renewable Sources	15,951
Electricity from Non-Renewable Sources	6,63,673
Total	64,51,600

302-2

Our Energy Consumption Outside of the Organisation

The energy sources used for the transportation of materials as listed in the table below include diesel, heavy fuel oil and grid electricity used for powering electric trains.

Category	Energy consumed (GJ)
Raw Materials	4,60,574
Finished Goods	1,81,871
Coal	3,879
Total	6,46,324

Our Key Energy and Emissions Reduction Initiatives

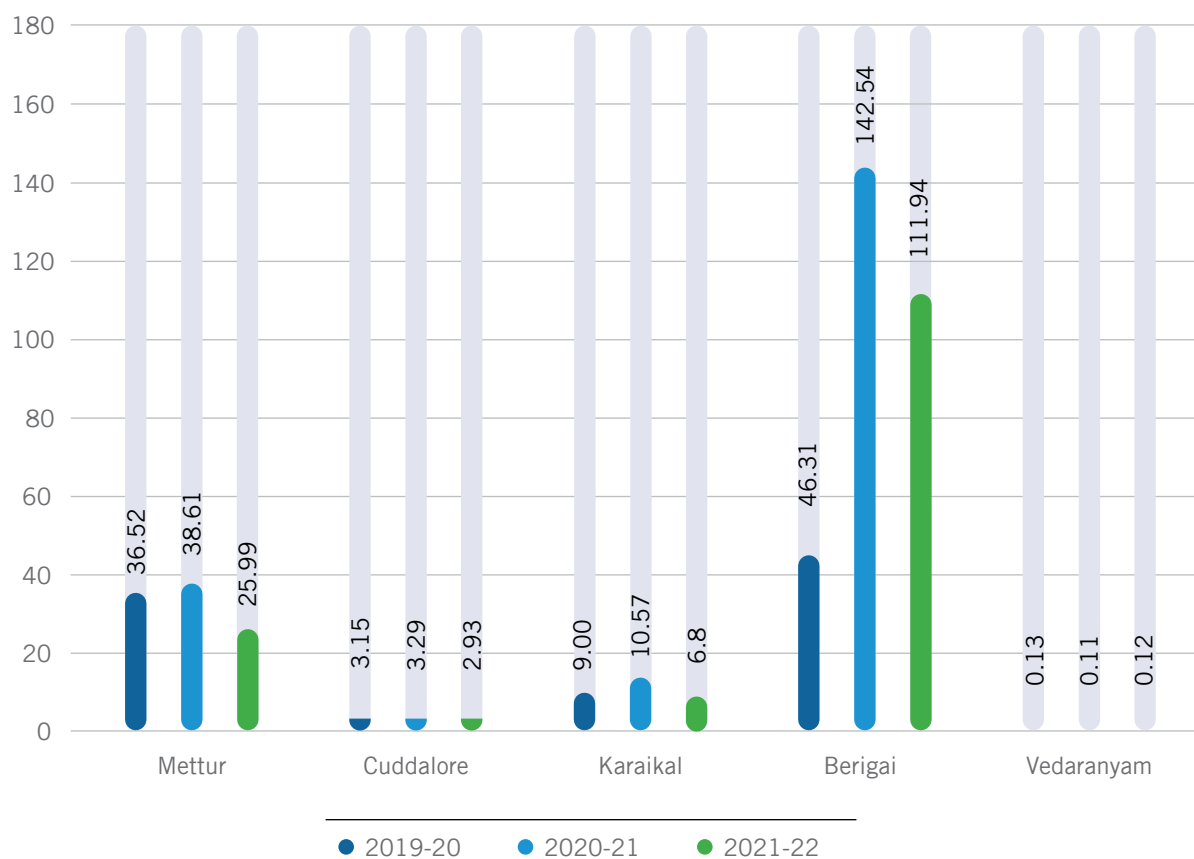
305-5

302-4

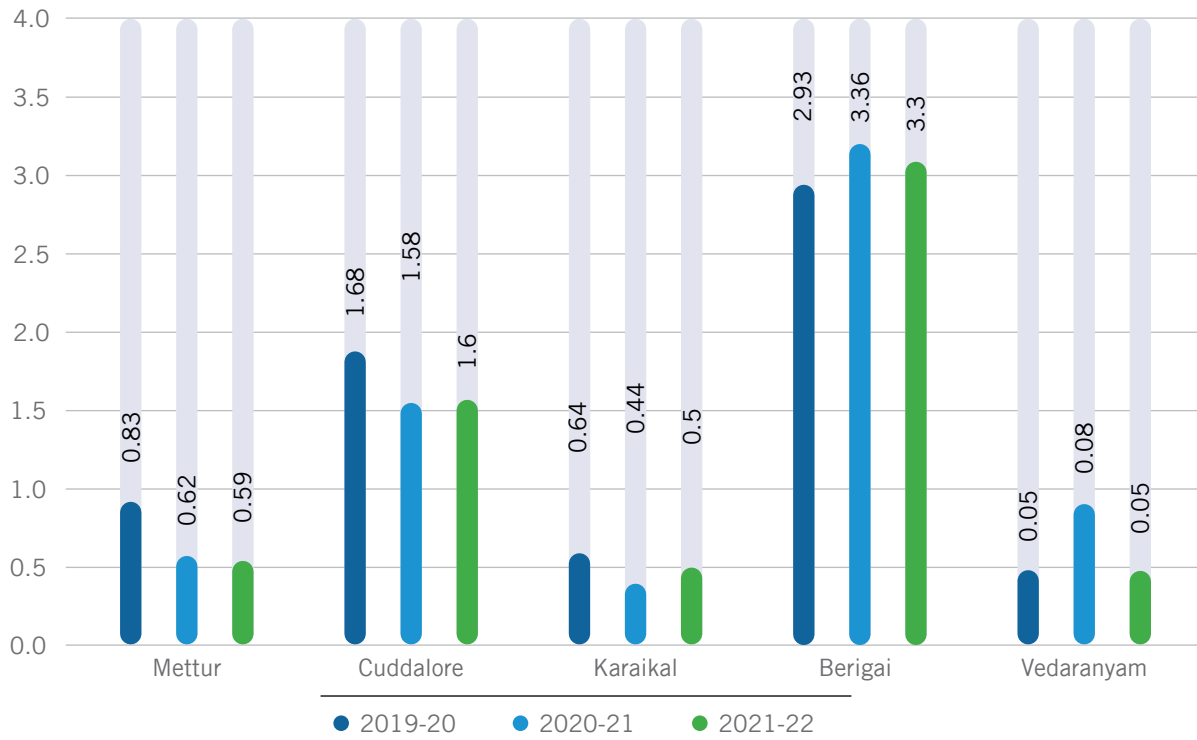
Description	Energy Savings (GJ)	Emissions Avoided (Tons of CO ₂)
Replacement of conventional lamps with LED lighting	850.52	186.64
Usage of hydrogen as an alternative to fossil fuels in the boiler and/or fusion process	66,635.84	4,205.78
Recovery of waste heat for steam generation	1,43,257.28	11,088.11
Steam savings in the caustic flaker unit due to vapour recovery at Karaikal	9994.59	773.58
Installation of variable frequency drive	669.53	146.92
Minimising fuel consumption associated with employee travel by using pooled vehicles and videoconferencing	917.96	60.13
Replacement of old motors with energy efficient motors	408.97	89.74
Auxiliary power consumption saved due to recoating of electrolyser elements	4,697.71	1,030.88
Anode replacement in electrolyzers	93,491.50	20,516.19
Introduction of new modified PVC centrifuges	797.12	174.92
Incineration of HFC 23 (undesirable product)	-	2,12,586.00

Our Energy Intensity within the Organisation (GJ/MT)

302-3



Our Energy Intensity outside of the organisation (GJ/MT)



GHG EMISSIONS

We have established a robust accounting methodology to calculate our Greenhouse Gas (GHG) emissions, i.e., Scope 1 (emissions from sources controlled or owned by the Company), Scope 2 (emissions from purchased electricity) and Scope 3* (indirect emissions not included in scope 2 that occur in the value chain) emissions data in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

Our GHG emissions profile for the current reporting period FY 2021-22 is summarised below:

Category	Unit	Mettur	Cuddalore	Karaikal	Berigai	Vedaranyam
Scope 1	tCO2	4,35,458	54,341	35,860	7,420	261
Scope 2		35,837	70,140	31,498	7,029	1,136
Scope 3*		8,030	36,574	4,412	257	297

305-1

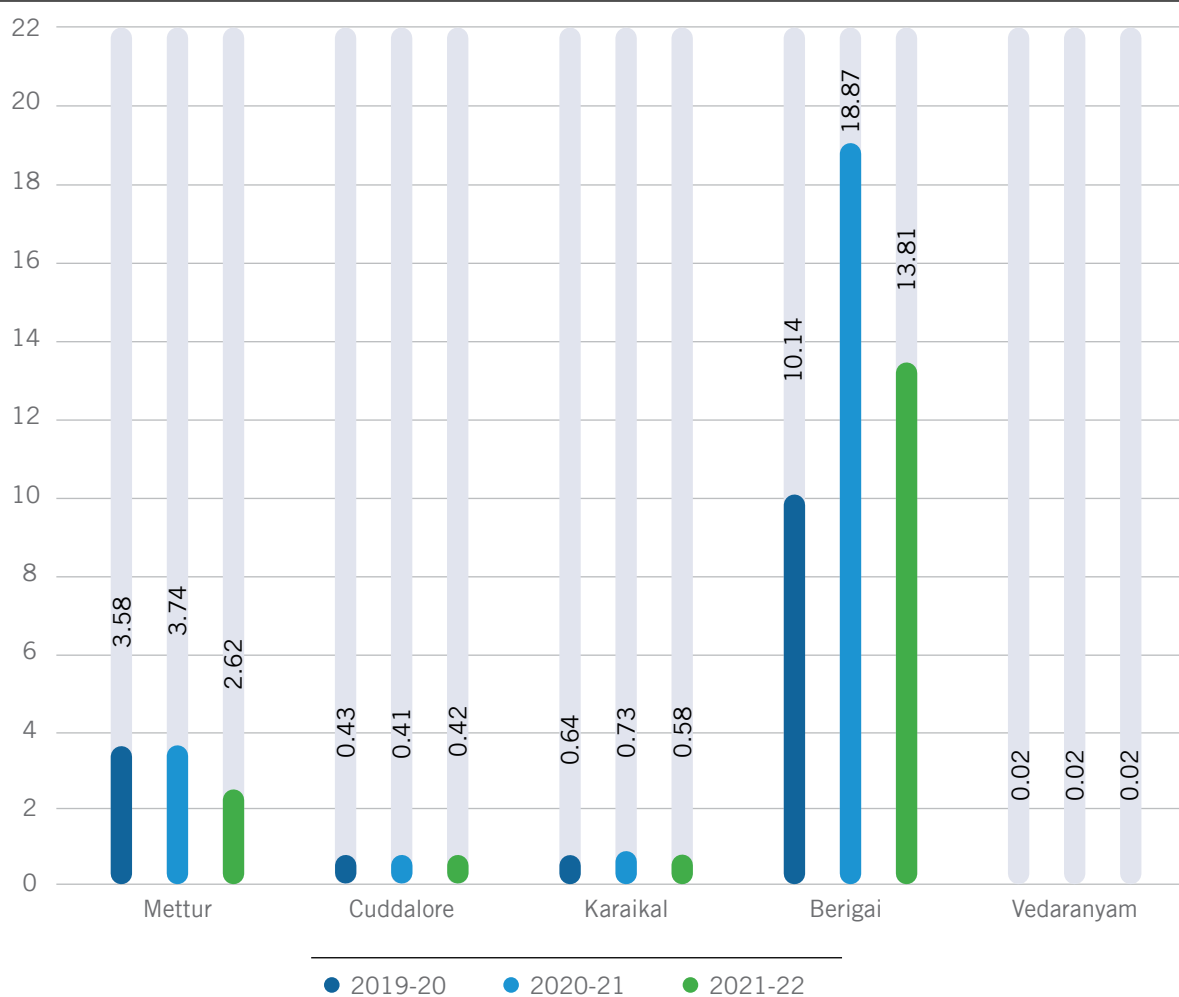
305-2

305-3

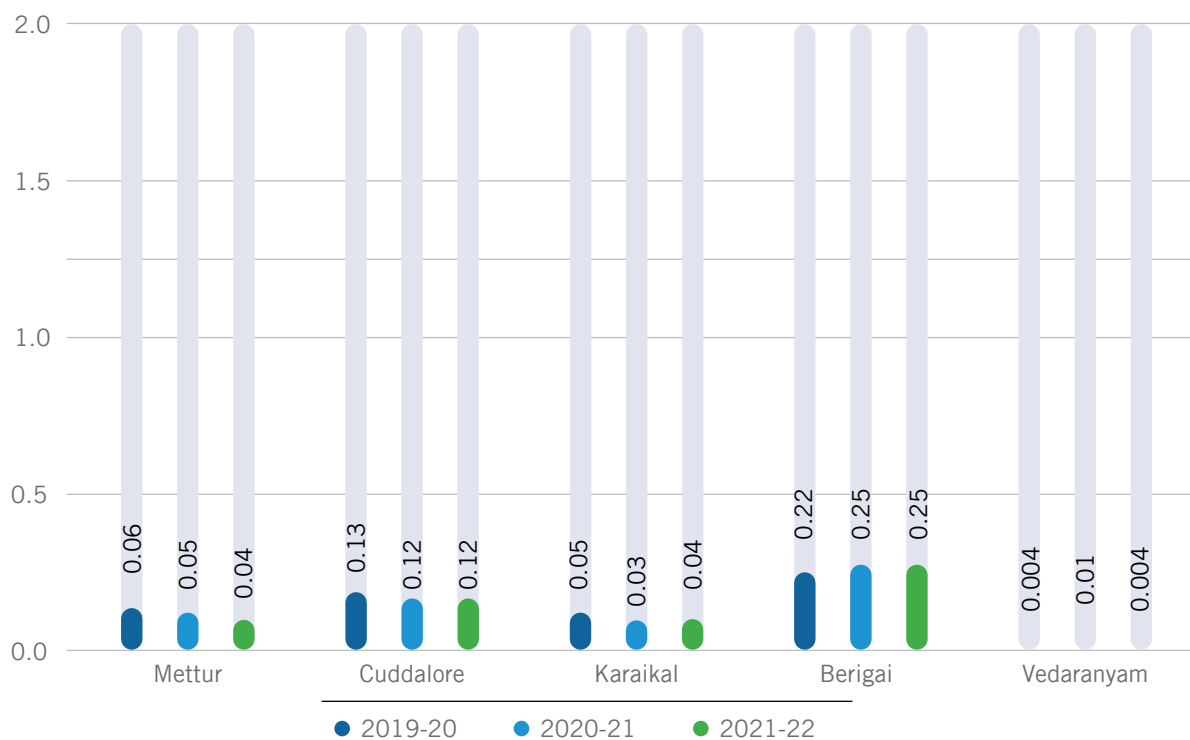
*Our scope 3 emissions from the transportation of raw materials, coal, and finished goods distribution..

305-4

Our Emission Intensity in tCO2/MT (Scope 1 and 2)



Our Emission Intensity in tCO₂/MT (Scope 3)



During the reporting period, we consumed 10.08 ton of refrigerant gas which are ozone-depleting substances. This contributed to 17,847.29 tCO₂e (included under scope 1).

The overall specific GHG emission for Chemplast and CCVL-Cuddalore has reduced from 1.27 tCO₂ in FY 2020-21 to 1.03 tCO₂ of the product in FY 2021-22.

Air Emissions

In addition to GHGs, we also acknowledge the importance of measuring and monitoring air pollutants released from our operations. Preserving air quality in and around our facilities is a priority for us. We comply with all national and local regulations to ensure emissions are well below the prescribed limit.

Our air emissions profile for the current reporting period FY 2021-22 is summarised below:

Category	Unit	Mettur	Cuddalore	Karaikal	Berigai	Vedaranyam	Total
SOx	tpa	227.98	31.72	0.19	16.48	0.01	276.38
NOx		123.22	76.17	8.25	14.09	0.08	221.81
SPM		52.45	15.68	2.56	3.04	0.01	73.74

Case Study-

Installation of Continuous Ambient Air Quality Monitoring Stations at Mettur

We have commissioned two Continuous Ambient Air Quality Monitoring Stations (CAAQMS) in Mettur. The locations of the CAAQMS were finalised based on the Ground Level Concentration (GLC) study conducted by M/s. Glens Innovation Labs, Chennai and in consultation with the District Environmental Engineer, Salem. One station is at Plant-IV (upwind), and another is at Plant-II (downwind). These monitoring stations continuously monitor Sulphur Dioxide (SO₂), Oxides of Nitrogen (both NO and NO₂), Particulate Matter (PM₁₀), Volatile Organic Compounds (VOCs) and Chlorine. The monitoring parameters are directly linked to Chennai's Care Air Centre at Tamil Nadu Pollution Control Board.

These Ambient Air Quality Monitoring Stations provide comprehensive data on air quality in the chemical complex. It assures regulatory authorities and the local community that the chemical complex has no adverse impact on the air quality of the area/region.



Water and Effluent Management

Being in the speciality chemicals production segment, many manufacturing processes heavily depend on water. We recognise the limited supply of water as an increasing global concern and are highly conscious of the consequence of its over-use in our operational activities.

303-1

We are constantly stepping up our efforts to reduce water consumption across our operations by adopting practices such as using water-efficient technologies, recycling and reusing treated wastewater in processes, and rainwater harvesting. In addition, treated water from our facilities at Mettur is supplied to communities around the plant.

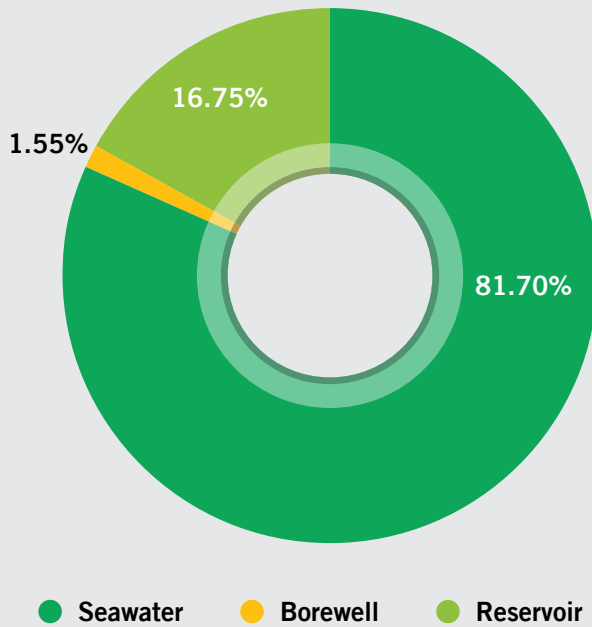
Our water withdrawal and consumption by source for FY 2021-22

Location	Withdrawal Source	Water withdrawn (KL)	Water consumed (KL)
Mettur	Stanley Reservoir	24,51,927	15,78,348
Cuddalore	Seawater	16,65,616	6,04,334
Karaikal	Seawater	2,78,354	2,43,251
	Borewell	1,63,081	1,63,081
Berigai	Borewell	63,096	63,096
Vedaranyam	Seawater	1,00,16,000	1,00,16,000

303-3

303-5

Water withdrawal sources (%)



303-3

As part of our water stewardship efforts, we have established processes to withdraw seawater and extract mineral components from saline water. This has helped minimise our dependence on groundwater, reducing groundwater stress significantly.

As a committed organisation to environmental stewardship, we have ensured that none of our sites discharge any effluents in water bodies and are also not situated adjacent to any biodiversity hotspot areas.

Zero Liquid Discharge

All our units under the reporting boundary are ZLD (Zero Liquid Discharge) facilities. We have maintained the ZLD status since 2009. The wastewater generated is treated in-house, recycled, and reused inside the facility, ensuring no discharge to the external environment. Treated wastewater quality parameters for all ZLD Plants are monitored and maintained per legal norms. Authorities of CPCB and TNPCB constantly monitor our ZLD status with the help of high-resolution night vision cameras. Additionally, we capture the water flow data in real-time and submit the same to the Water Quality Watch Centre of TNPCB and the Water Monitoring Station of CPCB. ZLD reject and treated wastewater from Sewage Treatment Plants (STP) are used in the production process and green belt development initiative.

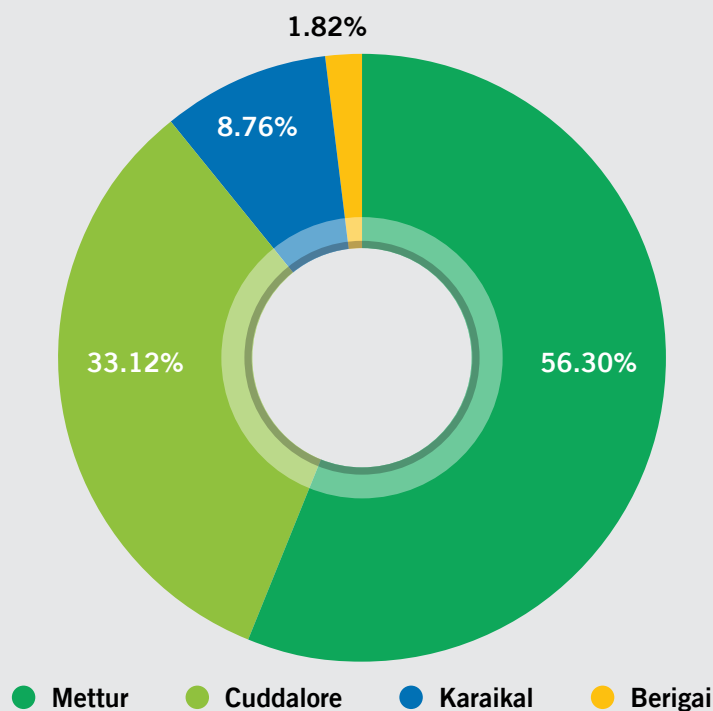
303-4

306-1

During the reporting period, we recycled 17,02,483 KL of water from our operations, accounting for 11.6 % of our total water withdrawal from all sources, including seawater. During the current reporting period, out of 18,07,715 KL water drawn from the sea by CCVL-Cuddalore and Karaikal Plants for desalination, 10,47,748 KL of reject water was discharged back to the sea.

306-1

Total Water Recycled % by location



Case Study - Increase of ETP Capacity at Berigai

The biological treatment plant capacity has been increased to 100 KLD with an efficiency of 85% recovery, and COD in RO permeate <250 ppm. We have established a sludge removal treatment facility with a filter press and a hardness removal system to treat RO reject of stage-01. Our ultrafiltration module has helped reduce total suspended solids to less than 50 ppm in Clarifier outlet water.

Due to the increase in efficiency of RO, a larger quantity of water is being recycled, and thus our freshwater withdrawal from borewells has decreased significantly. In addition, considering the COD reduction of effluents, the treated RO permeate has been used directly in the cooling tower and process.

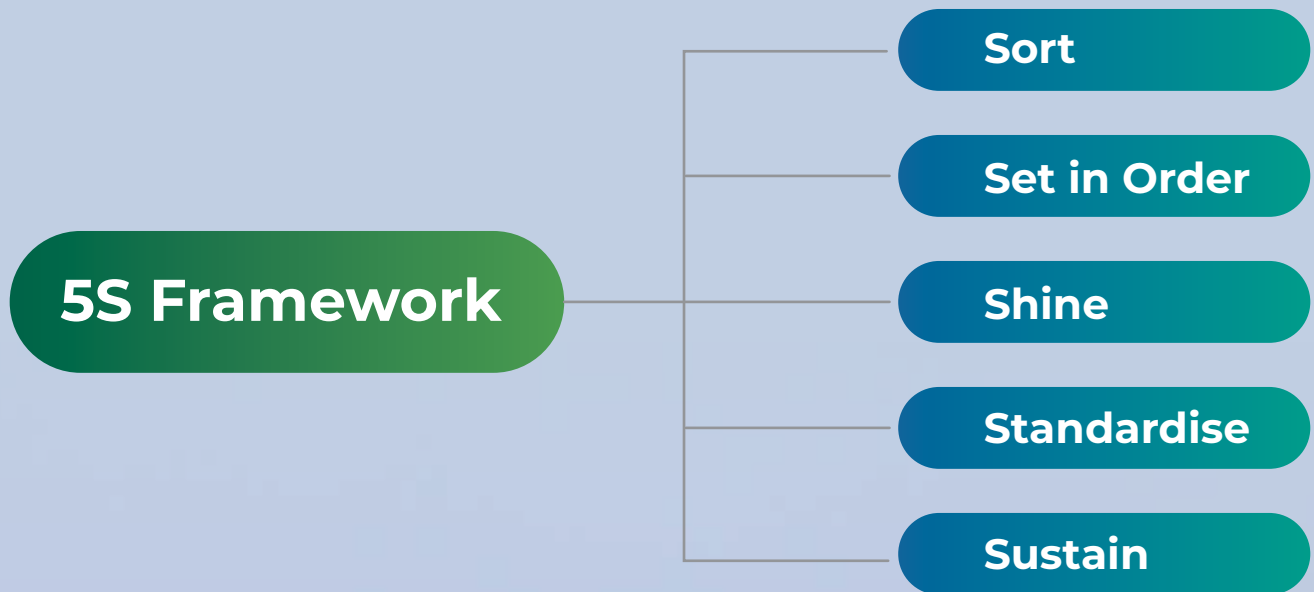


Waste Management

103-1

We are deploying eco-responsible waste disposal methods such as recycling and selling waste products as raw materials to other industries. Our waste management is based on the 4R philosophy - Reduce, Reuse, Recycle and Recover since adopting a circular economy is the need of the hour. Furthermore, as part of our waste management efforts, we have adopted the 5S framework - to achieve greater efficiency in managing waste.

103-2



We have set up a dedicated internal team to systematically identify and analyse potential risks associated with the waste generated by our operations and develop mitigation strategies. The team comprises store staff, all functional HODs, 5S trainers and plant heads.

Significant spills

Given the hazardous nature of our materials, products, and waste products, spills can seriously affect the health of our people and the ecosystem. Due to the high risks associated with such spills, we adopt stringent processes to avoid spills. As a result, during the reporting period, there were no incidents of any significant spills at our manufacturing plants/sites.

Generation and Disposal of Waste

The summary of hazardous and non-hazardous waste generated is highlighted below:

306-2	Type of Hazardous Waste (tpa)	2019-20	2020-21	2021-22	Disposal Method	306-2
	Chemical Sludge from wastewater treatment	1,782	1,236	3,374	Disposed at common disposal facility/ sold for co-processing at cement plants	306-5
	Brine Sludge	4,033	3,553	4,063	Disposed at common disposal facility	306-4
	Used/Spent Oil	24	24	36	Sold to approved recyclers	306-5
	Residue from preparation of vinyl chloride	1,298	1,237	1,458	Incinerated at captive incinerators	306-4
306-3	Evaporator Solids	156	130	143	Disposed at common disposal facility	
	Desalination Plant Sludge	363	547	122	Disposed at common disposal facility	
	Distillation Residue	157	151	161	Incinerated at captive incinerators	
	Empty Barrels/ Containers/lines contaminated with hazardous chemicals/wastes	-	-	38	Disposed to the approved recyclers	306-4
	Spent Carbon and filter medium	-	-	116	Co-processed in cement manufacturing plants	306-4
	Spent Solvent	-	-	159	Disposed to the approved recyclers	306-4
	Type of Non-Hazardous Waste (tpa)	2019-20	2020-21	2021-22	Disposal Method	
	Lime Grit	483	334	409.3	Sold to brick manufacturers	306-4
	Fly Ash	16,680	18,057	19,311	Sold to brick manufacturers	306-4
	Salt from ZLD	765	806	0*	Used for making Brine at Plant III	306-4
	PVC Resin (Low Grade)	709	518	425.84	Sold to low end application	306-4
	Bottom Ash	2,806	2,165	1,977	Sold to brick manufacturing, recycle as bed material for boiler & back filling of land	

*Included in the Chemical sludge from wastewater treatment under the hazardous waste category, since FY 2021-22

Note: None of the items covered under the Basel Convention Annex is handled.

SAFETY: OUR PRIORITY



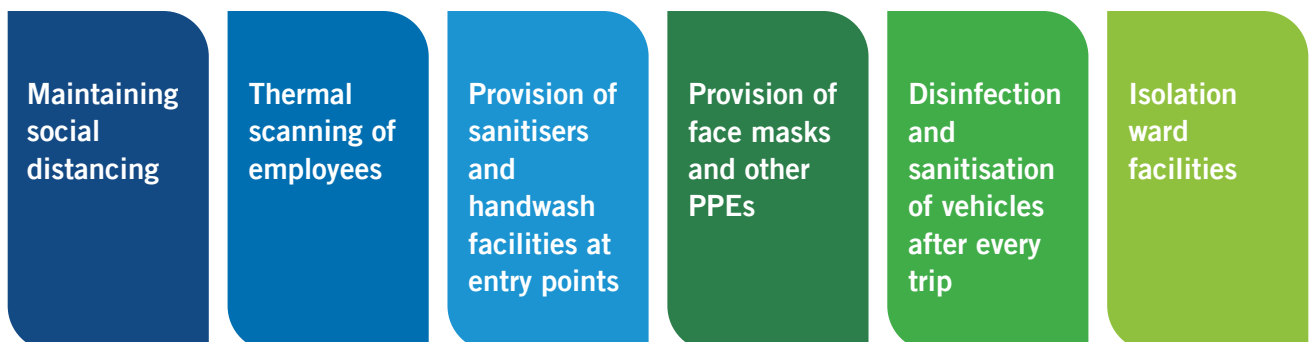


- 103-1 We are committed to manufacturing, storing and distributing our products safely while ensuring the well-being of our employees, communities, and other stakeholders. As one of the leading companies in the chemical industry, we have integrated best practices of safety and procedures into our operations.
- 103-2



The COVID-19 pandemic has been a significant concern for all our employees. Therefore, following government norms, we conducted an internal analysis to identify measures to shield our employees from the impact of COVID-19.

We took up the following measures:



In addition to safety measures, we have also developed awareness materials like videos, photographs, posters, and presentations related to COVID-19-specific topics in English and other vernacular languages.



403-1 Almost all our plants are certified by ISO 9001, ISO 14000, and ISO 45001/OHSAS 18001, international occupational health and safety management systems. Along with these external systems, we conduct periodic EHS audits at all our sites. The result of these audits is discussed and analysed by our Board members.

We have constituted safety committees at all our plants to implement safety initiatives monitored by the top management. Our top management closely monitors all near-miss incidents and enforces corrective actions to stop any recurrence. The management ensures accountability and integrity in a safe culture at all levels of the organisation. To encourage our employees and workers to report near-miss incidents and potential hazards, we host 'near-miss as a safety theme' for an entire month each year. Based on Risk Management Programme like HIRA and HAZOP, the mitigation measures for significant impacts are implemented. This is supported by the 'Responsible Care' code of practices adopted by the organisation.

Our safety performance for the reporting period FY 2021-22 is summarised below:

Description of the safety performance Indicator	Plant-I	Plant-II	Plant-III	Plant-IV	CCVL-Cuddalore	Karaikal	Vedaranyam	Berigai
403-10 Man-days lost (Injury or occupational diseases)	0	1	0	15	82	0	0	0
Work-related fatalities	0	0	0	0	0	0	0	0
403-9 Lost day rate	0	0.12	0	7.95	11.75	0	0	0
403-3 Employees working in hazardous area *	6	135	39	33	57	25	0	73
Injury Rate	0	0	0	0.53	0.29	0	0	0

* Employees working in the hazardous area as per Indian Factory Act is considered for this parameter.

All employees who work in hazardous zones are deemed susceptible to occupational diseases as per the Indian Factory Act, 1948. Right now, we have a total of 368 employees in this category.

Due to our operations, we identified potential and actual adverse health impacts within the plant boundaries and on local communities. Based on this exercise and our risk management programs, we have implemented preventive and mitigation measures for each analysed impact, such as Hazard Identification & Risk Assessment (HIRA) and Hazard and Operability Study (HAZOP). We perform various mock drills and environmental surveillance studies periodically to verify emergency preparedness levels at all sites. Environmental surveillance studies have been conducted for air, water, and soil samples around our plants to test the integrity of our operations. Our efforts have resulted in safe and secure working conditions. The British Safety Council has also recognised this through the Sword of Honour award for Chemplast Plant II for 2021, 5-Star rating award for Mettur Plant II in the FY 2022. Custom Manufactured Chemicals Divn., Berigai was awarded a 4-star rating.

Chemplast Cuddalore Vinyls Limited witnessed workplace safety, health and environmental aspects benchmarking globally. These are achieved by workplace air monitoring systems, guarding of machines, provided with adequate safety devices, Electrical safety, etc. These aspects are becoming an integral part of the business operations driven by technological interventions, international benchmarks, evolving national legislative landscape and most importantly, the overall value system of the organisation. The organisations are now transcending the compliance boundaries and focusing on building a comprehensive workplace safety and health approach as a value driver towards business excellence. CCVL providing robust health and safety systems, processes, equipment, and training, thus empowering its employees to perform, more sustainable and responsibly.

The Employees working in the hazardous area at Cuddalore factory (57 Employees) as per the India factory Act, 1948, are considered for deriving the numbers for high incidences or risk of diseases related to the work. The system consists of Integrated EHS Policy committed by top management, planning and implementation, evaluation and action for improvement as per PDCA (Plan Do, Check, Act).

403-7

403-6

403-2

413-2

Safety Competition

Various events are carried out in the plant for employee participation and to boost their motivation towards safe working culture such as safety quizzes, spot the hazard contest, fire drill drawings, safety posters, writing safety slogans, competition on wearing the SCBA (Self-Contained Breathing Apparatus) in the quickest possible time were carried out with the active and the enthusiastic participation of all our employees and contractors.

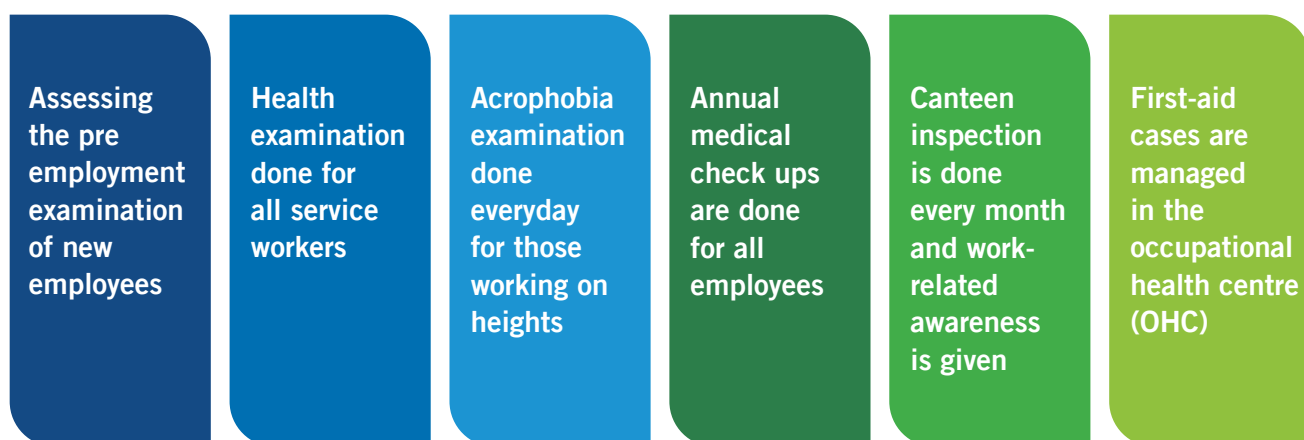
The Quality of the Organisational leadership, commitment, and planning in EHS ensured by third-party audit and award recognitions (National & International) received for the excellence of Environment, Health & Safety function at CCVL.

1. British Safety Council Sword of Honour & Five-star Occupational Health and Safety Awards.
2. National Safety Council of Tamil Nadu Chapter awards to CCVL for the year 2020 (Received - May 2022)

403-3

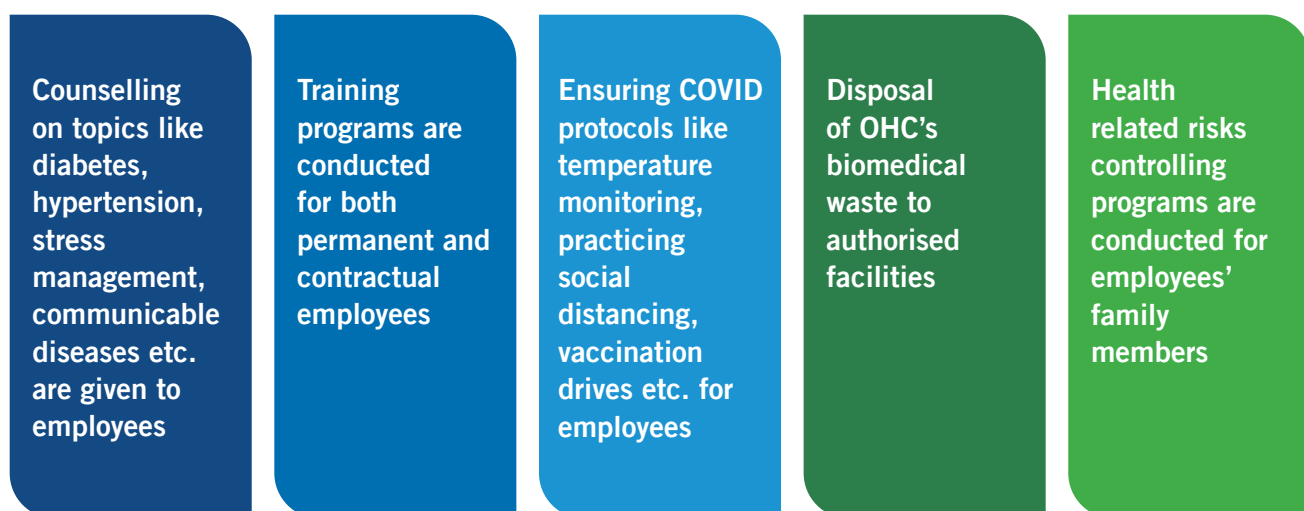
The company ensure that all contractual employees are allowed to work only after ensuring state employees insurance policy addresses risks including financial risk protection. The company also allows contractual employees to utilise the in-house Occupational Health Centre (Company Clinic). The company has several facilities in place, like dedicated OHC with qualified MBBS doctor and trained nurses, 24X7 Ambulance facility etc. The company conducts Voluntary Health Promotion Program by CCVL company doctor, such as dietary advice, and stress-reducing programs. Considering the voluntary services, CCVL aims to address major non-work-related health risks among workers by having no smoking, alcohol abuse etc. zones in/around campus.

Initiatives for occupational health services



403-3

Initiatives for Non-occupational health services:



403-6

Safety Training

We ensure that all employees possess knowledge of our management systems, SOPs, and best practices. During the reporting period, we had around 16,206 hours of SHE training provided to our regular employees and 37,555 hours of training to our contractual employees. This brings us to an average of 16 hours of training per regular employee and 13 hours of training per contractual employee. The number of hours of training attended by employees on SHE across all our plants for the current reporting period FY 2021-22 is summarised in the table below:

404-1

Trainings	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai	Total
Regular	7,909	646	1,811	685	5,157	16,207
Contractual	22,099	1,812	7,519	1,137	4,988	37,555

The percentage of the total workforce represented in the joint management, workers' health and safety committees at all sites is summarised in the table below:

Employees in safety Committee	Mettur	Karaikal	CCVL (Cuddalore)	Vedaranyam	Berigai
Percentage of employees	6	11	10	18	13

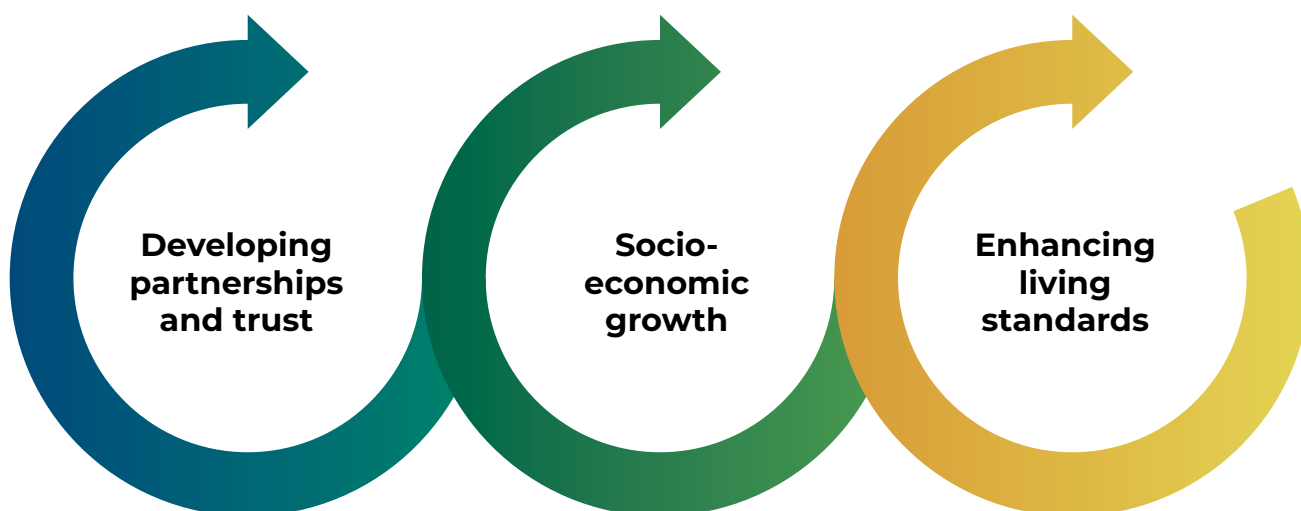
403-4

COMMUNITY PARTNERSHIP



103-1 We aim to maintain a symbiotic relationship with communities around our operations. All our efforts are focussed on creating a positive impact on local communities. We work with them closely to empower them and improve their lives. We have created a circular model to guide our company in building long-term relations with local communities.

103-2



Case Study: Impact of Local Community

Construction of Badminton court at government school

Chemplast Sanmar, through its corporate social responsibility initiatives, has uplifted local communities at various levels. For example, at the Gonur government high school, we constructed an outdoor badminton court after assessing the need for infrastructural development in sports and requests from the headmaster and local youngsters. This brings out positive changes in children's behaviour, improves health and academic performance and empowers them in the long run. Total expenses incurred for the initiative were INR 3 Lakhs. Further allocation of funds towards the community/school development will be planned basis the requirements.

Impact:

150 – 200 students/ local youngsters are currently utilising this facility.

We are committed to impactful community development initiatives and creating shared value based on the needs of communities in different areas of operation. Through carefully designed surveys, we engage with local communities to identify gaps and areas that need attention. As a result of our survey, we identified three critical areas, i.e., education, access to quality infrastructure and access to clean potable water.

Hence, most of our CSR projects are dedicated to these three focus areas. Our significant initiatives in each of these areas are mentioned below.

203-1



Education

Providing Computer accessories and other facilities to Government School at Cuddalore

The program is aimed at providing academic support the students, while studying in Government Higher Secondary School, Ramapuram West. The school was not equipped with adequate computer accessories and other facilities to improve their IT skills, which are essential for student's future studies and career. Hence CCVL decided to provide Computer accessories and other facilities like computers, printers, tables, aqua purifiers etc.



Access to quality infrastructure

Construction of volley-ball court

During the interaction with the youth of the village it was revealed that they would like to have some sports infrastructure in the village. After discussing with them, it was decided to build a volley-ball court in the village. The requirement of the youth of the village was taken up seriously and a proposal to build a volley-ball court on a budget of INR 75,000/- from CSR funds was allocated for the initiative.



Access to water

Installation of bore well facilities – drying of surface water / well water at Berigai

This was an infrastructure based requirement and this was immediately forwarded to the CSR committee which fulfilled the nearby community requests (Drilling of Bore well cost INR 2.95 lakh and INR 4.43 lakhs for Overhead tank).

413-1

CSR Initiatives

413-1

In FY 2021-22, we have undertaken various CSR initiatives for the welfare and upliftment of local communities. Plant-wise initiatives are listed below:

CCVL-Cuddalore

- » Contributed to the erection of barricades for Armed Police and Recreation Club
- » Supported COVID treatment centre for the Police force at the Cuddalore Police Headquarters
- » Provided four water dispensers to the Government Hospital to facilitate safe drinking water for the patients.
- » Supplied COVID-related medical equipment such as pulse oximeters, oxygen concentrators, glucometers, and face shields to government hospitals
- » Contributed to community hall construction in Chithiraipettai
- » Provided computer with tables, inverter cum battery, printer and scanner, copier, ceiling fan, tube light, and aqua purifier in Ramapuram Govt School
- » Distributed Swing machine for the social welfare department



Vedaranyam

- » Supported Agastheyampalli Govt Hospital in purchasing Doppler scan
- » Provided free medicines to Salt Pan workers
- » Provided notebooks to local school children
- » Provided medical-aid and care during COVID-19
- » Renovated cyclone shelter at Kodiakadu village
- » Funded Secretary Armed Forces Flag Day





Berigai

- » Supported pulse polio camp immunisation campaign by the state government
- » Provided personal computer with a colour printer to Shoolagiri and Berigai Primary Health centre
- » Supported Berigai Panchayat by providing COVID PPE kit and disinfection sprayer to nearby community
- » Provided borewell to the B.Kuruparapalli panchayat
- » Contributed fund for the construction of overhead tank under “Namakku Namey Thitam”

Karaikal

- » Supported PHC by providing food to volunteers during pulse polio immunisation
- » Supported TR Pattinam Commune Panchayat for street cleaning during Masimagam festival
- » Developed volleyball court at Vadakku Vanjore village
- » Supported Vadakku Vanjore village Panchayat for developing a pathway to Burial ground
- » Provided desktop computers to the Police department
- » Developed dining hall at Community hall in Vadakku Vanjore
- » Supported District civil defence corps by providing safety shoes & uniform
- » Supported villages, District administration, and hospitals by providing medical equipment and necessary aid during COVID 19 pandemic
- » Provided food to volunteers during the election
- » Supported Government Hospital by providing medical equipment & bio-gas line installation



Mettur

- » Established five rural health centres at Mettur
- » Supplied water to the nearby community of local villages
- » Supported in laying the new water pipeline at Panangadu
- » Shifted electric transformer from school at Thangamapuripattinam
- » Supported mega cleaning camp, Thipampatti and provided lunch during the camp
- » Provided essential medical support to Primary Health Centre (PHC) - Santhaithanapatti, Komburankadu & Salem camp
- » Contributed funds to Mettur library
- » Constructed a shuttle court for the rural youth at the Panangadu village
- » Funded government department for the Armed Forces Flag Day
- » Donated medical and allied equipment to Primary Health Centre
- » Sponsored pulse oximeters, IR thermometers, face masks, and sanitisers to Karumalaikoodal Police Station



The below table summarises the impact of some of our key CSR interventions.

Interventions	Number
Number of people benefitted through Rural Health Centre for health care activities at the surrounding area at Mettur	1,441
Total number of villages/ areas benefitted due to supply of water to nearby community of Mettur	12
Number of rural health centres established at Mettur	5
Number of tailoring training centres established at Mettur	2

203-1

Case Study: COVID-19 Support to Local Government

COVID-19 support to local government and health department

Chemplast Sanmar has improved the health infrastructure to win the fight against COVID-19 providing financial support to a COVID care centre in Salem and a government hospital in Mettur. Addressing the need of the hour, Chemplast Sanmar also provided critical healthcare supplies and equipment such as oxygen cylinders and medical and personal protective equipment to the government hospital and surrounding primary health centres. Total expenses incurred for the initiative were INR 57,24,000.

Impact:

More than 50,000 healthcare supplies have been provided.

Initiative: Construction Of Community Hall Shed

Vadaku Vanjore village has a community hall where various functions/events take place. The villagers required a shed adjoining the community hall to have ample space, and the Company has planned to construct the same. An amount of INR 5,55,000/- was sanctioned for the project.

Impact:

350 people across 140 households in the village will benefit from this project.

Before:



After:



Initiative: Purchase of Medical Equipment for GH Karaikal During COVID 19

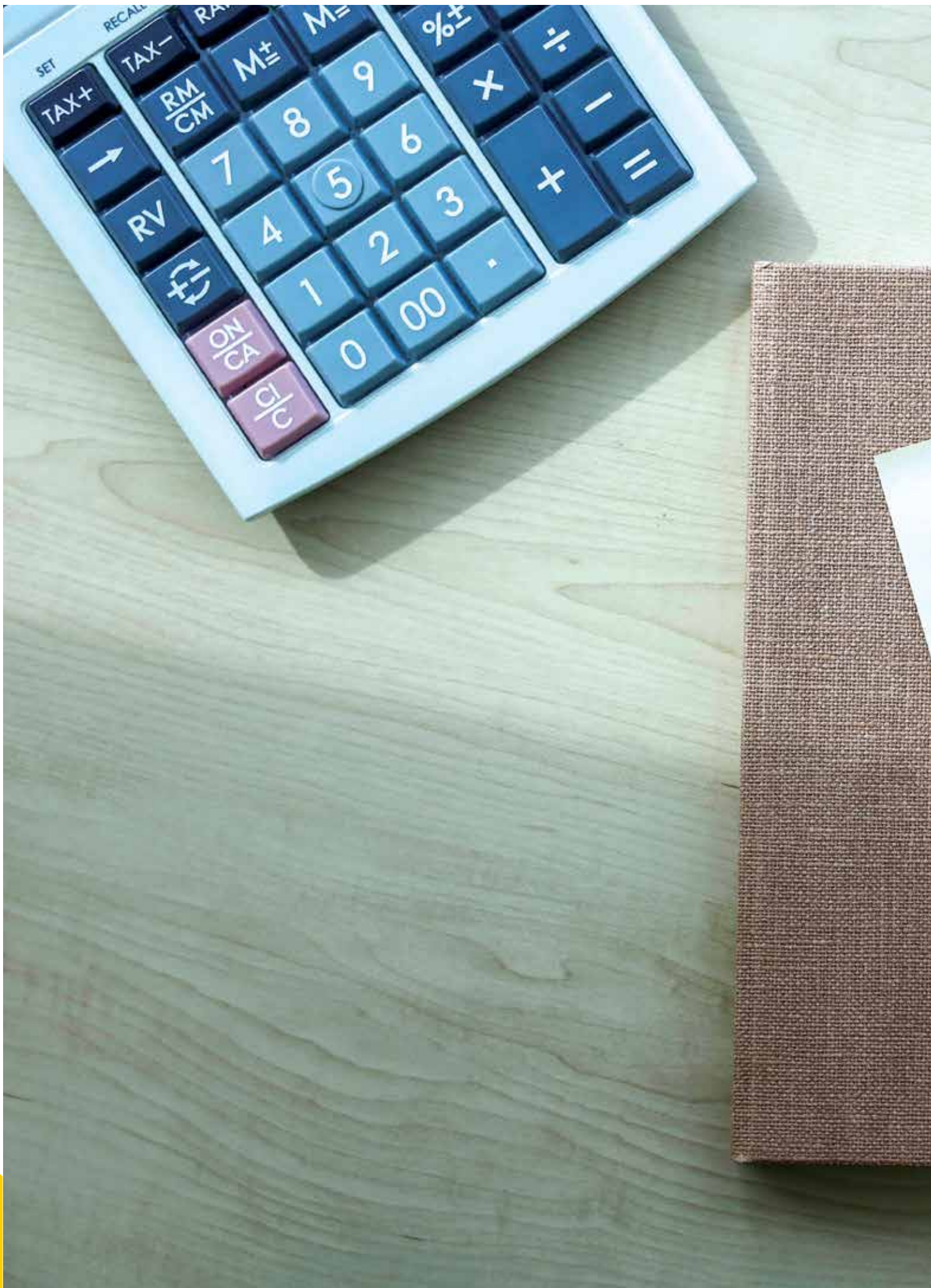
Local people depended entirely on General Hospital Karaikal for treatment during the pandemic. However, the hospital had a shortage of ICU beds and oxygen supply. The management spent INR 10 Lakhs to purchase ICU beds with monitors and sponsored infrastructure for the medical gas pipeline for 20 beds in COVID & Emergency wards.

Impact:

After the gas pipeline installation, there was no shortage of oxygen in the COVID & Emergency wards of the hospital.







A photograph of a wooden desk with a light-colored wood grain. In the bottom left corner, there is a brown, textured folder or notebook. A white, rectangular sticky note is attached to the top left of the folder. The word "APPENDIX" is written in a bold, blue, sans-serif font in the upper right area of the image.

APPENDIX

Description of Management Approach

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 1. Economic Performance	<p>Our approach to prevailing market conditions and anticipating risks is a proactive one. Investing in future-proof technology helps our business operate sustainable and improve our financial performance. Environmental risks are also included in the overall evaluation. The economic performance of the current reporting period, FY 2021-22, covers Chemplast Sanmar Limited (including Mettur, Karaikal, Berigai and Vedaranyam) and Chemplast Cuddalore Vinyls Limited (CCVL).</p>	Yes	Yes	Besides our internal and external stakeholders, other payment holders such as suppliers, local community, etc., are also impacted by our economic performance.
103-1 103-2 103-3 2. Market Presence	<p>Chemplast products, namely Paste PVC, Caustic Soda, Chloromethanes, Hydrogen Peroxide, and others cater only to the Indian Market whereas Custom Manufactured Chemicals products of Berigai location are sold mostly to the international market, especially to Switzerland. Being the second largest suspension PVC producer in India, CCVL sells its PVC primarily to the southern part of India.</p> <p>All personnel hired at the senior level in our company are from the local community (India). At the entry level, we ensure that we meet the legal requirements for minimum wage. A significant location is defined as a company having any/ combination of the following factors:</p> <ul style="list-style-type: none"> » Significant revenue » Significant production quantity » Significant number of employees » Significantly important operation 	Yes	Yes	This aspect is largely influenced by employees and local community engagement along with our economic performance which has an impact outside the organisation as well.
103-1 103-2 103-3 3. Indirect Economic Impact	<p>We significantly contribute toward socio-economic development of local communities through various initiatives undertaken such as livelihood initiatives, rural infrastructure projects, healthcare, education, clean water, disaster management, and training and skill development. We also impart requisite knowledge to enhance the skill sets of trainees /apprentices, so that they become competent enough to take up the challenges and cope with the frequently changing dynamics of the system. We trained 2 apprentices and 113 trainees with the requisite knowledge to improve their skill sets.</p>	Yes	Yes	The impact of this material aspect is primarily outside the organisation as it directly impacts the socio-economic well-being of local communities.

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 4. Procurement Practices	<p>We believe that the maximum procurement of the materials/ services shall be “local”, so that the unnecessary overheads can be avoided, which includes the transportation of hazardous goods & their environmental impacts. As per our definition, “Local” means the material/services obtained from India. However, Vinyl Chloride, a raw material for CCVL, is always procured from outside the country.</p>	Yes	Yes	Procurement practices significantly impact our engagement with local suppliers and service providers.
103-1 103-2 103-3 301-3 5. Materials	<p>We believe in taking complete responsibility for the materials procured for our processes. For instance:</p> <ul style="list-style-type: none"> » Suppliers are encouraged to obtain ISO 14000 certification to become an approved vendor. » All suppliers are required to produce the MSDS and identify the environmental impacts of any, of the material supplied. <p>We continuously look for opportunities to re-use materials within our process by adapting to 4Rs principles and the 5S framework.</p> <p>Moreover, 20,517 numbers of reclaimed usage of soda ash bags for salt packing at ZLD Plant</p>	Yes	Yes	This material aspect has a significant impact on our supplier engagement
103-1 103-2 103-3 6. Energy	<p>We believe that investment in the environment-friendly and innovative technologies, including energy-efficient systems, makes better business sense contributing towards long-term economic sustainability.</p> <p>We, at Chemplast Sanmar, generate most of the electricity for our operations through a captive power plant that supplies power to our operations and employees in residential colonies and townships. Due to our ‘power surplus’ status, we also provide power to other industries while feeding the rest of it to the grid.</p> <p>Other fuels, such as Kerosene and Hydrogen are used primarily for thermal energy requirements in our manufacturing processes.</p>	Yes	Yes	Since, we export surplus power to colonies, other industries and the grid, this material aspect also has impact outside the organisation

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 7. Water	<p>We are committed to adopting measures to conserve water at all our plants and production facilities. At Chemplast Sanmar, we are committed to the following water conservation initiatives:</p> <ul style="list-style-type: none"> » Zero Liquid Discharge (ZLD) at all our plants » Zero dependence on groundwater in most of the operations except for Berigai » Shore-based facilities to use seawater as a feedstock for the industrial water requirement » Rainwater harvesting during the rainy season and use it for the plant's daily operations <p>We also draw and treat water to supply potable water to local communities.</p>	Yes	Yes	We are committed to judicious utilisation of water and to ensuring that our activities do not adversely affect the access to water by local communities, hence, this aspect largely impacts outside the organisation.
103-1 103-2 103-3 8. Emissions	<p>We monitor our emissions of SPM, SO_x, NO_x, and other key parameters continuously using CEMS, an online monitoring system directly connected with the State Pollution Control Board. We ensure that we comply with regulatory norms concerning air emissions. Concerning GHG emissions, we aim to maximise the use of alternative fuels, such as Hydrogen gas and natural gas, and encourage innovation in energy efficiency (electrical and thermal).</p> <p>LDAR (Leak Detection and Repair) program is being adopted to control the fugitive emissions of notified chemicals used in the operations.</p>	Yes	Yes	To maintain the quality of air in the surrounding areas and local communities, emissions reduction and proper monitoring is essential. Further, we engage with regulators and industry peers to monitor our performance and ensure best practices are followed in our facilities. This material aspect, hence, has an impact outside the organisation
103-1 103-2 103-3 9. Effluents & Waste	<p>We are committed to reducing the amount of waste generated from our operations and stepping up the deployment of eco-responsible waste disposal methods. We assess and analyse the potential risk(s) and other associated liabilities of the waste and ensure a disposal method is worked out appropriately.</p> <p>All our units under the reporting boundary are ZLD (Zero Liquid Discharge) facilities. To demonstrate the integrity of the treatment system, we capture the water flow data on a real-time basis and submit the same to the Water Quality Watch Centre of TNPCB and Water Monitoring Station of CPCB.</p> <p>We, at Chemplast Sanmar & CCVL relentlessly follow a 5S Framework and 4R principles for achieving greater efficiency in managing waste and adopting a circular economy.</p>	Yes	Yes	This material aspect certainly has implications outside the organisation. We regularly monitor our environmental performance and are committed to Zero Liquid Discharge.

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 10. Products and service labelling	We provide a comprehensive Material Safety Data Sheet (MSDS) of all products sold to customers. We also have Standard Operating Procedures in place for safe handling and transportation of the product. All our plants have received 'Responsible Care' certification for maintaining best practices operations. Furthermore, we adhere to all codes of practices including product distribution, product stewardship, and emergency response for the safe distribution of products.	Yes	Yes	We regularly communicate with transport service providers for the safe handling of materials and their transportation; hence this material aspect has an impact outside the organisation.
103-1 103-2 103-3 11. Compliance (Environment)	We comply with all the applicable regulations/ Statutory requirements through management systems and audits. We also follow an environmental management system (ISO 14001) and a health and safety management system (OHSAS 18001/ISO 45001) standards, which help to track, and document compliance requirements.	Yes	Yes	This aspect has an impact on our engagement with the regulators and how we ensure compliance with the statutory requirements.
103-1 103-2 103-3 12. Transport	<p>We work closely with our transport contractors on safety aspects and environmental protection. We have developed a system to monitor and enhance the safety of our logistics operations with support from our transport contractors. This includes GPS-enabled tracking of vehicles for the transport of Methanol, EDC, Chloromethane, and other chemicals. We also monitor energy consumption and GHG emissions due to the transport of our raw materials and products. With the help of a professional agency, we have conducted Journey Risk Management for various routes of our hazardous chemicals transportation to derive the action plan based on the risks associated with the particular route.</p> <p>We enrolled on the "Nicer Globe" initiative by ICC (Indian Chemical Council) to improve the transport safety of chemicals</p>	Yes	Yes	Transportation of hazardous chemicals and their safe handling is of great importance. This aspect largely impacts our engagement with suppliers and customers.
103-1 103-2 103-3 13. Overall (environment expenditure)	We monitor our expenditure towards operation and maintenance of emissions treatment systems (ZLD Plants), waste treatment systems, environmental monitoring, equipment purchase, waste management, green belt development, as well as expenditure towards statutory compliance and environmental management systems. The environmental expenditure for the reporting year is INR 42,49,29,161.	Yes	Yes	Expenditure incurred on environmental programmes have an impact within and outside the organisation

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 14. Supplier Environment Assessment	We regularly collate inputs from our suppliers on the environmental and social practices they follow (including human rights-related practices), management systems (e.g. ISO 14000, OHSAS 18001/ISO 45001, etc.) as well as potential/actual negative impacts on environmental and social parameters. We plan on scaling up this exercise and covering a higher number of suppliers in the coming years. Site verification at important suppliers' premises is considered a future course of the action item.	Yes	Yes	This aspect has an impact outside the organisation as it affects our engagement with suppliers (i.e., external stakeholder engagement)
103-1 103-2 103-3 15. Environment Grievance Mechanism	We have a formal redressal system for documenting and responding to all environmental grievances.	Yes	Yes	This aspect impacts how we address the concerns of external stakeholders w.r.t. our environmental performance, hence it impacts outside the organisation
103-1 103-2 103-3 16. Employment	Employees are the primary stakeholders of our company. We give due importance to well-being, productivity, and development of our employees. We have a structured training and development program with targets set for a minimum number of training hours per employee. We also have manuals to build the capacity of employees on our HR policies, code of conduct, and value system.	Yes	Yes	Our Company governs the welfare of the employees and ensures that majority of the recruitment (employees and contracts) takes places from local communities.
103-1 103-2 103-3 17. Labour / management relations	As per the Industrial Disputes Act, 1947, all our plants follow the minimum notice period guidelines of 20 days to 2 months for Junior and non-management cadre. Executive cadre employees follow the minimum notice period of two months or three months or four months based on seniority. Labour relations are essential material issues for our Company.	Yes	Yes	This material aspect impacts regulatory authorities and supply chain (w.r.t. health and safety issues)
103-1 103-2 103-3 18. Occupational health and safety	We are keen on the effective functioning of the occupational health and safety management system. We have set safety objectives for every department to ensure continual improvement in occupational health and safety performance. Various safety-centric training programs are conducted for workers to increase their awareness. We regularly monitor the compliance with health and safety standards both within the Company boundaries and across the supply chain.	Yes	Yes	Occupational Health and Safety is not only relevant to the inside of organisation but also to the supply chain management. In addition to operating rural health centers in various locations, we work with communities and transport crews on various risk management programs as well.

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 19. Training and education	In FY 2021-22, we have carried out various training and development activities to enhance the skills and competencies of employees. Various focal topics of our training are human rights, emergency handling, first aid, workplace safety, chemical safety, firefighting, respiratory problems, permit to work, and environment management. We make sure that our permanent, as well as contractual employees have access to these training.	Yes	Yes	We have conducted various skill development and vocational training programs for the employees and local communities, especially women.
103-1 103-2 103-3 20. Diversity and equal opportunity	Our Company Chemplast is committed to building a diverse and inclusive workplace for employees and providing them with fair opportunities without any discrimination. Our ethics manual is a reference tool for anyone who has questions or concerns related to ethics, including our code of conduct and business practices for providing equal opportunity to all employees. Each employee is encouraged to approach their immediate superior or, function heads or the Ombudsman for clarifying doubts.	Yes	Yes	This material aspect impacts the local hiring and local communities.
103-1 103-2 103-3 21. Supplier Assessment for Labour Practices	We regularly collate inputs from our suppliers on the environmental and social practices they follow (including human rights-related practices), management systems (e.g. ISO 14000, OHSAS 18001/ISO 45001 etc.) as well as potential/actual adverse impacts on environmental and social parameters. We plan on scaling up this exercise and covering a higher number of suppliers in the coming years.	Yes	Yes	This impacts our engagement with contractors, suppliers, and service providers.
103-1 103-2 103-3 22. Labour Practices Grievance Mechanism	We have a formal redressal system for addressing labour grievances.	Yes	Yes	This impacts our engagement with contractors, suppliers, and service providers.
103-1 103-2 103-3 23. Human Rights Investment	We have standard clauses in all our contracts to ensure that our code of conduct is complied with respect to the prevention of child labour/forced labour as well as health and safety requirements.	Yes	Yes	This impacts our engagement with the contractors, suppliers, and service providers.
103-1 103-2 103-3 24. Non-discrimination 25. Freedom of association and collective bargaining 26. Child labour 27. Forced or compulsory labour	We undergo a stringent process of due diligence to prevent child labour, forced labour or any other Human Rights violations. In FY 2021-22, we have not received any complaints about incidents of Human Rights violations. A Stringent procedure is followed for background verification, medical fitness, address, and age verification of all our regular and contractual employees. We comply with other statutory requirements to ensure that no misconduct is happening in our company.	Yes	Yes	This impacts our engagement with contractors, suppliers, and service providers.

Sustainability Aspect		Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3	28. Security practices	Security personnel are trained on organisation's policies and procedures concerning aspects of human rights that are relevant to operations.	Yes	Yes	This impacts our external contractor engagement and security services.
103-1 103-2 103-3	29. Assessment (Human Rights)	We have a formal system for carrying out Human Rights reviews in our operations. There were four Human Rights reviews at Karaikal and Mettur locations, three reviews at Cuddalore and 2 reviews at Berigai in the reporting period.	Yes	Yes	This impacts employee well-being and restores external stakeholders' confidence in Chemplast Sanmar's fair practices.
103-1 103-2 103-3	30. Supplier Human Rights Assessment	We regularly collate inputs from our suppliers on the environmental and social practices they follow (including human rights-related practices), management systems (e.g. ISO 14000, OHSAS 18001/ISO 45001, etc.) as well as potential/actual negative impacts on environmental and social parameters. We plan on scaling up this exercise and covering a higher number of suppliers in the coming years.	Yes	Yes	This impacts our external stakeholders i.e., suppliers
103-1 103-2 103-3	31. Human Rights Grievance Mechanism	We have a formal redressal system for addressing human rights grievances applicable to all the employees, including contract labours.	Yes	Yes	This impacts employee well-being and restores external stakeholders' confidence in Chemplast Sanmar's fair practices.
103-1 103-2 103-3	32. Local Communities	We recognise the contribution of the local community (near our factories) to the growth and success of our business. We are committed to building close partnerships with them and improving their living standards holistically and sustainably. We have a formal CSR program with a number of projects aimed at enhancing the socio-economic status of local communities, including their health, education, and access to water.	Yes	Yes	This material aspect impacts local community hence has an impact outside the organisation.
103-1 103-2 103-3	33. Anti - Corruption	We have an anti-corruption policy in place which covers all our operations.	Yes	Yes	This impacts employee well-being and restores external stakeholders' confidence in Chemplast Sanmar's fair practices.
103-1 103-2 103-3	34. Product and Service Labelling	In FY 2021-22, we have collated responses from 73 suppliers on the environmental and social practices they follow (including human rights-related practices), management systems (e.g. ISO 14000, OHSAS 18001/ISO 45001, etc.) as well as potential / actual negative impacts on environmental and social parameters. We plan on scaling up this exercise and covering a higher number of suppliers in the coming years.	Yes	Yes	This material aspect relates to our suppliers and service providers (external stakeholders). Henceforth, it has an impact outside our organisation

Sustainability Aspect	Our Approach	Material within the organisation	Material outside the organisation	Relevance outside the organisation
103-1 103-2 103-3 35. Market Communication	We have a formal redressal system for addressing grievances related to social topics, if any.	Yes	Yes	These material aspects influence how we engage with local communities, and how we give external stakeholders the confidence to ensure that our social impact is positive.
103-1 103-2 103-3 36. Customer health & safety	All our major units are certified for ISO 14000 & ISO 45001/OHSAS-18000 framework. All 6 codes of practices of "Responsible Care" are implemented. Regular internal audits are conducted which provide the input for making the system effective.	Yes	Yes	These material aspects fall under the umbrella of product responsibility. It emphasises the well-being of our customers and how we engage with external stakeholders to provide assurance of the quality of product
103-1 103-2 103-3 37. Product and Service Labelling	We provide a comprehensive Material Safety Data Sheet (MSDS) of all products sold to customers. We also have Standard Operating Procedures in place for its effective implementation. All our plants have received 'Responsible Care' certification for maintaining best practices operations. Furthermore, we adhere to all codes of practices including product distribution, product stewardship, and emergency response for the safe distribution of products.	Yes	Yes	
103-1 103-2 103-3 38. Market Communication	We provide detailed Material Safety Data Sheets (MSDS) of our products to customers, which contain information on the product handling, transportation, storage, and emergency mitigation in case of spillage and disposal.	Yes	Yes	

GRI Content Index



For the GRI Content Index Service, GRI Services reviewed that the GRI Content Index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission
GRI 101 : Foundation 2016	General Disclosure		
GRI 102: General Disclosures 2016	Organisational Profile		
	102-1 Name of the organisation	12	
	102-2 Activities, brands, products, and services	Company and Product Portfolio, 12, Manufacturing Capacity, 13, Product Responsibility, 17	
	102-3 Location of headquarters	Company and Product Portfolio, 12	
	102-4 Location of operations	Company and Product Portfolio, 12	
	102-5 Ownership and legal form	Company and Product Portfolio, 12	
	102-6 Markets served	Market Presence, 12	
	102-7 Scale of the organisation	(operations)- Company and Product Portfolio, 12, (quantity of products)- Production, 13-14, (revenue)- Financial Indicators, 38, (No of employees)- Total Employees, 42	
	102-8 Information on employees and other workers	Total Employees, 42, Employee Diversity, 43	
	102-9 Supply chain	Responsible Supply Chain, 25	
	102-10 Significant changes to the organisation and its supply chain	Governance-Board Committees, 22	
	102-11 Precautionary Principle or approach	Risks and Opportunities, 26	
	102-12 External initiatives	Certifications and Management Systems, 17	
	102-13 Membership of associations	Memberships, 18	
	Strategy		
	102-14 Statement from senior-decision maker	Chairman's Message, 4-5	
	102-15 Key impacts, risks, and opportunities	Risks & Opportunities, 27-29	
	Ethics and integrity		
	102-16 Values, principles, standards, and norms of behaviour	Performance and Career Development Review, 47	
	102-17 Mechanisms for advice and concerns about ethics	Our group ethics manual is a quick reference for all stakeholders on questions or concerns relating to ethics. Employees are encouraged to approach their immediate superior, or leaders in the function or the Ombudsman to clarify doubts. The Ethics Manual has outlined how concerns could be reported. These concerns can be addressed through the immediate superior or higher-ups in the chain of command or referred to the Ombudsman, who is common for The Sanmar Group	

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GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission	102-55
	Governance			
	102-18 Governance structure	Members of the Board, 21, Organization Structure, CSR Committee, 23		
	102-19 Delegating authority	Scope and Boundary, 11, CSR Committee, 23		
	102-20 Executive-level responsibility for economic, environmental, and social topics	Scope and Boundary, 11		
	102-21 Consulting stakeholders on economic, environmental, and social topics	At the Board level, there are primarily five committees (Audit Committee, Nomination and Remuneration committee, CSR Committee, Stakeholders/Investors Grievance committee and Risk Management Committee) which represent the highest governing body that consults with the stakeholders on material interests. The committees review the economic, environmental, and social impacts, risks, and opportunities every quarter.		
	102-22 Composition of the highest governance body and its committees	CSR Committee, 23		
	102-23 Chair of the highest governance body	Members of the Board, 21		
	102-24 Nominating and selecting the highest governance body	Nomination and Remuneration Committee, 23		
	102-25 Conflict of interest	Members of the Board, 22		
	102-26 Role of highest governance body in setting purpose, values, and strategy	The Board of Directors is at the pinnacle of the corporate governance structure at our company and looks into the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals with respect to the evolving market conditions and our economic, environmental and social impacts. The Board is supported by its sub-committees, comprising teams of senior management personnel. The members of the Board have a diverse set of complementary skills with professional expertise in diverse fields such as economics, Corporate Governance, commerce and finance and the chemical industry. The primary role of the Board is to enhance stakeholders' value. The Board accomplishes this through strategic supervision and focused direction to ensure that the Company is managed in a manner that fulfils all the categories of stakeholder aspirations and societal expectations.		
	102-27 Collective knowledge of highest governance body	The Board of Directors have professional expertise in diverse fields and extensive knowledge on economic, environmental, and social topics. Through their involvement in various Industrial bodies & other forums, the Board of Directors continuously update their knowledge of current sustainability trends		
	102-28 Evaluating the highest governance body's performance	Members of the Board, 20		

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission
	102-29 Identifying and managing economic, environmental, and social impacts	We apply a system-based business risk management framework to gauge potential risk rising out of our business operation. The initial identification and prioritization is followed by a set of coordinated interventions to mitigate the probability and severity of any threat or hazard and at the same time realize fruitful opportunities. A combination of centrally issued policies, business entity wise-evolved procedures together with necessary checks and balances strengthens the system making it responsive. The annual planning exercise requires the Business Head to clearly identify its top risks and set out a mitigation plan with agreed timelines and accountability. Business Head is required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. An independent Internal Audit function at the Corporate level conducts risk-based audits across all sites, enabling identification of areas where risk management processes may need to be strengthened. Finally, the Audit Committee at the Board level reviews Internal Audit findings and provides strategic guidance on internal controls.	
	102-30 Effectiveness of risk management processes	The CSR & Sustainability committee facilitates its triple bottom line approach and reviews, monitors, and provides strategic direction to the Company. The committee oversees the policy of Corporate Social Responsibility and ensures compliance on legal requirements.	
	102-31 Review of economic, environmental, and social topics	Quarterly/ Annual Review Meetings are held to review impact of our activities on society, environment, and economy.	
	102-32 Highest governance body's role in sustainability reporting	Sustainability report is approved by the Chairman of the Group as well as the Chairman of the business entity. Materiality Aspects are reviewed and endorsed by the Business Head.	
	102-33 Communicating critical concerns	We follow a multi-channel approach to regularly engage with our stakeholders on material aspects. We also maintain complete transparency through regular interaction with our operations. Any critical concerns arising out of internal audits is communicated to the Board through the Audit committee and addressed on priority.	
	102-34 Nature and total number of critical concerns	No critical concerns were noticed or communicated to highest Governance body in the reporting period, 22	
	102-35 Remuneration policies	Nomination and Remuneration Committee, 23	
	102-36 Process for determining Remuneration	HR Policies and Fair Work Practices, 47	

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GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission	102-55
	102-37 Stakeholders involvement in remuneration	The HR department conducts several one-to-one interactions with most of the management staff during the course of the year. The sessions facilitate an open dialogue on employee concerns. Typically, any issues with respect to remuneration are voiced during such sessions. Exit interviews also provide a platform towards inputs on remuneration. Leaders express their views on remuneration expectations to their key employees.		
	102-38 Annual total compensation Ratio	HR Policies and Fair Work Practices, 47		
	102-39 Percentage increase in annual total compensation ratio	HR Policies and Fair Work Practices, 47		
	Stakeholder Engagement			
	102-40 List of stakeholder groups	Stakeholder Engagement, 33-35		
	102-41 Collective bargaining agreements	HR Policies and Fair Work Practices, 47		
	102-42 Identifying and selecting stakeholders	Materiality Assessment, 30		
	102-43 Approach to stakeholder engagement	Stakeholder Engagement, 34-35, Product Responsibility, 17		
	102-44 Key topics and concerns raised	Product Responsibility, 17, Stakeholder Engagement		
	Reporting practice			
	102-45 Entities included in the consolidated financial statements	Scope and Boundary, 11		
	102-46 Defining report content and topic Boundaries	Scope and Boundary, 11, Materiality Assessment, 31		
	102-47 List of material topics	Materiality Assessment, 32		
	102-48 Restatements of Information	Scope and Boundary, 11		
	102-49 Changes in reporting	Materiality Assessment, 30		
	102-50 Reporting period	About the Report, 10		
	102-51 Date of most recent report	About the Report, 10		
	102-52 Reporting cycle	Scope and Boundary, 11		
	102-53 Contact point for questions regarding the report	Scope and Boundary, 11		
	102-54 Claims of reporting in accordance with the GRI Standards	About the Report, 10		
	102-55 GRI content index	GRI Content Index, 88-99		
	102-56 External assurance	About the Report, 10		

Material Topics

GRI 200 Economic Standard Series

Economic Performance

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Economic Performance - Management Approach, 80	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission	102-55
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Revenue for FY 2021-22, 38		
	201-2 Financial implications and other risks and opportunities due to climate change	Risk and Opportunities (Env), 28, Energy & Emissions, 52		
	201-3 Defined benefit plan obligations and other retirement plans	Personnel Cost & Contribution to Employee Gratuity Fund, 38		
	201-4 Financial assistance received from government	Economic Performance, 39		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Market Presence - Management Approach, 80		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	HR Policies and Fair Work Practices, 47		
	202-2 Proportion of senior management hired from the local community	New Hires and Separations, 44		
Indirect Economic Impacts				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Indirect Economic Impacts - Management Approach, 80		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Number of Beneficiaries, 74 Community Partnership, 71		
	203-2 Significant indirect economic Impacts	CSR Expenditure, 39		
Procurement Practices				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Procurement Practices - Management Approach, 81		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Economic value distributed to Suppliers, 39		
Anti-Corruption				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Anti-corruption - Management Approach, 86		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-corruption Activities, 46		

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission	102-15
	205-2 Communication and training about anti-corruption policies and procedures	For the current reporting period FY 2021-22, 42 employees at Karaikal and 54 employees at CCVL, Cuddalore received training on anti-corruption policies and procedures. We also have an ethics manual, available on intranet, which is accessible to all the employees and contains relevant policies & procedures.		
	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption Activities, 46		
GRI 300 Environmental Standard Series				
Materials				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Materials- Management Approach, 81		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Materials, 50		
	301-2 Recycled input materials used	Materials, 50		
	301-3 Reclaimed products and their packaging materials	Materials - Management Approach, 81		
Energy				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Energy - Management Approach, 81		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our Energy Consumption Within the Organization, 52		
	302-2 Energy consumption outside of the organization	Our Energy Consumption Outside the Organization, 52		
	302-3 Energy intensity	Energy intensity outside the organization, 54 Energy intensity within the organization, 53		
	302-4 Reduction of energy consumption	Our Key Energy and Emissions Reduction Initiatives, 53		
	302-5 Reductions in energy requirements of products and services		Not Applicable Explanation: This is not applicable as we are in the commodity Chemical business and our products do not have energy requirements. Our customers use our products as input materials for their production activities.	

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission
Water			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Water- Management Approach, 82	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resources	Water and Effluent Management, 57	
	303-2 Management of water discharge-related impacts	Zero Liquid Discharge, 58	
	303-3 Water withdrawal	Quantum of water withdrawn is insignificant with the total water quantity available at source and hence there is no significant impact on the availability of water in the vicinity. Water and Effluent Management, 57-58	
	303-4 Water discharge	Zero Liquid Discharge, 58	
	303-5 Water consumption	Water and effluent management, 57	
Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Emissions- Management Approach, 82	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG Emissions,55	
	305-2 Energy indirect (Scope 2) GHG emissions	GHG Emissions,55	
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions,55	
	305-4 GHG emissions intensity	GHG Emissions, 55-56	
	305-5 Reduction of GHG emissions	Our Key Energy and Emissions Reduction Initiatives, 53	
	305-6 Emissions of Ozone-Depleting Substances (ODS)	GHG Emissions, 56	
	305-7 Nitrogen Oxides (NO _x), Sulphur Oxides (SO _x), and other significant air emissions	Air Emissions, 56	
Effluents and Waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Effluents and Waste- Management Approach, 82	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 306: Effluents and Waste 2020	306-1 Waste generation and significant waste-related impacts	Zero Liquid Discharge-58, Waste Management -61	
	306-2 Management of significant waste-related impacts	Waste Management -61	
	306-3 Waste generated	Waste Management -61	
	306-4 Waste diverted from disposal	Waste Management -61	
	306-5 Waste directed to disposal	Waste Management -61	

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GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Product Responsibility, 17	
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Supplier Environmental Assessment- Management Approach, 84	
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	103-3 Evaluation of the management approach		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers were screened using environmental Criteria	Responsible Supply Chain, 26	
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Employment - Management Approach, 84	
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GRI 401: Employment 2016	401-1 New employee hires and employee turnover	New Hires and Separations, 44	
	401-2 Benefits provided to full-time employees	Employee Engagement, 45	
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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safety our Priority, 65	
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	403-3 Occupational health services	Safety Competition, 66, 67	
	403-4 Worker participation, consultation and communication on occupational health and safety	Safety Training, 67	
	403-5 Worker training on occupational health and safety	Safety Training, 67	
	403-6 Promotion of worker health	Safety: Our Priority, 66	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety: Our Priority, 66	
	403-8 Workers covered by an occupational health and safety management system	Safety: Our Priority, 65	
	403-9 Work-related injuries	Safety Performance, 65	
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Training and Education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Training and Education - Management Approach, 85	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training & Development, 45 Safety Training, 67	
	404-2 Programs for upgrading employee skills and transition assistance programs	Training & Development, 45	
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance and Career Development Review, 47	

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Diversity and Equal Opportunity - Management Approach, 85	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Governance - Members of the Board, 21 Employee Diversity, 43	
Non-discrimination			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Non-Discrimination - Management Approach, 85	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	HR Policies and Fair Work Practices, 47	
Freedom of Association and Collective Bargaining			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Freedom of Association and Collective Bargaining-Management Approach, 85	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
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	HR Policies and Fair Work Practices, 47	
Child Labour			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Child Labour - Management Approach, 85	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	HR Policies and Fair Work Practices, 47	
Forced or Compulsory Labour			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Forced or Compulsory Labour - Management Approach, 85	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human Rights, 46, HR Policies and Fair Work Practices, 47	
Security Practices			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Security Practices - Management Approach, 86	
	103-2 The management approach and its components		
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GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Human Rights, 46	
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Human Rights Assessment - Management Approach, 86	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Human Rights, 46	
	412-2 Employee training on human rights policies or procedures	Human Rights, 46	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Training Programs for Communities and Families of Employees, 45 Human Rights, 46	
Local Communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Local Communities - Management Approach, 86	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Partnership, 71-74	
	413-2 Operations with significant actual and potential negative impacts on local communities	Safety : Our Priority, 66	
Supplier Social Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Supplier Social Assessment - Management Approach, 86	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		

GRI Standard	Disclosure	Section, Page No.(s) and/or URL(s)	Omission
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain, 26	
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain, 26	
Customer Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Customer Health and Safety - Management Approach, 87	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Materials, 51	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Responsibility, 17	
Marketing and Labelling			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Marketing and Labelling - Management Approach, 87	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Product Responsibility, 17 Materials, 51	
	417-2 Incidents of non-compliance concerning product and service information and labelling	Product Responsibility, 17	
	417-3 Incidents of non-compliance concerning marketing communications	Product Responsibility, 17	
Customer Privacy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Customer Privacy - Management Approach, 86, 87	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy data	Product Responsibility, 17	
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Socioeconomic Compliance - Management Approach, 87	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Product Responsibility, 17	

List of Abbreviations Used

SL. No.	Abbreviation	Description
1	AMAI	Alkali Manufacturers Association of India
2	BoD	Board of Directors
3	CAAQMS	Continuous Ambient Air Quality Monitoring Stations
4	CCVL	Chemplast Cuddalore Vinyls Limited
5	CEMS	Continuous Emission Monitoring System
6	CO ₂	Carbon Dioxide
7	COD	Chemical Oxygen Demand
8	COVID-19	Coronavirus Disease
9	CPCB	Central Pollution Control Board
10	CSR	Corporate Social Responsibility
11	EDC	Ethylene Dichloride
12	EFI	Employers' Federation of India
13	EHS	Environment, Health & Safety
14	EMS	Environmental Management System
15	EMVs	Executive Management Vertical
16	ESG	Environmental, Social and Governance
17	FY	Financial Year
18	GHG	Green House Gas
19	GJ	Giga Joule
20	GLC	Ground Level Concentration
21	GPS	Global Positioning System
22	GRI	Global Reporting Initiative
23	GWP	Global Warming Potential
24	HAZOP	Hazard and Operability study
25	HF	Hydrogen Fluoride
26	HFC	Hydrofluorocarbon
27	HIRA	Hazard Identification & Risk Assessment
28	HR	Human Resources
29	HSE	Health, Safety and Environment
30	HO	Head Office
31	HOD	Head of the Department
32	IACC	Indo-American Chamber of Commerce
33	ICC	Indian Chemical Council
34	ICCA	International Council of Chemical Associations
35	ICU	Intensive Care Unit
36	IJCCI	Indo-Japan Chamber of Commerce and Industry
37	INR	Indian Rupee
38	IPO	Initial Public Offering
39	ISO	International Organisation for Standardisation
40	IWMA	Industrial Waste Management Association

SL. No.	Abbreviation	Description
41	JME	Junior Management Employee
42	KL	Kilo Litre
43	KLD	Kilo Litre per Day
44	LDAR	Leak Detection and Repair
45	LED	Light Emitting Diode
46	LSHS	Low Sulphur Heavy Stock
47	MOEF&CC	Ministry of Environment and Forests and Climate Change
48	MSDS	Material Safety Data Sheet
49	MT	Metric Tonne
50	NME	Non Management Employee
51	NO ₂	Nitrogen Dioxide
52	ODS	Ozone-Depleting Substances
53	OHC	Occupational Health Centre
54	OHSAS	Occupational Health and Safety Assessment Standard
55	PDCA	Plan, Do, Check, Act
56	PHC	Primary Health Centre
57	PM10	Particular Matter 10
58	PPE	Personal Protective Equipment
59	PVC	Poly Vinyl Chloride
60	R&D	Research & Development
61	R-22	Refrigerant Gas
62	REACH	Registration, Evaluation and Authorization of Chemical Substances
63	SCBA	Self-Contained Breathing Apparatus
64	SO ₂	Sulphur Dioxide
65	SOPs	Standard Operating Procedure
66	SPM	Suspended Particulate Matter
67	STP	Sewage Treatment Plant
68	TMVs	Technical Management Vertical
69	TNPCB	Tamil Nadu Pollution Control Board
70	TPA	Tonnes Per Annum
71	VCM	Vinyl Chloride Monomer
72	VOCs	Volatile Organic Compounds
73	VOTE	Voice of the Employees
74	ZLD	Zero Liquid Discharge



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Independent Assurance Statement

The Board of Directors and Management

Chemplast Sanmar Limited
Number 9, Cathedral Road
Chennai - 600086
Tamil Nadu, India

Scope

We have been engaged by Chemplast Sanmar Limited (hereafter "Chemplast") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on Chemplast's sustainability performance as included in their Sustainability Report FY 2021-22 (the "Subject Matter") for the period 1st April 2021 to 31st March 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Chemplast

In preparing the sustainability report, Chemplast applied the Global Reporting Initiative (GRI) Standards, in accordance with Comprehensive Criteria. GRI Standards - Comprehensive Criteria were specifically designed for sustainability report; As a result, the subject matter information may not be suitable for another purpose.

Chemplast's responsibilities

Chemplast's management is responsible for selecting the Criteria, and for presenting the sustainability report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'), and the terms of reference for this engagement as agreed with Chemplast Sanmar Limited on 11th May 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, 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.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the sustainability report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Review of the standard disclosures regarding the company's material sustainability aspects contained in the report;
- Review of process and approach to stakeholder engagement and materiality analysis
- Review of the sustainability report for detecting, on a test basis, any major anomalies between the information reported in the sustainability report and relevant source data/information, covering the locations/business units as specified below:

1. Physical verification has been carried out for the following locations/business units:

A. Chemplast Sanmar Limited:

- Refrigerant gas manufacturing unit at Mettur (Mettur Plant 1)
- Speciality paste PVC resin manufacturing unit at Mettur (Mettur Plant 2)
- Caustic soda manufacturing unit at Mettur (Mettur Plant 3)
- Hydrogen peroxide manufacturing unit at Mettur (Mettur Plant 4)

B. Companies' Corporate Office at Chennai.

2. Remote (virtual) verification has been carried out for the following locations/business units:

A. Chemplast Sanmar Limited:

- Caustic soda manufacturing unit at Karaikal
- Salt yard manufacturing unit at Vedaranyam
- Custom manufactured chemicals division at Berigai

B. Chemplast Cuddalore Vinyls Limited (CCVL):

- Suspension PVC resin manufacturing unit at Cuddalore

- Review and execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Conduct interview of select representatives of Company's management to understand the current processes in place for capturing sustainability performance data as per GRI Standards, the Company's sustainability vision and the progress made during the reporting period;
- Review of the Company's plans, policies, and practices, pertaining to their social, environment and sustainable development, to be able to make comments on the completeness of the reporting and degree to which EY believes the report provides a fair and honest representation of the Company's activities.

We also performed such other procedures as we considered necessary in the circumstances.

Emphasis of matter

The assurance scope excludes:

- Data and information outside the defined reporting period of 1st April 2021 to 31st March 2022;
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Annual Report, Sustainability Report, or other sources;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Conclusion

- Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the sustainability report for the period 1st April 2021 to 31st March 2022 in order for it to be in accordance with the Criteria.

Restricted use

- This report is intended solely for the information and use of Chemplast Sanmar Limited and is not intended to be and should not be used by anyone other than Chemplast Sanmar Limited.

A handwritten signature in blue ink that reads 'Saunak Saha'.

Saunak Saha
For and on behalf of Ernst & Young Associates LLP.
31 October 2022
Gurgaon, India

