



Environment, Social, Governance Position Statement

Purpose:

As a responsible organisation, Glochem Industries Private Limited is committed to providing a safe workplace and protecting the environment. Our stewardship on sustainability is to provide an overview of our approach to managing Environment, Social & Governance (ESG) risks across our organisation so that we can continue to fulfil our safety, health, and environmental protection commitments, both internally and externally. The scope involves ESG comprehensively, inclusive of environmental sustainability, occupational health and wellbeing, environmental protection and compliance, occupational hygiene and safety of all employees, workers and all other stakeholders.

Scope:

This is applicable to all the Glochem Industries Private Limited manufacturing and value chain.

Objectives:

Environmental:

- Protecting the environment by preventing air, water, soil pollution and minimising adverse impacts on the environment.
- Reduce greenhouse gas emissions and minimise the organisations carbon footprint to combat climate change.
- Enhance energy efficiency and promote the use of renewable energy sources to minimise energy consumption and dependence on fossil fuels.
- Glochem is committed to reducing fresh water withdrawal by managing water resources responsibly and promoting sustainable water practices.
- Glochem Committed to limit the discharge of API during the operation.
- Minimize waste generation and promote waste diversion through recycling and responsible waste management practices.
- Preserve and enhance biodiversity within and around the organization's operational areas.
- Conduct water stewardship assessment and identify the collective actions for conservation of freshwater ecosystem.
- To integrate sustainability considerations, In the life cycle of our products & services through institutionalising innovation and adopting global best practices.
- Adopt and integrate material conservation, recycling and recyclability concepts in our operations and processes.
- We are committed to manufacturing and supplying high-quality API products that are fully utilized in downstream processing, ensuring safety and effectiveness for end users.
- Incorporate concepts of green buildings when designing our facilities and measures the sustainability performance of buildings using rating systems.

Social:

- Glochem is committed to ensuring that no instance of child labour, forced labour, slavery or human trafficking occurs in any of its operations and establishments, and supply chain.
- Glochem recognizes and respects the right of its employees to exercise freedom of association in matters related to their employment, as per the policies and procedures of the company, without them having any apprehension.



- Glochem encourages an inclusive work environment, wherein diversity is valued, and equal opportunities are available to all the employees.
- Maintain safe working conditions and fair labour standards, and that they have adequate wages as living wage assessment including contract workers, working hours, and benefits.
- Preventing work related injury & ill health by eliminating hazards and reducing Occupational Health & Safety (OH&S) risks.
- The company is committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions for all employees, contractors, and stakeholders.
- Glochem committed to conduct trainings to strengthen in-house talent both on technical and behavioural skills. The company ensures that employees have right to pursue any career growth opportunity.
- Collaborate with the local communities towards social interventions in the identified thrust areas.
- Promote diversity, equity and inclusion in the organisation.
- Glochem is an equal opportunity employer. We provide equal employment opportunities to all individuals, regardless of their race, colour, religion, national origin, sex, gender identity, sexual orientation, age, disability, genetic information, marital status, pregnancy, veteran status, or any other legally protected characteristic. All employment decisions, including but not limited to recruitment, hiring, promotions, transfers, training opportunities, and terminations, will be based on qualifications, merit, and business needs.

Governance:

- Ensuring compliance with legal and other requirements.
- Ensure implementation of business code of conduct & ethics policy.
- Ensure implementation of Anti-Bribery and Corruption policy (ABAC policy).
- Implementation of whistle-blower policy as a mechanism for employees to report any unethical practices.
- Committed to develop and implement information security management system in order to protect organisation's information assets from various internal and external threats.

Supply Chain Management:

- Encourage our suppliers to manage all ESG aspect in their operations actively and to continually improve their performance.
- Reduce the indirect environmental and social impacts arising from the purchase of goods and services from third party supplier to the greatest extent possible.
- Committed to assess the risks regularly related to Environment, Social & Governance in supply chain and collaborate with business partners to mitigate them through a formal risk management program.

Targets:



1. Reduce absolute scope 1, and 2 GHG emissions 50% by FY2030 from a FY2025 base year.
2. Reach 100% renewable energy in total energy consumption by FY2050.
3. A reduction of 15% in energy consumption by FY2030 from base year of FY2025.
4. Net zero by 2050 (90% reduction in absolute Scope 1, 2 & 3 GHG emissions from FY2025).
5. Reduction of 25% in fresh water usage by FY2033.
6. Achieve zero product recall.
7. Achieve zero hazardous waste to-landfill organisation status by FY2033.
8. Reduce 10% reduction of air pollution caused by SOX, NOX & PM by 2030 as compared to base year 2025.
9. Conduct a comprehensive biodiversity assessment and implement conservation measures to protect endangered species and habitats by 2027.
10. Achieve zero lost-time injuries (LTIR) and occupational illnesses and Total Recordable Incident Rate (TRIR).
11. A fair compensation structure is maintained, aligned with living wage benchmarks, ensuring that 100% of direct and indirect employees receive adequate wages as per living wage assessment benchmark.
12. Achieve 25% gender diversity in our workforce by FY2033.
13. Ensure 100% employee coverage through training on harassment, discrimination, and the POSH (Prevention of Sexual Harassment) policy.
14. Achieve average 35 hours of training per employee per year till FY2030.
15. Continue implementing standing orders agreement at all the applicable sites of Glochem respecting freedom of association and collective bargaining rights of employees bi-annually.
16. Achieve zero confirmed incidents of code of conduct violation.
17. Achieve zero confirmed incidents of corruption and bribery.
18. Achieve zero confirmed information security incidents.
19. Increase diverse suppliers on (MSME/Women Enterprise/Minority owned) spend basis to 60% by 2030
20. 100% of key supply partners must be initially assessed (with the appropriate frequency) against the adopted sustainability criteria by the end of FY-27.
21. From 2026 onwards, 100% of all supply partners establishing and conducting business cooperation with us must endorse and sign Glochem's supplier code of conduct.
22. Ensure 100% of key suppliers have completed the supplier assessment by 2026.
23. By FY-27, 100% of key supply partners must implement an Environmental Management system certified to ISO 14001 (or equivalent),



24. By FY-27, 100% of Key supply partners must implement a Health and safety management system certified to ISO 45001 (or equivalent), and a business ethics and human rights policy, as well as undertake due diligence on human rights.
25. 50% of Overall spend through diverse supply partners by 2032
26. Invest 2% of annual profits in community development initiatives related to education, healthcare, and environment protection.

Governance & Responsibilities:

- **ERM Committee:** Ensure that a system and framework is in place to address the ESG risks identified in the Enterprise Risk Management Plan
- **Board ESG Committee:** Overview the objectives and targets w.r.t ESG risks
- **Management – ESG Committee:** Implement the action plan for objective and targets of ESG risks and monitor KPIs
- **Line Management:** Responsible for providing leadership and resources to implement the ESG objective effectively
- **Employees & Contract Workers:** Accountable for following the requirement of this document on the shop floor

Continuous Improvement and Review:

This document will be reviewed as and when required whenever there are any changes triggered by regulations and customers requirement. Otherwise, it will be reviewed every five years.

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