



INTEGRATED SUSTAINABILITY, ESG & ECO VADIS RESPONSE REPORT

(GRI Standards – Core)

Sarna Chemicals Private Limited

This ESG report is publicly disclosed to demonstrate our commitment to transparency and sustainability.

1. REPORTING PROFILE

Reporting Period

FY 2021–22, FY 2022–23, FY 2023–24, FY 2024–25

Reporting Boundary

This report covers Sarna Chemicals Private Limited's manufacturing operations at Vapi GIDC, including permanent employees, contract workers, suppliers, and business partners under operational control.

Reporting Framework

Prepared in accordance with the **Global Reporting Initiative (GRI) Standards – Core option**, aligned with **sustainability themes**:

- Environment
- Labor & Human Rights
- Ethics
- Sustainable Procurement



2. ORGANIZATIONAL PROFILE & ESG GOVERNANCE

(GRI 2)

Sarna Chemicals Private Limited is a **chemical manufacturing company** serving domestic and export markets with a workforce of approximately **270 employees including contract workers**.

Certifications

- ISO 9001 – Quality Management
- ISO 14001 – Environmental Management
- ISO 45001 – Occupational Health & Safety

ESG Governance

- Director – Overall ESG accountability
- Manager – EHS & HR – ESG implementation & reporting
- Department Heads – Functional KPI ownership
- ESG performance reviewed **quarterly** in Management Review Meetings
- ESG risks integrated into corporate risk register

3. STAKEHOLDER ENGAGEMENT & MATERIALITY

(GRI 3)

Stakeholders are engaged through structured mechanisms covering employees, customers, suppliers, regulators, and the local community.

Material Topics Identified

- Occupational Health & Safety
 - Energy, Water, Waste & Emissions
 - Human Rights & Labor Practices
 - Ethics & Anti-Corruption
 - Sustainable Procurement
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4. ENVIRONMENT, CLIMATE CHANGE & GHG MANAGEMENT

(GRI 302, 303, 305, 306)

4.1 Energy & GHG Performance

Indicator	FY 21–22	FY 22–23	FY 23–24	FY 24–25
Electricity Consumption	8,326,260 kWh	7,740,705 kWh	5,597,415 kWh	6,264,180 kWh
Fuel Consumption(coal)	9210849 kg	8999497 kg	3889279 kg	4099495 kg
Fuel Consumption(diesel)	18508 L	25422 L	17730 L	15565 L
Scope 1 GHG Emissions	Not Measured	Not Measured	Not Measured	7,365.4941
Scope 2 GHG Emissions	Not Measured	Not Measured	Not Measured	4,113.5403

GHG Governance & Inventory

- GHG inventory prepared as per **GHG Protocol**
- Scope 1 & Scope 2 covered
- **Updated annually** and reviewed by management

Absolute GHG Reduction Targets

- **Scope 1:** 10% absolute reduction by FY 2027
- **Scope 2:** 15% absolute reduction by FY 2027
- **Scope 3:** Priority categories identified (purchased goods, transport, waste); baseline & targets planned by FY 2027

Science-Based Targets & Verification

- SBTi alignment **planned** after Scope 3 baseline
- **Third-party verification** of Scope 1 & 2 emissions planned by FY 2027
- GHG data and targets **publicly disclosed** through sustainability reporting



Renewable Energy

- Renewable energy usage currently limited
- Rooftop solar / green power procurement under evaluation
- Renewable energy consumption tracked and reported

4.2 Scope 3 Emissions (Value Chain)

Sarna Chemicals has identified priority Scope 3 categories in accordance with the GHG Protocol:

- Purchased raw materials
- Transportation and distribution
- Waste disposal
- Employee commuting

A baseline assessment is planned by FY 2026, with reduction targets to follow.

5. WATER & WASTE MANAGEMENT

(GRI 303, 306)

Water Consumption

Year	Water Consumption
FY 21–22	26,025,000 litres
FY 22–23	23,980,000 litres
FY 23–24	17,778,000 litres
FY 24-25	19,027,000 liters

- ~26% reduction over four years
- Monthly monitoring
- **Zero untreated discharge**
- Water recycled and reused quantities monitored internally



Waste Management

Indicator	FY 21–22	FY 22–23	FY 23–24	FY 24–25
Hazardous Waste	2648 MT	1224 MT	1,229 MT	1889 MT
Non-Hazardous Waste	70 kg	95 kg	45 kg	15 kg

- 100% hazardous waste via authorized vendors
 - Plastic and packaging waste recycled where feasible
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6. PRODUCT RESPONSIBILITY – USE & END-OF-LIFE

Product Use

- Safe product use guidance provided via SDS
- Handling, storage, emergency instructions communicated
- Regulatory-compliant labeling followed

Product & Packaging End-of-Life

- Recyclable / returnable packaging encouraged
 - Disposal guidance included in SDS
 - Authorized recyclers engaged
 - Supporting documentation maintained internally
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7. LABOR, HUMAN RIGHTS & OCCUPATIONAL HEALTH & SAFETY

(GRI 403, 404, 406, 405)

Serious Health & Safety Incident Disclosure (GRI 403-9)

In **December 2023**, a **serious occupational health and safety incident** occurred at the Vapi facility involving toxic gas exposure.



- Fatalities: **2 contract workers**
- Injured: **1 worker (recovered)**
- Statutory authorities notified; temporary closure imposed

Response & Corrective Actions

- Emergency evacuation and medical support
- **₹10 lakh compensation paid to each deceased worker's family**
- Engineering upgrades (gas detectors, ventilation)
- Revised HIRA and Permit-to-Work system
- 100% retraining and emergency drills
- Monthly senior-management safety reviews

No repeat incidents reported after corrective actions.

Health & Safety Performance

Indicator	FY 21–22	FY 22–23	FY 23–24	FY 24-25
Fatal Incidents	0	0	1	0
Reportable Incidents	0	0	1	0
Sites under H&S Risk Assessment	100%	100%	100%	100%

Human Rights & Labor Practices

- Zero child labor, forced labor, discrimination, or harassment
- Human rights risk assessments conducted
- Freedom of association respected
- **Grievance mechanism enhanced** to cover child labor, forced labor & trafficking



8. TRAINING, DIVERSITY & DEVELOPMENT

(GRI 404, 405)

- 100% employees trained on safety, ethics, human rights & environment
- Buyer training on social & environmental supply-chain risks completed
- Average training hours FY 23–24: **6.16 hours / employee**
- Average training hours FY 24-25: **8.08 hours / employee**

Diversity

- Women in workforce: 0.74%
- Women in senior management: 25%
- Diversity improvement roadmap approved

8A. Workforce Profile

Category	FY 2024–25
Total Employees	270
Male	268
Female	2
Women in Senior Management	25%

8B. Safety Performance Indicator

- Lost Time Injury Frequency Rate (LTIFR): 0 (FY 2024–25)
 - 100% employees covered under risk assessments
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9. ETHICS, ANTI-CORRUPTION & COMPLIANCE

(GRI 205, 206, 418)

- Zero bribery, corruption, fraud, or anti-competitive incidents
 - **Annual anti-corruption awareness training for all employees**
 - Whistle-blower mechanism with non-retaliation
 - Anti-corruption due diligence clauses for third parties
 - Alignment with national laws and international ethics principles
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10. SUSTAINABLE PROCUREMENT

(GRI 308, 414)

- Supplier Code of Conduct signed by 100% suppliers
- ESG clauses in contracts
- 60% suppliers assessed and audited based on risk
- Supplier capacity building and corrective actions implemented
- ESG performance considered during supplier evaluation
- Integration of ESG objectives into buyer KPIs planned

10A. Supplier ESG Risk Classification

Suppliers are categorized based on ESG risk considering location, material type, and regulatory exposure.

Risk Categories

- High-risk: Chemical raw material suppliers
- Medium-risk: Packaging and logistics providers
- Low-risk: Office and service suppliers

Corrective Actions

- ESG improvement plans issued where gaps identified
 - Follow-up audits conducted for high-risk suppliers
 - Capacity-building support provided
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11. ADDITIONAL TRANSPARENCY DISCLOSURES

- Executive pay ratio monitored and disclosed internally
- Air pollutants (PM, NO_x, SO₂) monitored within legal limits
- Endorsement of environmental, ethics, and human rights principles through internal policies

11A. Global Framework Alignment

Sarna Chemicals aligns its ESG practices with:

- Global Reporting Initiative (GRI) Standards
- ISO 14001 Environmental Management System
- ISO 45001 Occupational Health & Safety
- UN Sustainable Development Goals (SDGs)

12. TARGETS & CONTINUOUS IMPROVEMENT

Area	Target	Timeline
Scope 1 Emissions	-10%	FY 2027
Scope 2 Emissions	-15%	FY 2027
Scope 3 Baseline & Targets	Defined	FY 2026
Water Consumption	-10%	FY 2027
Hazardous Waste	-5%	FY 2027
Supplier ESG Coverage	100% critical suppliers	FY 2026



12A. PERFORMANCE AGAINST TARGETS

Sarna Chemicals monitors progress against ESG targets through annual performance reviews.

Indicator	Baseline Year	Baseline Value	Current Performance	Target	Status
Scope 1 Emissions	FY 2024–25	7,365 tCO ₂ e	Baseline established	–10% by FY 2027	On Track
Scope 2 Emissions	FY 2024–25	4,113 tCO ₂ e	Baseline established	–15% by FY 2027	On Track
Water Consumption	FY 2021–22	26,025,000 L	19,027,000 L	–10% by FY 2027	Achieved (26% reduction)
Hazardous Waste	FY 2021–22	2,648 MT	1,889 MT	–5% by FY 2027	Exceeded
Supplier ESG Coverage	FY 2023–24	60%	Improvement ongoing	100% critical by FY 2026	In Progress

13. EXPECTATIONS

Sarna Chemicals Private Limited demonstrates a **structured, risk-based and continuously improving ESG management system**, with transparent disclosure of incidents, quantified KPIs, corrective actions, and forward-looking commitments aligned with **Clients expectations**.



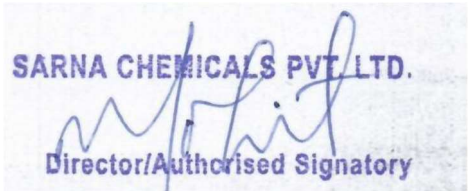


14. DECLARATION

This report has been prepared using internally validated data.
No external assurance has been conducted.

Prepared by: Manager – EHS & HR

Date: 01 May 2025

Reviewed By	Approved By
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