November 07, 2026

To,
The Listing Department,
BSE LIMITED,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai- 400 001

Scrip Code: 543349

To,
The Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot no. C-1,
G-Block, Bandra Kurla Complex,
Mumbai -400051

NSE Symbol: ACUTAAS

Sub: Annual Sustainability Report of the Company for the financial year 2025-26

Dear Sir/Madam,

We enclose herewith Annual Sustainability Report of the Company for the financial year 2025-26. The said Annual Sustainability Report is also available on the website of the Company www.acutaas.com.

Request you to please take the above information on record.

Yours faithfully,

For, Acutaas Chemicals Limited

EKTA KUMARI SRIVASTAVA
Digitally signed by EKTA KUMARI SRIVASTAVA
Date: 2026.11.07 09:44:11 +05'30'

ACUTAAS CHEMICALS LIMITED

CS Ekta Kumari Srivastava
Company Secretary & Compliance Officer

Encl: As above

ACUTAAS®
You and us: chemistry's apex

Annual Sustainability Report
FY 2025–26



Chemistry for a changing World.

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01

Report Theme & Reporting Basis

Report Theme:

Chemistry for a Changing World

The world that our chemistry serves is changing faster than ever. Four forces shape that change, and each one runs through this report:

Health

Chronic diseases are rising in every major market, and patients depend on medicines that are safe, affordable and always available. About 95% of our pharmaceutical intermediates portfolio serves chronic therapies.

Energy

Electric mobility and renewable energy need batteries. Acutaas is India's first manufacturer of electrolyte additives, which go into lithium-ion batteries for electric vehicles and battery energy storage systems (BESS).

Technology

Semiconductors now sit at the heart of national strategies. Acutaas is India's only manufacturer of chemicals used in photoresists, and has a manufacturing presence in Noida, India and Gongju, South Korea.

Climate and resources

Customers, investors and regulators expect every supplier to measure, disclose and reduce its footprint. Credible, verifiable data is now a condition of doing business.

Chemistry for a Changing World tells the story of how Acutaas responds to these forces with focus, discipline and responsibility built into every molecule. It builds on the narrative of our Annual Report, Focused Diversification, Disciplined Growth.



Reporting Basis

This report has been prepared in accordance with the GRI Standards (2021 Universal Standards) for FY 2025-26 (1 April 2025 to 31 March 2026), and is cross-referenced to BRSR Core.

Parameter	Basis of preparation
Reporting period	FY 2025-26 (April 2025 to March 2026), annual cycle
GRI claim	In accordance with the GRI Standards
Universal Standards	GRI 1: Foundation 2021; GRI 2: General Disclosures 2021; GRI 3: Material Topics 2021
Sector Standard	None applicable; GRI has not yet published a chemicals sector standard
Biodiversity	GRI 101: Biodiversity 2024 (effective 1 January 2026; replaces GRI 304)
Climate and energy	GRI 305 and GRI 302 (GRI 102: Climate Change and GRI 103: Energy 2025 take effect on 1 January 2027; early adoption is optional)
Other frameworks referenced	BRSR Core (SEBI), NGRBC, UN Global Compact, UN SDGs, TCFD recommendations (referenced for climate-related risks)
Boundary	Acutaas Chemicals Limited (standalone): Units I, II and III, R&D centre and warehouses; subsidiaries outside the boundary for FY 2025-26
Assurance	BRSR Core reasonable assurance by TÜV SÜD South Asia Pvt. Ltd.
Financial information	Not repeated in this report; financial performance is covered in the Annual Report 2025-26
Previous report	Annual Sustainability Report FY 2024-25, Sustaining Excellence, Elevating Futures

02

Report Content

Chapter A
Chemistry of Change



Chapter B
Chemistry of Trust



Chapter C
Chemistry for Progress



Chapter D
Chemistry for the Planet



Chapter E
Chemistry for People



Chapter A

Chemistry of Change

A world shifting on climate, health, energy and supply chains needs responsible chemistry



About this Report

GRI 2-2, 2-3, 2-4, 2-5

The world our chemistry serves is changing faster than ever. Healthcare needs are deepening, energy is becoming the new oil, semiconductors are powering a revolution in our day-to-day lives, and climate expectations are rising across every value chain. Chemistry for a Changing World is our story of how Acutaas Chemicals Limited is shaping what comes next - with focus in our thinking, discipline in our execution, and responsibility built into every molecule.

This report continues the annual GRI-aligned sustainability reporting we began with FY 2021-22 and follows our Annual Sustainability Report for FY 2024-25. It covers our environmental, social and governance (ESG) performance for the financial year 1 April 2025 to 31 March 2026, and complements our Business Responsibility and Sustainability Report (BRSR) for the same period. Financial performance is reported in our Annual Report 2025-26 and is not repeated here.

Our reporting journey

Transparency has grown with our business. We published our first Business Responsibility Report in 2021 and our first GRI-aligned sustainability report for FY 2021-22. This year, our BRSR Core indicators received reasonable assurance from TÜV SÜD South Asia Pvt. Ltd., and our EcoVadis rating moved up from Gold to Platinum. This Sustainability Report goes a step further. It explains not just what we measure but why it matters, how we manage it, and where we are headed. It is meant for our customers, investors, employees, communities, regulators and partners, and for anyone who wants to understand 'how a chemical company can grow responsibly in a changing world'.

Reporting framework

This report has been prepared in accordance with the GRI Standards 2021. It also draws on the BRSR Core framework of the Securities and Exchange Board of India (SEBI), the National Guidelines on Responsible Business Conduct (NGRBC), the Ten Principles of the UN Global Compact, and the UN Sustainable Development Goals (SDGs). Our GHG inventory follows the GHG Protocol Corporate Standard. A GRI Content Index and a BRSR cross-reference appear at the end of this report.

Scope and boundary

Unless stated otherwise, environmental and social data cover Acutaas Chemicals Limited on a standalone basis, comprising our three manufacturing units in Gujarat, Unit I (Sachin), Unit II (Ankleshwar) and Unit III (Jhagadia), along with our R&D centre and warehouses at Sachin. Our subsidiaries and joint ventures, Baba Fine Chemicals (Greater Noida), Acutaas Chemicals Electrolytes Private Limited, Acutaas Advance Material Limited, Indichem Inc. (South Korea), Enchem Ami Organics Private Limited and Ami-Onco Theranostics LLC, are outside the ESG data boundary for this year, except where noted.

Restatements

FY 2024-25 Scope 1 and Scope 3 emissions have been restated following an updated accounting methodology under the GHG Protocol. Any other restatements are explained wherever such data appear.

External assurance

Anares Analytics LLP assured this report (AA1000AS v3, moderate) and our Scope 1, 2 and 3 GHG emissions (ISO 14064-3, limited); its statement is in the annexures. TÜV SÜD South Asia Pvt. Ltd. provided reasonable assurance on BRSR Core indicators.

Forward-looking statements

This report contains statements about our plans, targets and expectations. These reflect our current assumptions and are subject to risks and uncertainties that could cause actual results to differ.

Reporting principles

We applied the GRI reporting principles to define the content and quality of this report.

Accuracy
Data drawn from plant-level records, ERP systems and statutory returns, and checked by functional heads.

Balance
We report setbacks alongside achievements, including the rise in absolute emissions

Verifiability
Core indicators externally assured; underlying data and methods are documented and retained

Clarity
Plain language, consistent units and a glossary of technical terms

Comparability
Two- and three-year trends shown wherever available; restatements explained

Sustainability context
Performance set against global challenges: climate change, water security, the energy transition and public health

How we measure

GHG emissions are calculated under the GHG Protocol Corporate Standard using the operational control approach. Scope 2 emissions use the Central Electricity Authority (CEA) grid emission factor for India, and Scope 1 factors are taken from IPCC and DEFRA databases. Global warming potentials are taken from the IPCC Sixth Assessment Report (AR6). Energy is reported in gigajoules (GJ), water in kilolitres (KL), and waste in metric tonnes (MT). Safety rates are calculated per one million person-hours worked. Where actual data were not available, we used reasonable estimates, and we say so where they appear.

Navigating this report

A. Chemistry of Change
Who we are, how we create value, what matters most, and our ESG strategy

B. Chemistry of Trust
Governance, ethics, risk management and transparency

C. Chemistry for Progress
Innovation, product stewardship, customers and the supply chain

D. Chemistry for the Planet
Climate, energy, water, waste and biodiversity

E. Chemistry for People
Safety, talent, diversity, human rights and communities

Annexures
Performance data, GRI Content Index, BRSR cross-reference and the assurance statement

Governance of this report

The report was prepared by the ESG team with inputs from every function and manufacturing site. It was reviewed and approved by the ESG Committee, chaired by Mr. Ram Mohan Lokhande, Whole Time Director.

Feedback

We welcome your views on this report.

CS Ekta Kumari Srivastava, Company Secretary & Compliance Officer Acutaas Chemicals Limited, Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat 394230, Gujarat, India

cs@acutaas.com | +91 72279 77744 | www.acutaas.com

Message from

Chairman and Managing Director

Our purpose began with developing molecules that help save lives. Today, we are extending that purpose into new areas where our chemistry can make a meaningful difference. As we grow, our responsibility is to create value with focus, discipline and integrity.



Nareshkumar R. Patel
Chairman & Managing Director

Dear Stakeholders,

When we began as a small laboratory in Surat more than two decades ago, our ambition was to develop molecules that help fight life-threatening diseases and save lives. That purpose continues to guide us today.

But as the world evolves, so does the role our chemistry can play. Beyond healthcare, we are applying our expertise to chemistries that improve everyday life and support a more sustainable future — from semiconductor chemicals that enable advanced technologies to battery chemicals that support the transition to cleaner energy.

As supply chains are reshaped, new technologies emerge and the world moves towards a lower-carbon future, the possibilities for chemistry continue to expand. Chemistry for a Changing World reflects this evolution in our journey: staying true to our original purpose while extending the reach of our capabilities to address the needs of a changing world.

A year of strategic progress

FY 2025–26 was an important year in advancing this journey. We inaugurated Phase I of our battery chemicals plant at Jhagadia, establishing Acutaas as India's first manufacturer of electrolyte additives. Our joint venture, Indichem Inc., also inaugurated an R&D centre in South Korea, strengthening our presence in the semiconductor chemicals value chain. These milestones place our chemistry upstream of clean mobility, energy storage and next-generation technology.

Our evolution was also reflected in our identity. The transition from Ami Organics to Acutaas Chemicals Limited in May 2025 marked a new chapter in our journey, reflecting the breadth of our capabilities and the range of industries we serve. In August 2026, our Jhagadia electrolyte additives project was approved under the Government of India's Electronics Components Manufacturing Scheme (ECMS), recognising the importance of developing this capability in India.

Sustainability by design

As we expand, we remain conscious that long-term success depends on how we grow, not just how much we grow. We continue to invest in more efficient processes, renewable energy and responsible resource management, while strengthening our commitment to the safety and well-being of our people and the communities around us.

Our continuous flow platforms reduce energy and solvent use. Our 15.8 MW of solar capacity now meets 52% of the electricity needs at our Ankleshwar and Jhagadia facilities. One of our plants operates on Zero Liquid Discharge, and 85% of the waste we generated was recycled through GPCB-approved recyclers.

Good chemistry is also safe chemistry. Our 2,200 sq. m DSIR-approved R&D centre, with more than 130 scientists including over 30 PhDs, has made flow chemistry and photochemistry core platforms rather than side projects. These routes use less solvent and energy and give better yields than the batch processes they replace. For us, sustainability is not a parallel effort; it is the natural result of pursuing better process chemistry.

Looking ahead

The opportunities before us are significant, and so are the responsibilities that come with them. Over the coming years we will scale our battery and semiconductor businesses, deepen our CDMO partnerships, and set clear, measurable climate targets. Through all of it, our principle stays the same: invest with discipline, innovate with purpose, and grow in a way that earns the trust of everyone we serve.

Thank you for being part of our journey.

Warm regards,

Nareshkumar R. Patel
Chairman & Managing Director

Message from

Chairman, ESG Committee



Ram Mohan Lokhande
Whole-time Director and Chairman,
ESG Committee

"Our objective is clear: to move beyond compliance and build a culture of credible measurement, transparency, accountability and continuous improvement."

Dear Stakeholders,

It gives me great pleasure to share the progress Acutaas Chemicals Limited has made on its environmental, social and governance journey during FY 2025-26.

At Acutaas, we believe that sustainable growth is not separate from business growth; it is fundamental to it. As we expand our capabilities, strengthen our global presence and create value for our customers, we remain equally committed to reducing our environmental footprint, enabling our people and communities to prosper, and upholding the highest standards of governance and ethical conduct.

During FY 2025–26, we made progress in strengthening our ESG framework, improving environmental measurement and advancing our approach to accountability. At the same time, we recognise that our sustainability journey requires continued effort, investment and transparency.

Accelerating our transition

Climate action remains one of our key priorities. During the year we commissioned an additional 5 MW solar power project, taking our captive solar capacity to 15.8 MW. These assets generated 1,70,18,414 kWh of clean electricity and met around 52% of the electricity needs of our Ankleshwar and Jhagadia units, avoiding about 12,083 tCO_2e of emissions.

We also updated our Scope 1, 2 and 3 greenhouse gas inventory under a revised GHG Protocol methodology. This provides a more complete understanding of our emissions profile and establishes a foundation for developing near-term emission reduction targets aligned with science-based pathways. We are working towards defining these targets and intend to submit them for validation within the next 12–18 months.

We recognise that our Scope 1 and 2 emissions increased to 51,405 tCO_2e during the year as our production mix evolved and new facilities came online. Addressing this challenge will require sustained attention to energy efficiency, renewable energy adoption and resource optimisation. We have also set out an initial view of the climate-related risks and opportunities facing our sites, which we will build on in the coming years.

Strengthening ESG governance and transparency

As expectations on ESG disclosure evolve, we are strengthening our systems for ESG data management, controls and governance. This year our BRSR Core indicators received reasonable assurance, and we are preparing to participate in a leading global climate disclosure platform. The ESG Committee met three times during the financial year 2025-26, with full attendance, to review our performance, policies and priorities, including a review of our material topics.

Putting people at the centre of our progress

Our people remain at the heart of Acutaas. As our business has grown, so has our workforce, and we continue to invest in capability building, learning, workplace well-being and a culture of safety and inclusion. We recorded zero fatalities and zero lost-time injuries during the year.

Acutaas has also been recognised as a Great Place To Work®, a reflection of a culture built on trust, collaboration, learning and shared purpose.

External recognition

During the year our EcoVadis rating moved from Gold to Platinum, placing us among the top 1% of companies assessed worldwide. We also received Responsible Care certification from the Indian Chemical Council, which reaffirms our commitment to the highest standards of safety, environmental stewardship and responsible operations.

Creating long-term value, responsibly

We recognise the areas where we must do better. Our energy use and Scope 2 emissions rose as new capacity came online, and solvent recovery rates fell. Looking ahead, our focus will be on translating our ESG commitments into measurable outcomes: accelerating renewable energy adoption, improving energy and resource efficiency, strengthening emissions measurement, advancing circularity, enhancing ESG data governance and assurance, and deepening our engagement with employees, customers, suppliers, investors and communities.

The journey towards sustainability is continuous. There will be challenges, but also opportunities to innovate, collaborate and create lasting value. We will approach this journey with ambition, discipline and transparency.

I thank our employees, customers, business partners, communities, investors and all our stakeholders for their continued trust and support.

Warm regards,

Ram Mohan Lokhande
Whole-time Director and Chairman, ESG Committee

FY 2025-26

ESG Highlights

FY 2025-26 brought zero fatalities, an 85% waste recycling rate, a renewable energy share that rose from 0.2% to 11.5%, and an EcoVadis Platinum rating.

Environment

Total energy consumed

5,31,497 GJ
FY 2025-26

4,33,048 GJ
FY 2024-25

Solar capacity installed

15.8 MW
FY 2025-26

10.8 MW
FY 2024-25

Share of energy from renewable sources

11.5%
FY 2025-26

0.2%
FY 2024-25

Water withdrawal / consumption

1,39,547 KL / 80,616 KL
FY 2025-26

1,28,710 KL / 70,085 KL
FY 2024-25

Scope 1 + 2 GHG emissions

51,405 tCO_2e
FY 2025-26

43,426 tCO_2e
FY 2024-25

Scope 3 GHG emissions

19,260 tCO_2e
FY 2025-26

15,564 tCO_2e
FY 2024-25

Waste generated / share recycled

17,024 MT / 85%
FY 2025-26

8,020 MT / 62%
FY 2024-25

Innovation

R&D team / process patents granted, published & under publication

130+ members / 29 patents
FY 2025-26

130+ members / 22 patents
FY 2024-25

Recognition

EcoVadis rating

Platinum (top 1%), Aug 2025
FY 2025-26

Gold
FY 2024-25







Recognitions and certifications in FY 2025-26:

Responsible Care certification (Indian Chemical Council) · Great Place To Work® certification · EcoVadis Platinum · PMDA Japan GMP for Unit II (Ankleshwar) · Mr. Nareshkumar Patel named among Hurun India's Top 200 Self-Made Entrepreneurs of the Millennia 2025.

Social

Fatalities / LTIFR (workers)

0 / 0
FY 2025-26

1 / 0.30
FY 2024-25

Purchases from MSMEs and small producers

40%
FY 2025-26

34%
FY 2024-25

CSR spend / beneficiaries

₹28.81 Mn / ~8,000
FY 2025-26

₹19.77 Mn / 7,162
FY 2024-25

Permanent employees and workers / total workforce including contract workers

1,007 / 1,713
FY 2025-26

879+ / 1,465
FY 2024-25

Governance

ESG Committee meetings

3
FY 2025-26

2
FY 2024-25

Regulatory incidents / conflict-of-interest cases

0 / 0
FY 2025-26

0 / 0
FY 2024-25

Women on the Board / Independent Directors

25% / 50%
FY 2025-26

25% / 50%
FY 2024-25

FY 2024-25 Scope 1 and Scope 3 values are restated under an updated GHG Protocol methodology. FY 2024-25 figures are from our BRSR and Annual Sustainability Report for FY 2024-25.

What the numbers tell us

Innovation

Our 130+ strong R&D team, including more than 30 PhDs, now holds 10 process patents. Flow chemistry and photochemistry, which use less solvent and energy than conventional batch routes, are core platforms across all our businesses.

Environment

Our renewable energy share rose sharply, from 0.2% to 11.5%, as 15.8 MW of solar generated over 1.70 crore kWh and met 52% of electricity needs at Ankleshwar and Jhagadia. Absolute energy use rose 23% and Scope 1 + 2 emissions rose 18%, reflecting new capacity and a shift towards lower-volume, higher-value molecules that need more processing per tonne. Waste generated doubled as production expanded, but we recycled 85% of it, up from 62% a year ago. Our Sachin unit has operated on Zero Liquid Discharge since 2016.

Social

We recorded zero fatalities, zero lost-time injuries and zero high-consequence injuries across employees and workers. Every permanent employee and worker received health and safety training, and 84% of employees received skill upgradation training. Purchases from MSMEs rose to 40% of procurement (34% in FY 2024-25), and local sourcing from Surat and neighbouring districts rose to 43% (29%).

Governance

We had zero regulatory incidents, zero conflict-of-interest cases and zero confirmed data breaches. The ESG Committee met three times. BRSR Core indicators received reasonable assurance from TÜV SÜD South Asia Pvt. Ltd.

Milestones of the year

May 2025

Ami Organics Limited renamed Acutaas Chemicals Limited

Aug 2025

EcoVadis rating upgraded from Gold to Platinum (top 1% globally)

FY 2025-26

- Additional 5 MW solar plant commissioned at Vahelam, Bharuch; total 15.8 MW
- Indichem Inc. R&D centre in South Korea operational; plant inaugurated in August 2026 (after year-end)
- Updated Scope 1, 2 and 3 GHG inventory; work begun towards science-based targets
- BRSR Core indicators under reasonable assurance (TÜV SÜD South Asia Pvt. Ltd.)

19 Jan 2026

Phase I of the Jhagadia battery chemicals plant inaugurated

March 2026

Responsible Care certification from the Indian Chemical Council

May 2026

Certified as a Great Place To Work®

Aug 2026 (after year-end)

Jhagadia electrolyte additives project approved under the Government of India's ECMS

Acutaas at a Glance

GRI 2-1, 2-6, 2-7, 2-8

Acutaas Chemicals Limited is a Gujarat-headquartered, multi-vertical specialty chemicals company built on more than 22 years of process chemistry expertise.

What began as a single innovator-molecule business is now a diversified chemistry platform serving four of the world's most demanding industries: pharmaceuticals, semiconductors, batteries and specialty chemicals. We are listed on BSE and NSE (BSE: 543349, NSE: ACUTAAS) and serve around 600 customers in about 55 countries.

MISSION

To be a globally integrated pharmaceutical intermediates and specialty chemicals company, driven by sustainable innovation, unparalleled quality and pioneering technology.

VISION

To be the beacon of innovation and sustainability in the pharma and specialty chemical industry, leading with groundbreaking solutions that empower industries, enhance lives and drive sustainable progress globally.

CORE VALUES

Purposeful Innovation · Excellence Through Quality · Sustainability by Design · Integrity in Every Action

Our sustainability journey

Our commitment to responsible chemistry did not begin with sustainability reporting. It has grown step by step over two decades, from safety and quality systems to climate action and global ESG benchmarks.

2004
Founded in Surat with a quality-first production foundation

2005
Introduced a formal safety and HSE management system

2007
Initiated structured environmental compliance

2011
Strengthened the Integrated Management System; established unified QHSE governance

2015
Began alignment with global regulatory requirements

2016
ISO 9001 and ISO 14001 certification; tertiary ETP commissioned to achieve Zero Liquid Discharge at Sachin; DSIR recognition for in-house R&D; successfully completed USFDA inspection at the Sachin facility

2017
Introduced circular material handling practices

2018
Strengthened GMP systems and global product stewardship; first USFDA Establishment Inspection Report for Sachin

2019
ISO 45001 certification for occupational health and safety

2020
New DSIR-approved R&D facility and solvent recovery plant at Sachin

2021
First Business Responsibility Report; formal sustainability reporting began with our first GRI-aligned report (FY 2021-22)

2022
Entered battery chemicals, supporting the transition to clean mobility

2023
SA 8000 certification for social accountability

2024
ISMS 27001 certification for Information and Security Management; EcoVadis Gold; PMDA Japan inspection cleared at Sachin

2025
Renamed Acutaas Chemicals; EcoVadis Platinum (top 1%); 15.8 MW of solar capacity; ISO 50001 energy management at Sachin; Unit II (Ankleshwar) secured PMDA Japan GMP certification

2026
Updated Scope 1, 2 and 3 inventory; work begun towards science-based targets; BRSR Core reasonable assurance; Responsible Care certification; Great Place To Work®; battery chemicals plant built with an in-house process

Our business verticals

Vertical	What we make	Role in a changing world
Advanced Pharmaceutical Intermediates & CDMO	Intermediates for APIs and new chemical entities; 50–90% global share in key molecules	Building blocks for medicines to innovators and generic companies worldwide
Semiconductor Chemicals	Photoresist chemicals at parts-per-billion purity (Baba Fine Chemicals; Indichem Inc., South Korea)	India's only manufacturer of chemicals used in photoresists, supporting resilient electronics supply chains
Battery Chemicals	Electrolyte additives — Vinylene Carbonate (VC) and Fluoroethylene Carbonate (FEC)	India's first electrolyte additives manufacturer, enabling the energy transition
Specialty and Commodity Chemicals	Specialty chemicals for personal care, polymers, dyes and agrochemicals	Being reshaped toward higher-value, harder-to-qualify products

Advanced Pharmaceutical Intermediates and CDMO

This is the foundation on which every other vertical was built. We serve 160+ customers in 25+ countries across 17+ therapeutic areas, and around 95% of our products go into medicines for chronic conditions. The majority of our products are backward-integrated to basic chemicals, which protects supply when global chains are disrupted. Our quality systems comply with 21 CFR, and our sites hold two USFDA EIRs and two PMDA Japan approvals. During the year we validated four new CDMO products and added 30–40 molecules to our overall pharmaceutical intermediates pipeline.

Our value chain

Upstream.
basic and intermediate chemicals, solvents, utilities and packaging. About 59% of procurement is sourced within India, 40% from MSMEs and 43% from Surat and neighbouring districts.

Our operations.
process development at our R&D centre, multipurpose, automated manufacturing at three units in Gujarat, with in-house quality control, effluent treatment and solvent recovery.

Downstream.
innovator and generic pharmaceutical companies, lithium-ion battery electrolyte solution manufacturers, semiconductor and electronics chemical manufacturers, and personal care, polymer, dye and agrochemical producers. Our customers are in about 55 countries.

Semiconductor Chemicals

Through Baba Fine Chemicals, our 55% subsidiary in Greater Noida, we are India's only manufacturer of chemicals that go into photoresist solutions at parts-per-billion purity. Indichem Inc., our 75:25 joint venture with South Korea's J & Materials Co. Ltd., gives us a local R&D centre and a manufacturing site that was inaugurated in August 2026, after the close of the financial year.

Battery Chemicals

Phase I at Jhagadia, inaugurated on 19 January 2026, has 2,000 MTPA of capacity each for Vinylene Carbonate (VC) and Fluoroethylene Carbonate (FEC). These additives improve the performance and life of lithium-ion batteries. All commercial capacity is covered by long-term contracts for three years, two more products are due to be commercialised in FY 2026-27, and more than 10 are in the pipeline.

Commodity Chemicals

Products such as parabens, methyl salicylate and para-anisic acid serve 400+ customers in 55+ countries. We are deliberately reshaping this vertical, replacing higher-impact legacy products with lower-footprint specialty chemistry.

Our footprint

Unit I
Sachin, Gujarat
144 KL Capacity
Pharmaceutical intermediates; R&D centre and warehouses

Unit II
Ankleshwar, Gujarat
442 KL Capacity
Pharmaceutical intermediates (DCS-automated)

Unit III
Jhagadia, Gujarat
512 KL + 2 × 2,000 MTPA Capacity
Commodity and battery chemicals

Baba Fine Chemicals
Greater Noida, Uttar Pradesh
1.8 KL Capacity
Semiconductor chemicals

Indichem Inc. (JV)
Gongju, South Korea
Semiconductor chemicals; R&D centre operational; plant inaugurated in August 2026

Total installed capacity is about 1,100 KL across 92,835 sq. m of land.

Every Acutaas facility is built as a multipurpose plant, so the same reactors and lines can move to new products with modest changes. Our newer sites run on Distributed Control Systems (DCS) and Powder Transfer Systems (PTS) from day one, which reduces manual handling and process variation and builds safety into daily operations. Unit I at Sachin has 40 reactors and 17 dryers and operates on Zero Liquid Discharge. Unit II at Ankleshwar has 80+ reactors, fully automated with DCS and PTS. Unit III at Jhagadia has 31 stainless steel and 14 glass reactors and holds ISO-K certification. Current capacity supports roughly three years of growth in specialty chemicals and two years in pharmaceutical intermediates.

Group structure

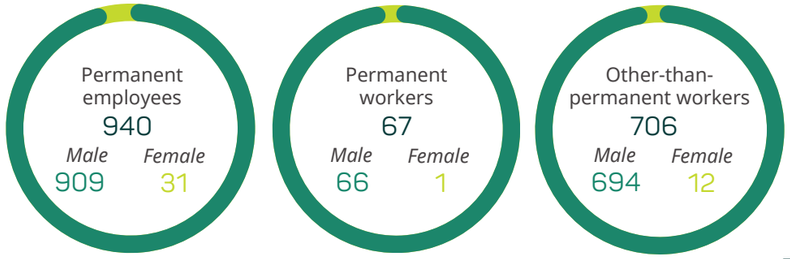
Entity	Relationship	Holding	Business
Acutaas Chemicals Electrolytes Pvt. Ltd.	Subsidiary	90%	Battery chemicals
Acutaas Advance Material Ltd.	Wholly owned subsidiary	100%	Holding entity for semiconductor JV
Indichem Inc. (South Korea)	Step-down subsidiary	75% (via Acutaas Advance Material)	Advanced semiconductor chemicals
Baba Fine Chemicals	Subsidiary	55%	Advanced semiconductor chemicals
Enchem Ami Organics Pvt. Ltd.	Step-down subsidiary	100% (via subsidiary)	Specialty chemicals
Ami-Onco Theranostics LLC (USA)	Joint venture	50%	Research

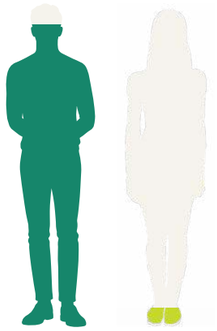
Significant changes during the year

We changed our name from Ami Organics Limited to Acutaas Chemicals Limited effective 15 May 2025. Indichem Inc., our joint venture, opened an R&D centre and began building a plant in South Korea. We commissioned Phase I of the battery chemicals plant at Jhagadia and an additional 5 MW of solar capacity. There were no other significant changes to our size, structure, ownership or supply chain.

Our people

At 31 March 2026, our standalone workforce stood at 1,713 people.





Total workforce 1,713 | Male 1,669 | Female 44

Workers who are not employees are engaged mainly through contractors for production support, housekeeping, security, and loading and unloading. Headcount is reported as at year-end.

Memberships and associations

United Nations Global Compact · Indian Chemical Council (Responsible Care) · Confederation of Indian Industry (CII) · Chemexcil (Basic Chemicals, Cosmetics & Dyes Export Promotion Council) · Federation of Gujarat Industries · Southern Gujarat Chamber of Commerce and Industry

Certifications

ISO 9001:2015 · ISO 14001:2015 · ISO 45001:2018 · ISO 50001:2018 · ISO/IEC 27001 · SA 8000 · GMP (ICH Q7 and Q9) · USFDA EIR (Sachin) · PMDA Japan GMP (Units I and II) · Responsible Care · Great Place To Work® · UN Global Compact participant

Value Creation Model

GRI 2-6

We create value by putting six capitals to work through one strategy: focused diversification, backed by disciplined execution. In a changing world, this model lets us turn process chemistry into medicines, energy storage and electronics, while keeping our footprint, our people and our communities at the centre of every decision.

The changing world we operate in

What is changing	What it means for chemistry	How Acutaas is responding
Rising chronic disease worldwide	Patients need safe, affordable, always-available medicines	~95% of our pharma intermediates portfolio serves chronic therapies; GMP and 21 CFR-compliant quality; USFDA and PMDA approved facilities
The energy transition	Battery makers need high-purity materials from diverse, trusted sources	India's first VC and FEC electrolyte additives, made with an in-house process
Semiconductors as strategic infrastructure	Chip-makers need ultra-pure materials from diverse, trusted sources	India's only manufacturer of chemicals for photoresists; R&D centre and, since August 2026, a manufacturing plant in South Korea
Climate change and resource stress	Customers, investors and regulators expect suppliers to measure and cut their footprint	Scope 1, 2 and 3 baseline; science-based targets in progress; 15.8 MW solar; ZLD at Sachin
Fragile global supply chains	Resilient, local and responsible sourcing is a competitive advantage	Majority of products are backward-integrated; 40% of purchases from MSMEs; 43% from local suppliers

Our strategy: focused diversification, responsible growth

We enter only those industries where our process chemistry, safety systems and regulatory credibility can be redeployed, and we build each business to the same environmental, safety and quality standards. Four strategic priorities guide us:

- **Deepen our pharma leadership**
  with safer, greener processes for the medicines of tomorrow.
- **Upgrade our portfolio**
  by replacing higher-impact legacy products with lower-footprint specialty chemistry.
- **Build new engines for the energy and digital transitions**
  in battery and semiconductor chemicals.
- **Grow closer to customers**
  in key markets, applying our EHS and governance standards wherever we operate.

Sustainability investments are built into this strategy. Our 15.8 MW of captive solar capacity, our solvent recovery and effluent treatment systems, and an expanded R&D pilot plant are all part of how we grow.

Inputs (FY 2025-26)

Sustainability investment Capital
15.8 MW captive solar; solvent recovery and ZLD systems; ₹28.81 Mn CSR spend; ₹65.96 Mn spent on employee and worker well-being

Manufactured Capital
4 operating units + 1 under construction; ~1,100 KL + 2 × 2,000 MTPA; DCS and PTS automation

Intellectual Capital
130+ R&D members (30+ PhDs); 43+ reaction capabilities; 10 process patents

Human Capital
1,007 permanent employees and workers; 706 contract workers

Natural Capital
5,31,497 GJ energy; 1,39,547 KL water withdrawn; 15.8 MW solar

Social and relationship Capital
22 CSR programmes; ₹28.81 Mn CSR spend; 30+ long-term customer relationships

How we put it to work

Sustainability investment Capital
Investment in cleaner energy, circularity, people and communities

Manufactured Capital
Multipurpose, automated, backward-integrated manufacturing

Intellectual Capital
Continuous flow, photochemistry and complex multistep synthesis

Human Capital
Safe, skilled and engaged teams

Natural Capital
Renewable energy, ZLD, solvent recovery, recycling

Social and relationship Capital
Partnership with customers, suppliers and communities

Outcomes for a changing world

52% of electricity at two units from solar; 85% waste recycled

Reliable supply to ~600 customers in ~55 countries

New molecules for health, batteries and semiconductors with lower energy and solvent use

Zero fatalities; Great Place To Work®; 100% covered by social benefits

11.5% renewable energy; 85% waste recycled

22 CSR programmes; ₹28.81 Mn CSR spend; 30+ long-term customer relationships

Value Created

Sustainability investment Capital
We direct capital to the things that reduce our footprint and strengthen our people and communities: captive solar power, solvent recovery, effluent treatment and Zero Liquid Discharge, automation that improves safety, and CSR programmes designed with local communities.

Manufactured Capital
Multipurpose plants, DCS automation and powder transfer systems give us flexibility, consistency and safety. Because no plant is dedicated to a single molecule, we can enter new verticals without building from scratch, which saves capital, materials and land.

Intellectual Capital
Our DSIR-approved R&D centre brings all four verticals under one roof, so a breakthrough in one field can quickly move to another. It houses a pilot plant with 8 reactors, 4 labs with 30 fume hoods, and advanced analytical tools including LCMS, GCMS, NMR and ICP-MS for genotoxic and nitrosamine impurity testing. We hold 29 process patents (10 granted, 9 published, 10 under publication).

Human Capital
Our people combine deep chemistry skills with an entrepreneurial culture. Each business vertical has its own dedicated leadership, and most senior leaders have been with us for five years or more. The average employee age is 33.

Natural Capital
We depend on energy, water and raw materials, and we aim to use less of each per unit of value created. Solar power, Zero Liquid Discharge at Sachin, solvent recovery, VFD retrofits and an 85% waste recycling rate are how we reduce our draw on nature.

Social and relationship Capital
Long-term relationships with customers, many spanning more than a decade, give us the trust to co-develop new molecules and to share sustainability data across the value chain. Our CSR programmes, designed with local communities, strengthen our licence to operate around our sites.

SDGs













Stakeholder Engagement

GRI 2-29

In a changing world, listening is how we stay relevant. We engage eight stakeholder groups through dedicated channels, and what we hear shapes our materiality, our policies and our strategy.

We identify stakeholders by how strongly they affect, or are affected by, our operations and performance. Local communities are the group we treat as vulnerable and marginalised, and we engage them most closely through our CSR programmes.

Stakeholder	Channels	Frequency	Key concerns raised
Shareholders and investors	Annual Report, AGM, investor calls, investor conferences & meetings, press releases, website, regulatory filings	Quarterly and as needed	Financial performance, growth strategy, governance, ESG performance
Employees	Engagement surveys, newsletters, trainings, policies	Regular	Health and safety, learning, career growth, fair pay, inclusion, well-being
Customers	Surveys, audits, business reviews, meetings	Regular	Product quality and safety, supply continuity, data security, carbon footprint
Suppliers	Performance evaluations, supplier forums, procurement meetings	As needed	Ethical conduct, timely payment, long-term business, sourcing standards
Local communities	Community meetings, CSR projects, awareness programmes	Continuous and need-based	Health, education, sanitation, local hiring, environmental impact
Contractors	Notice boards, safety briefings	Continuous	Legal compliance, health and safety, long-term association
NGOs	CSR partnerships, project reviews	As needed	Social and environmental needs, project impact
Regulators	Filings, industry forums, representations	As needed	Compliance, approvals, environmental performance, disclosure

How stakeholder voices reach the Board

We follow a four-stage approach. Business and functional heads own the dialogue with each stakeholder group. They identify concerns and emerging issues, which are reviewed and acted on at the operational level. Significant matters are then escalated to the Stakeholders Relationship Committee of the Board through periodic management reports.

Grievances in FY 2025-26

All stakeholder groups have access to a grievance mechanism under our Stakeholders Grievance Redressal Policy. During the year we received 22 product-related complaints from customers (23 in FY 2024-25), all resolved, and 17 shareholder requests, mainly for dividend revalidation, of which 2 were pending at year-end. No complaints were received from employees, communities, investors or value chain partners.

Industry and policy engagement

We engage on industry and policy issues through six associations, including the UN Global Compact, the Confederation of Indian Industry, Chemexcil, the Federation of Gujarat Industries and the Southern Gujarat Chamber of Commerce and Industry. Our advocacy focuses on ease of doing business, export competitiveness, chemical safety, and India's battery and semiconductor ecosystems. We made no political contributions during the year.

What we heard and how we responded in FY 2025-26

Stakeholder	What we heard	How we responded
Customers	Global pharma, battery and electronics customers asked for product carbon footprints, climate targets and supply assurance	Updated our Scope 1, 2 and 3 inventory; began work towards science-based targets; upgraded to EcoVadis Platinum
Investors	Credible, assured ESG data, climate targets and strong governance	Reasonable assurance on BRSR Core; EcoVadis Platinum; this Sustainability Report
Employees	Career growth, learning, safety and recognition in a fast-growing company	Structured onboarding and engagement surveys; 100% health and safety training; Great Place To Work® certification
Suppliers	Timely payment, long-term business and clarity on expectations	MSME purchases up to 40% of procurement; Supplier Code of Conduct shared with value chain partners
Communities	Better schools, healthcare access, clean water and livelihoods near our sites	₹288.11 lakh CSR spend across 22 programmes reaching ~8,000 people
Regulators	Compliance with environmental, safety and disclosure norms	Zero regulatory incidents; BRSR Core assurance; Responsible Care certification

Engaging vulnerable communities

Local communities around our Gujarat sites are the stakeholder group we treat as vulnerable and marginalised. We design our CSR programmes with them, implement them directly or through partner agencies, and the CSR Committee reviews progress every six months. The FY 2025-26 CSR spend of ₹288.11 lakh was allocated as follows:



Education

210.51 lakh

Scholarships, school infrastructure and learning resources for underprivileged children



Healthcare

19.70 lakh

Medical camps, medical equipment and hospital construction in underserved areas



Water and sanitation

11.30 lakh

Clean drinking water and hygiene facilities



Rural development

36.63 lakh

Community infrastructure, livelihoods and women's empowerment

Other initiatives

9.97 lakh

Community needs identified through ongoing engagement

Materiality Assessment

GRI 3-1, 3-2

In FY 2025-26 we reviewed our material topics to reflect a business that is growing across new geographies, new technologies and a larger workforce. The update confirmed our long-standing priorities (safety, emissions, water and waste) and added four emerging ones: climate risk disclosure, science-based targets, supply chain resilience, and responsible integration of new entities.

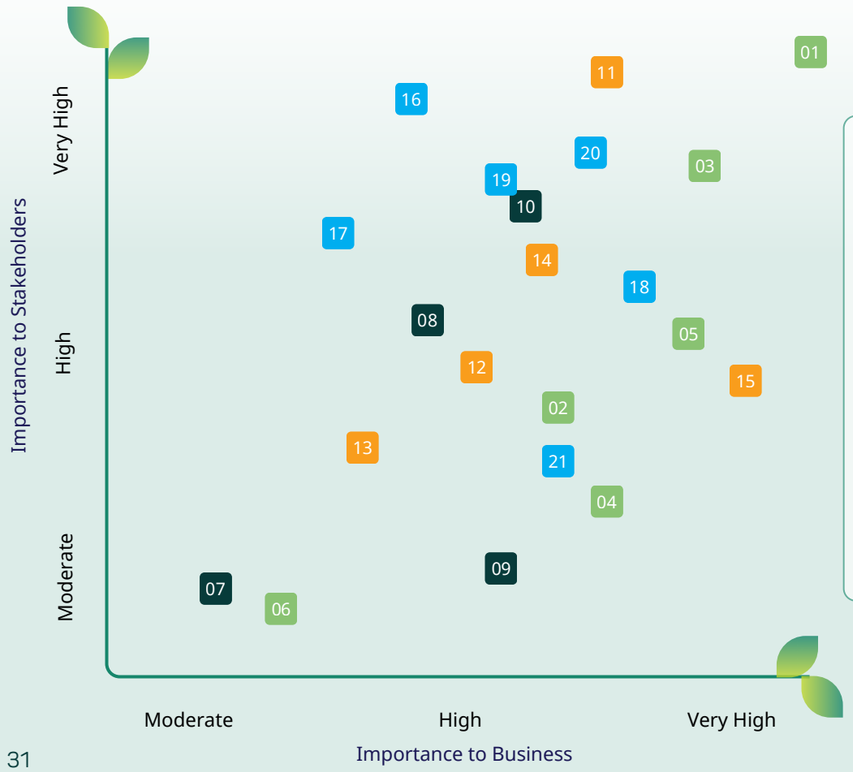
Our process

Understand our context
We reviewed our business activities, value chain, sector peers, ESG ratings (EcoVadis), customer requirements, and frameworks including GRI, BRSR and SASB Chemicals.

Identify impacts
We listed the actual and potential impacts our operations and value chain have on the economy, the environment and people, including human rights, and reviewed them against the 20 material topics identified in FY 2024-25.

Assess significance
Working with our ESG advisors, we rated each impact by severity and likelihood, drawing on feedback from employees, customers, suppliers, investors, regulators and local communities through our regular engagement channels. We also considered the financial risks and opportunities of each topic.

Prioritise and validate
The ESG Committee reviewed and approved the material topics. They informed our ESG Policy and the structure of this report.



Our material topics

Our FY 2025-26 assessment built on the 20 material topics identified in FY 2024-25. We retained 19 of them, sharpened several to reflect our growth, and added two new topics. Economic performance, a material topic last year, remains important to us but is reported in our Annual Report 2025-26.

Environment

	Material topic	Risk / Opportunity	GRI Standard
01	Climate action and GHG emissions, including science-based targets	Risk and opportunity	GRI 305
02	Renewable energy and energy efficiency	Opportunity	GRI 302
03	Water stewardship	Risk	GRI 303
04	Waste management and circularity	Risk	GRI 306, 301
05	Air emissions	Risk	GRI 305-7
06	Biodiversity	Risk	GRI 101

Products and value chain

	Material topic	Risk / Opportunity	GRI Standard
07	Green chemistry and sustainable innovation	Opportunity	Topic management (3-3)
08	Product carbon footprint	Opportunity	Topic management (3-3)
09	Customer health and product safety	Risk	GRI 416, 417
10	Responsible and resilient supply chain	Risk and opportunity	GRI 204, 308, 414

People and communities

	Material topic	Risk / Opportunity	GRI Standard
11	Occupational health and safety	Risk	GRI 403
12	Employee development and talent growth	Opportunity	GRI 401, 404
13	Diversity, equity, inclusion and well-being	Opportunity	GRI 405, 406
14	Labour and human rights	Risk	GRI 402, 407, 408, 409
15	Community development	Opportunity	GRI 413, 203

People and communities

	Material topic	Risk / Opportunity	GRI Standard
16	Ethical conduct and anti-corruption	Risk	GRI 205, 206
17	Data governance and cybersecurity	Risk	GRI 418
18	Regulatory compliance	Risk	GRI 2-27
19	ESG governance, transparency and assurance	Opportunity	GRI 2-9 to 2-21
20	Climate risk disclosure and readiness	Opportunity	GRI 201-2
21	Global expansion and responsible integration	Risk and opportunity	Topic management (3-3)

The impacts behind our material topics

The table below sets out the most significant impacts behind each material topic, whether they are positive or negative, actual or potential, and where in the value chain they occur.

Material topic	Key impact	Nature	Where it occurs
Climate action and GHG emissions	Fuel, grid power and purchased materials contribute to climate change; renewables and efficiency reduce it	Negative, actual	Own operations; upstream and downstream logistics
Renewable energy and energy efficiency	Captive solar and efficient equipment reduce fossil fuel use	Positive, actual	Own operations
Water stewardship	Withdrawal from shared surface sources and effluent discharge can affect local water resources	Negative, actual	Own operations; nearby communities
Waste management and circularity	Hazardous waste, if mishandled, could pollute soil and water; recycling and solvent recovery save resources	Negative, potential	Own operations; authorised waste handlers
Air emissions	Process emissions such as NOx, SOx and HCl could affect air quality around sites	Negative, potential	Own operations; local communities
Biodiversity	Land use and emissions could affect local ecosystems; greenbelt development supports them	Negative, potential	Own operations and surroundings
Green chemistry and sustainable innovation	Greener routes cut solvent and energy use; our products enable medicines, batteries and electronics	Positive, actual	Own operations; downstream
Product carbon footprint	Transparent footprints help customers cut their own emissions	Positive, potential	Product life cycle; customers
Customer health and product safety	Impurities or unsafe handling could harm patients, users or workers downstream	Negative, potential	Downstream
Responsible and resilient supply chain	Diversified,local sourcing supports MSMEs; supplier practices affect workers and the environment	Positive and negative, actual	Upstream
Occupational health and safety	Exposure to hazardous chemicals, fire, pressure and fumes could injure workers and contractors	Negative, potential	Own operations; contractors; transport
Employee development and talent growth	Skilled jobs and career growth in Surat and Bharuch	Positive, actual	Own operations
Diversity, equity, inclusion and well-being	Fair, inclusive workplaces widen opportunity, especially for women in a male-dominated industry	Positive, potential	Own operations
Labour and human rights	Weak controls could expose contract workers to unfair wages or conditions	Negative, potential	Own operations; contractors; suppliers
Community development	CSR improves education, health and water access; operations could affect neighbours	Positive and negative, actual	Local communities
Ethical conduct and anti-corruption	Weak controls could distort markets and erode trust	Negative, potential	Own operations; value chain
Data governance and cybersecurity	A breach could expose customer IP and personal data	Negative, potential	Own operations; customers
Regulatory compliance	Non-compliance could harm the environment, communities or workers	Negative, potential	Own operations
ESG governance, transparency and assurance	Credible, assured data helps stakeholders make informed decisions	Positive, actual	Own operations; investors; customers

What changed from last year

Our FY 2025-26 review reflected a business growing in scale, geography and ambition, and rising expectations on climate transparency.

Two new topics

climate risk disclosure and readiness, as investors and customers ask for forward-looking climate analysis; and global expansion and responsible integration, as Indichem in South Korea and new subsidiaries must meet group standards.

Four broadened topics

climate action now covers our work towards science-based targets; supply chain now includes resilience against geopolitical and shipping disruption; employee development now reflects a larger workforce; and ESG governance now includes data assurance.

One topic moved to the Annual Report

economic performance.

Our long-standing priorities (health and safety, emissions and energy, water and waste) remain at the top of the list.



Looking ahead: double materiality

As global customers adopt frameworks such as the EU's CSRD and the ISSB standards, we will consider moving to a double materiality approach in future assessments. This would look at both our impacts on the world and the financial risks and opportunities that sustainability issues create for Acutaas.

ESG Strategy, Targets and SDG Alignment

GRI 2-22, 2-23, 3-3

Our ESG strategy uses the same discipline as our business strategy: commit only to what we can deliver, then deliver it. It rests on four pillars, one for each chapter of this report, guided by our Board-approved ESG Policy and overseen by the ESG Committee, which includes an Independent Director.

How ESG is governed at Acutaas

Board of Directors
sets the strategic direction and approves the ESG Policy and all NGRBC policies. Eight members: four executive and four independent, two of whom are women.

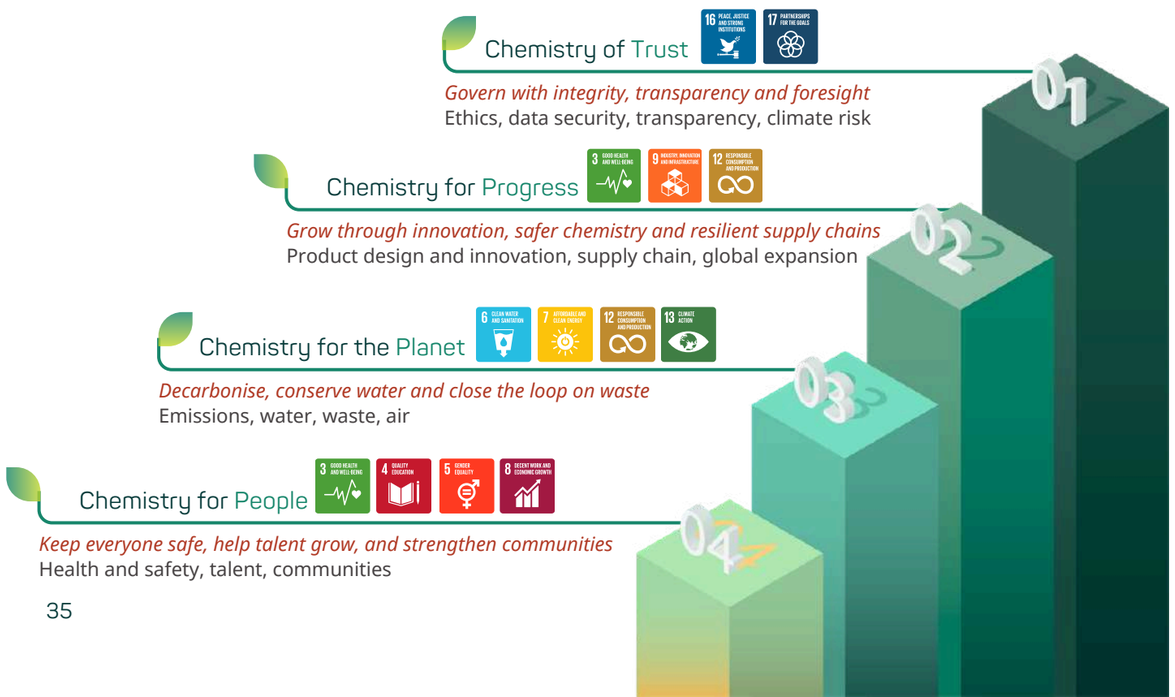
ESG Committee
chaired by Mr. Ram Mohan Lokhande (Whole Time Director), with Mr. Girikrishna Maniar (Independent Director), Mr. Pratik Thakor, Mr. Hemant Patel and Mr. Uday Desai. It steers ESG strategy and risk, monitors goals and KPIs, and reviews policies at least once a year. It met three times in FY 2025-26, with full attendance.

Executive Chairman & Managing Director
Mr. Nareshkumar R. Patel holds overall responsibility for implementing business responsibility policies and receives quarterly ESG performance updates.

Risk Management Committee
oversees enterprise risks, including environmental and climate risks, under a Three Lines of Defence model.

CSR Committee and Stakeholders Relationship Committee
chaired by Mrs. Richa Goyal (Independent Director); oversee community investment and stakeholder grievances.

Functional heads and site teams
own day-to-day performance on EHS, quality, HR, procurement and CSR, supported by digital ESG data platforms.



Our commitments

Commitment	Target timeline	Status at 31 March 2026
Submit near-term GHG reduction targets for validation under science-based pathways	Within 12–18 months	Scope 1, 2 and 3 baseline established
Disclose through a leading global climate disclosure platform	FY 2026-27	Decision taken; preparation under way
Complete a physical and transition climate risk assessment across all manufacturing sites	FY 2026-27	Initial view of climate risks and opportunities set out
Extend independent assurance across key ESG indicators	FY 2026-27	BRSR Core reasonable assurance obtained for FY 2025-26 (TÜV SÜD)
Diversify the supplier base and strengthen logistics resilience	Ongoing	Alternate sourcing and freight routes in development
Strengthen talent acquisition, training and engagement across geographies	Ongoing	Onboarding and engagement programmes rolled out

The ESG Committee and the Managing Director review progress against these commitments every quarter.

Progress on what we said last year

In our FY 2024-25 Sustainability Report, the ESG Committee set out its priorities for the year ahead. This is how we did.

Achieved

Expand assurance for greater transparency
Report assured by Anares Analytics; BRSR Core assured by TÜV SÜD South Asia

Maintain ZLD at Sachin and strengthen water reuse
ZLD maintained; 27,285.7 KL of treated water reused

Partly achieved

Advance circular-economy initiatives
85% of waste recycled, up from 62%; recovered toluene and methanol share declined as the product mix changed.

Strengthen supplier ESG performance
45% of value chain partners (by value) assessed on health, safety and labour practices; environmental assessments not yet started

On track

Accelerate decarbonisation
Additional 5 MW solar commissioned (15.8 MW total); renewable share of energy up from 0.2% to 11.5%; updated Scope 1, 2 and 3 inventory; work begun towards science-based targets

Not yet started

Build readiness for product carbon footprint and LCA
Product carbon footprint and LCA not yet carried out

Our contribution to the Sustainable Development Goals

We have prioritised eight SDGs where our business has the most direct influence.

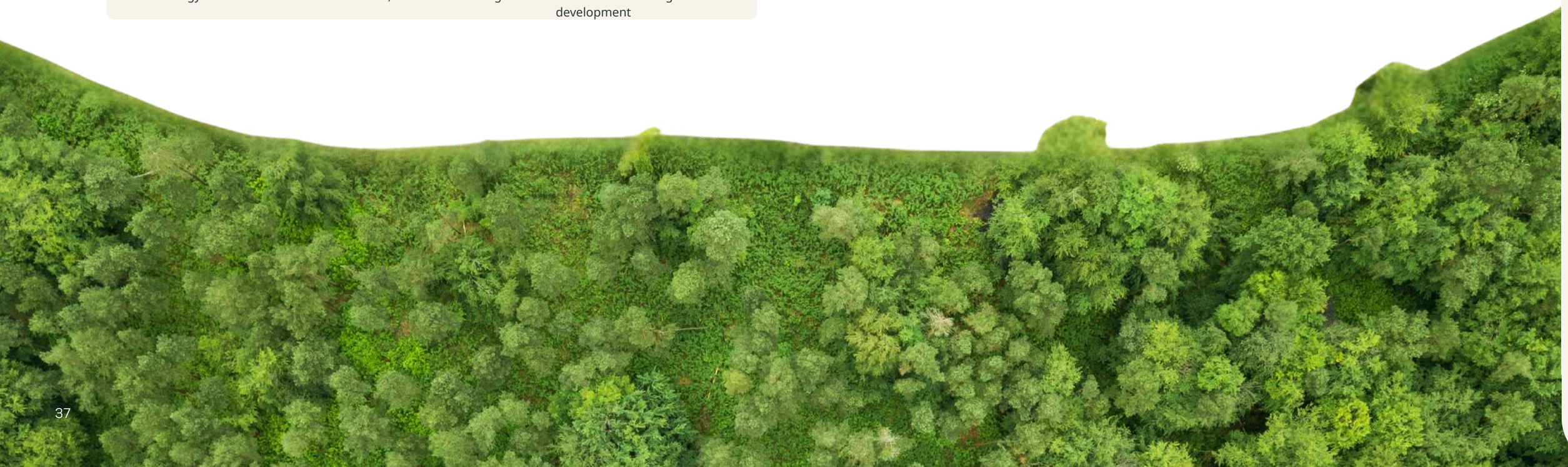
SDG	Relevant target	How we contribute	FY 2025-26 evidence
3 GOOD HEALTH AND WELL-BEING	3.4 Reduce premature deaths from non-communicable diseases; 3.8 Access to medicines	Intermediates for chronic-therapy medicines; healthcare CSR	~95% of pharma portfolio serves chronic therapies; ₹20 lakh healthcare CSR outlay
4 QUALITY EDUCATION	4.1 Free, equitable, quality education	Scholarships, school infrastructure, learning resources	₹210 lakh education CSR outlay
6 CLEAN WATER AND SANITATION	6.3 Improve water quality; 6.4 Water-use efficiency	ZLD at Sachin; ETP treatment; drinking water projects	80,616 KL water consumed; ZLD since 2016
7 AFFORDABLE AND CLEAN ENERGY	7.2 Increase renewable share; 7.3 Improve energy efficiency	Captive solar; VFDs; battery additives for energy storage	15.8 MW solar; 11.5% renewable energy
8 DECENT WORK AND ECONOMIC GROWTH	8.5 Decent work for all; 8.8 Safe working environments	Fair wages, safety systems, local hiring	Zero fatalities; 100% above minimum wage
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.5 Enhance research and technological capability	DSIR-approved R&D; India's first electrolyte additives and photoresist chemicals	130+ R&D team; 29 process patents granted, published and under publication
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4 Sound chemical management; 12.5 Reduce waste	Green chemistry, solvent recovery, waste recycling	85% waste recycled; Responsible Care
13 CLIMATE ACTION	13.2 Integrate climate measures into strategy	GHG inventory, climate risk review, science-based targets	Scope 1, 2 and 3 inventory; science-based targets under development

Targets under development

Our published climate goals are a 25% reduction in emission intensity by 2030 and net zero by 2050. We are now working towards near-term emission reduction targets aligned with science-based pathways, and towards quantified targets for renewable energy, water, waste, diversity and the supply chain, using FY 2025-26 as the baseline. These will be disclosed once approved by the ESG Committee.

Policy commitments

Our commitments to responsible business conduct are set out in Board-approved policies covering all nine NGRBC principles, available at acutaas.com/sustainability. They include our Code of Conduct, ESG Policy, Integrated EHS and Quality Policy, Human Rights Policy, Whistle-blower Policy, Supplier Code of Conduct and CSR Policy, and they extend to our value chain partners. As a participant in the UN Global Compact, we support its Ten Principles.



Chapter B

Chemistry of Trust

Strong governance, ethics and risk oversight as the catalyst for long-term value

In chemistry, a catalyst speeds up a reaction without being used up. Trust works the same way in business. It speeds up every relationship we build (with a customer validating a new molecule, an investor backing a new vertical, or a community living next to our plant) and it grows stronger each time it is honoured.

As Acutaas grows into new industries and new countries, our governance must grow with it. A company with a presence in India and South Korea, supplies global innovators and builds India's first battery-chemicals capacity carries more responsibility than the company we were five years ago. This chapter sets out how we govern that responsibility: through an independent and diverse Board, clear accountability for ESG, ethical conduct at every level, and risk management that looks ahead, not just back.

Trust at a glance: FY 2025-26

- **8 / 4 (50%)** — Board size / independent directors
- **2 (25%)** — Women on the Board
- **Nil** — Bribery or corruption cases against directors, KMPs, employees or workers
- **Nil** — Fines, penalties or settlements with regulators
- **100%** — Code of Conduct affirmation by Board and senior management
- **9 / 96%** — Board meetings held / average attendance
- **Unmodified** — Statutory audit opinion
- **Nil** — Conflict-of-interest complaints against directors or KMPs
- **Nil** — Data breaches
- **6** — including a dedicated ESG Committee — Board committees



Governance Structure and Board Composition

GRI 2-9, 2-10, 2-11, 405-1

Our governance rests on five principles: transparency, accountability, integrity, fairness and responsibility. Our framework follows the Companies Act, 2013 and the SEBI Listing Regulations, and we aim to go beyond compliance wherever we can. In practice, this means meeting more often than the law requires, holding pre-Audit Committee meetings with auditors, holding separate sessions for Independent Directors, and running a confidential annual Board evaluation.

Our Board

The Board of Directors is our highest governance body. It sets strategy, approves policies, oversees risk and monitors performance, while executive management runs day-to-day operations. As on 31 March 2026, the Board had eight members: the Executive Chairman & Managing Director, three Whole-time Directors and four Non-Executive Independent Directors, two of whom are women. No institutional nominee sits on the Board.



Mr. Nareshkumar R. Patel
Executive Chairman &
Managing Director (Promoter)

9/9
Board meetings attended

1
Directorships in other public companies



Mr. Chetankumar C. Vaghasia
Co-Founder &
Whole-time Director

7/9
Board meetings attended

1
Directorships in other public companies

Chair of the Board

Mr. Nareshkumar R. Patel, our founder, is both Chairman and Managing Director. To balance this, half the Board is independent; the Audit, Nomination and Remuneration, CSR and Stakeholders Relationship Committees are chaired by Independent Directors; and the Independent Directors meet separately each year to evaluate the Chairman's performance.



Mr. Virendranath Mishra
Whole-time Director

9/9
Board meetings attended

1
Directorships in other public companies



Mr. Ram Mohan Lokhande
Whole-time Director; Chief Risk Officer; Chair, ESG Committee

9/9
Board meetings attended

0
Directorships in other public companies



Mr. Girikrishna Maniar
Independent Director;
Chair, Audit Committee

9/9
Board meetings attended

1
Directorships in other public companies



Mr. Hetal Gandhi
Independent Director;
Chair, Nomination and Remuneration Committee

9/9
Board meetings attended

6
Directorships in other public companies



Mrs. Richa Goyal
Independent Director;
Chair, CSR and Stakeholders Relationship Committees

9/9
Board meetings attended

5
Directorships in other public companies



Dr. Anita Bandyopadhyay
Independent Director

8/9
Board meetings attended

2
Directorships in other public companies

All directors attended the AGM held on 25 September 2025. All Independent Directors meet the independence criteria of the Companies Act and the SEBI Listing Regulations, and are registered with the Indian Institute of Corporate Affairs databank.

Board meetings in FY 2025-26

The Board met nine times during the year, with an average attendance of 96%. The gap between any two meetings never exceeded 120 days. Agenda papers are shared through a secure digital Board portal, and directors can join by video conference.

Meeting dates

16 Apr 2025 · 2 May 2025 · 10 Jun 2025 · 27 Jun 2025 · 30 Jul 2025 · 29 Aug 2025 · 25 Sep 2025 · 17 Oct 2025 · 28 Jan 2026

Board committees

Committee	Chair	Members	Meetings in FY 2025-26	Key role
Audit Committee	Mr. Girikrishna Maniar (ID)	Mr. Hetal Gandhi (ID), Mrs. Richa Goyal (ID)	6	Financial reporting, internal controls, auditors, related-party transactions, vigil mechanism
Nomination and Remuneration	Mr. Hetal Gandhi (ID)	Mr. Girikrishna Maniar (ID), Dr. Anita Bandyopadhyay (ID)	4	Board appointments, evaluation, remuneration, succession
Stakeholders Relationship	Mrs. Richa Goyal (ID)	Mr. Nareshkumar Patel, Mr. Chetankumar Vaghasia	1	Shareholder grievances and escalated stakeholder concerns
Corporate Social Responsibility	Mrs. Richa Goyal (ID)	Mr. Nareshkumar Patel, Mr. Chetankumar Vaghasia	2	CSR policy, annual plan and spend monitoring
Risk Management	Mr. Nareshkumar Patel	Mr. Chetankumar Vaghasia, Mrs. Richa Goyal (ID), Mr. Bhavin N. Shah (CFO)	2	Enterprise risk framework, including ESG and cyber risk
ESG Committee	Mr. Ram Mohan Lokhande (WTD)	Mr. Girikrishna Maniar (ID) and three senior managers and one unit head	3	ESG strategy, targets, policies and disclosure

Board skills and diversity



The Board has identified four core competencies (general business, global business, strategy and planning, and governance) and board members collectively hold all of them. Its members bring experience in chemicals and pharmaceuticals, finance and banking, law, human resources and international markets. By age group, the Board has 0 members under 30, 1 between 30 and 50, and 7 over 50.

Nomination, evaluation and succession

The Nomination and Remuneration Committee, made up entirely of Independent Directors, identifies and recommends Board and senior management candidates. It considers qualifications, independence, integrity, diversity of skills and gender, and the competencies the Board needs. Shareholders approve all director appointments at the AGM.

Each year, every director completes a structured questionnaire assessing the Board, its committees, the Chairman and individual directors. Areas covered include composition, quality of strategic guidance, oversight of risk and stakeholder interests, and Board culture. The Independent Directors met separately on 20 March 2026, with full attendance, to evaluate the non-independent directors, the Board as a whole and the Chairman. The Board concluded that its composition, processes and functioning remain effective, and agreed actions to strengthen them further.

A structured succession plan for the Board and senior management is reviewed periodically. Each business vertical has its own leadership, and 18 senior management personnel lead key functions including R&D, quality, HR, EHS, IT security and the three manufacturing units.



Keeping the Board informed

Directors receive regular familiarisation sessions on the business, industry, regulation and sustainability. In FY 2025-26, the Board took part in three programmes covering ESG and sustainability, BRSR and BRSR Core requirements, legal and regulatory updates, risk management, and employee welfare.

ESG Governance and the ESG Committee

GRI 2-12, 2-13, 2-14, 2-17, 2-18

At Acutaas, sustainability is governed with the same discipline as capital. The Board sets direction, a dedicated ESG Committee steers delivery, and every function owns its part of the performance.

Who is responsible for what

The Board of Directors is our highest governance body. It sets strategy, approves policies, oversees risk and monitors performance, while executive management runs day-to-day operations. As on 31 March 2026, the Board had eight members: the Executive Chairman & Managing Director, three Whole-time Directors and four Non-Executive Independent Directors, two of whom are women. No institutional nominee sits on the Board.

Board of Directors

Approves the ESG Policy and all NGRBC policies; oversees impacts on the economy, environment and people; reviews ESG performance and this report

ESG Committee

Steers ESG strategy and risk; monitors goals and KPIs; reviews policies at least once a year; recommends improvements

Executive Chairman & Managing Director

Overall responsibility for implementing business responsibility policies; receives quarterly ESG updates

Whole-time Director (Mr. Ram Mohan Lokhande)

Chairs the ESG Committee; Chief Risk Officer; leads day-to-day ESG delivery

Risk Management Committee

Oversees ESG, climate and cyber risks as part of enterprise risk

Functional heads and site heads

Own performance on EHS, quality, HR, procurement, CSR and data; report through digital ESG platforms

The ESG Committee

The ESG Committee was set up by the Board to bring focused attention to sustainability. It includes an Independent Director to keep its oversight objective.



Mr. Ram Mohan Lokhande
Whole-time Director, Chairman



Mr. Girikrishna Maniar
Independent Director



Mr. Pratik Thakor
Assistant General Manager - EHS



Mr. Hemant Patel
Sr. General Manager — HR



Mr. Uday Desai
General Manager — Head, Unit III Jhagadia

Mr. Sanjib Mukerjee served as a member until 10 May 2025. The Committee met three times in FY 2025-26 (on 23 April 2025, 19 August 2025 and 23 January 2026) with full attendance. Its charter, terms of reference and the policies it oversees are published on our website.



What the Committee worked on this year:

Reviewed the material topics and the new ESG Policy

Oversaw the updated Scope 1, 2 and 3 GHG inventory and the start of work towards science-based targets

Approved participation in a global climate disclosure platform

Prepared for reasonable assurance of BRSR Core indicators

Monitored progress on renewable energy, waste recycling and safety performance

How the Board oversees impacts

The Board oversees how Acutaas affects the economy, the environment and people through several channels. Management presents performance at each Board meeting. The ESG Committee and the Managing Director review ESG KPIs every quarter. Material stakeholder concerns reach the Board through the Stakeholders Relationship Committee, using the four-stage escalation process described in Chapter A. The Risk Management Committee brings environmental and climate risks to the Board's attention.

Delegation (GRI 2-13).

The Board delegates day-to-day management of impacts to the Managing Director and the Whole-time Directors, who are supported by functional and site heads. Responsibility for EHS sits with each unit head, for people with the Sr. General Manager, HR, and for information security with the Chief Information Security Officer.

Sustainability reporting (GRI 2-14)

The ESG Committee reviews this report and the BRSR, including the material topics, before they are approved by the Board of Directors.

Building the Board's ESG knowledge

In FY 2025-26, the Board took part in familiarisation sessions on ESG and sustainability and on BRSR and BRSR Core requirements. Key Managerial Personnel attended four sessions covering ESG, business ethics, risk assessment and POSH.

Evaluating ESG performance (GRI 2-18)

The annual Board evaluation covers oversight of risk, compliance and stakeholder interests. The appraisal of whole-time directors and senior management, run by the Nomination and Remuneration Committee, uses key performance areas that include safety, environmental compliance and ESG goals.

Remuneration

GRI 2-19, 2-20, 2-21

We pay to attract and keep talent, to reward performance, and to stay fair across every level of the company. Our Nomination and Remuneration Policy, approved by the Board, sets the framework for directors, Key Managerial Personnel (KMPs), senior management and other employees.

Remuneration structure

Executive directors

Fixed salary, perquisites and performance-linked incentive, within limits approved by shareholders

Independent directors

Sitting fees for Board and committee meetings attended, plus an annual commission within limits approved by shareholders; reimbursement of meeting expenses

KMPs and senior management

Fixed salary, performance-linked variable pay and benefits, based on the appraisal scorecard

Employees

Market-benchmarked pay, annual increments linked to performance, statutory benefits (PF, gratuity, ESI) for 100% of eligible staff

The company has an employee stock option scheme administered by the NRC. Options were granted under the scheme during FY 2025-26; details are disclosed in the Annual Report 2025-26.

How remuneration is set

The Nomination and Remuneration Committee (NRC), made up entirely of Independent Directors, recommends remuneration for directors, KMPs and senior management to the Board. Executive director remuneration is also approved by shareholders, within the limits of the Companies Act, 2013. The NRC, supported by the HR head, assesses each executive using a standard appraisal matrix and scorecard. This considers key performance areas against achievements, the balance between fixed and variable pay, the criticality of the role, industry benchmarks and market trends. All promotions at senior management level are approved by the NRC. No external remuneration consultants were used during the year.

Pay ratios for executive directors

Director	Ratio to median employee pay	Increase in remuneration in FY 2025-26
Mr. Nareshkumar R. Patel (CMD)	113.3 : 1	11.8%
Mr. Chetankumar C. Vaghasia (WTD)	113.3 : 1	13.4%
Mr. Virendranath Mishra (WTD)	40.2 : 1	40.7%
Mr. Ram Mohan Lokhande (WTD)	36.1 : 1	31.7%

Details of director remuneration are disclosed in the Corporate Governance Report of our Annual Report 2025-26.

Pay fairness (GRI 2-21)

Indicator	FY 2025-26
Ratio of highest-paid individual (CMD) to median employee	113.3 : 1
Increase in median employee remuneration	14.11%
Average increase for non-managerial employees	14.11%
Average increase for managerial personnel	24.40%
Increase in CMD remuneration	11.79%
Ratio of CMD increase to median increase	0.84 : 1
Permanent employees on the rolls	1,007



The CMD's pay increase this year (11.8%) was lower than the increase in median employee pay (14.1%). The higher average increase for managerial personnel was recommended by the NRC and approved by the Board in line with the Remuneration Policy, reflecting expertise and exceptional performance during a year of strong growth. Every permanent employee and worker is paid above the statutory minimum wage. The gender pay ratio is reported in Chapter E.

Ethics, Integrity and Policy Commitments

GRI 2-15, 2-16, 2-23, 2-24, 2-25, 2-26

Integrity in Every Action is one of our four core values. It means acting with transparency, accountability and respect in every decision, whether in a Board meeting, on a plant floor or with a supplier.

Our policy commitments

We have Board-approved policies covering all nine principles of the National Guidelines on Responsible Business Conduct (NGRBC). They are translated into procedures, extend to our value chain partners, and are reviewed by the ESG Committee at least once a year. All policies are published at www.acutaas.com.

Policy	What it commits us to	Applies to
Code of Conduct for Directors and Senior Management	Ethical professional conduct and avoiding conflicts	Board and senior management
Code of Ethics and Business Conduct	Honest, lawful and fair conduct in all dealings	All employees
Ethical Governance and Business Responsibility Policy	Anti-corruption, conflicts of interest, fraud, anti-money laundering and information security in one framework	Employees, workers, contractors, value chain
Anti-Corruption and Bribery Policy	Zero tolerance for bribery, kickbacks and facilitation payments	All employees and business partners
Whistle-blower Policy / Vigil Mechanism	Safe, confidential reporting with protection from retaliation	Employees, directors and stakeholders
Human Rights Policy and SA 8000 commitments	No child, forced or bonded labour; freedom of association; fair wages	Employees, workers, contractors
Equal Opportunity Policy	No discrimination, including on grounds of disability	All employees and applicants
Policy on Prevention of Sexual Harassment	Safe, respectful workplace; Internal Complaints Committee at every location	All employees and workers
Environment and Sustainability Policy; ESG Policy	Responsible use of resources, pollution prevention, climate action	All operations
Integrated EHS and Quality Policy (ISO 9001, 14001, 45001)	Safe operations, environmental protection and quality	All operations
Supplier Code of Conduct	Ethical, safe and environmentally responsible supply	Suppliers and contractors
Related Party Transactions Policy	Arm's-length, transparent dealings with related parties	Company and its directors
Code for Prevention of Insider Trading	Fair dealing in Acutaas securities	Directors and designated persons
CSR Policy, Stakeholder Grievance Redressal Policy, Cyber Security Policy	Community investment, fair grievance handling, information protection	As applicable

We follow the precautionary principle: where an activity could harm health or the environment, we act to prevent the harm even before the science is fully settled. This guides how we assess new processes, handle hazardous chemicals and design new plants. As a participant in the UN Global Compact, we also commit to its Ten Principles on human rights, labour, environment and anti-corruption.

Embedding our commitments

Policies matter only if people live them. In FY 2025-26:

- All Board members and senior management affirmed compliance with the Code of Conduct.
- The Board attended 3 familiarisation programmes, and KMPs attended 4 sessions on ethics, ESG, POSH and risk.
- 440 training sessions for employees and 240 for workers covered the code of conduct, POSH, SA 8000 principles, ESG, and health and safety. 100% were trained on health and safety, and 84% of employees and 87% of workers on other topics.
- Every new joiner is briefed on our Code of Conduct and key policies during onboarding.

Avoiding conflicts of interest (GRI 2-15)

Our Conflict of Interest Policy requires every Board member, senior manager and employee to declare potential conflicts each year. Directors also disclose their other directorships and interests to the Board. Related-party transactions are reviewed and approved by the Audit Committee, all of whose members are independent. They are kept at arm's length and disclosed in our financial statements.

Purchases from related parties, % of total purchases





Sales to related parties, % of total sales

Conflict-of-interest complaints against directors or KMPs



FY 2024-25 *FY 2025-26*

Most loans and advances to related parties in FY 2025-26 were to our wholly owned subsidiaries, to fund the battery chemicals and semiconductor projects.

Raising concerns (GRI 2-16, 2-25, 2-26)

Anyone (employees, directors, suppliers or community members) can raise a concern about unethical conduct, fraud or a breach of policy through our Whistle-blower Policy. Concerns can be reported confidentially, and the policy protects whistle-blowers from victimisation. Serious concerns can go directly to the Chairman of the Audit Committee. No one was denied access to the Audit Committee in FY 2025-26.

Employees and workers can also raise grievances through an Internal Grievance Committee at each plant, through the HRIS system, or with the HR Manager. Women can approach the Internal Complaints Committee under the POSH Act, which is chaired by the Company Secretary and includes an external member, Mrs. Amy Vadesa, a lawyer. External stakeholders can use the Stakeholder Grievance Redressal Policy or the "Enquire Now" channel on our website.

- **0** Whistle-blower complaints received
- **0** POSH complaints received
- **0** Employee and worker grievances
- **22** Customer complaints (product-related, all resolved)
- **17** Shareholder requests (2 pending at year-end)

Critical concerns (GRI 2-16)

Critical concerns are escalated to the Board through the Audit Committee, the Stakeholders Relationship Committee or the Risk Management Committee, depending on their nature. No critical concerns were reported to the Board in FY 2025-26.

Anti-Corruption and Fair Competition

GRI 3-3, 205-1, 205-2, 205-3, 206-1

We operate across 55 countries and several highly regulated industries. Bribery or unfair practices would put at risk the trust of customers, regulators and investors that we have spent two decades earning. Anti-corruption and business ethics is therefore a material topic for Acutaas.

Managing the topic

Policy

Our Anti-Corruption and Bribery Policy prohibits bribery, kickbacks and any corrupt practice, by anyone acting for Acutaas. It sits within our Ethical Governance Policy, which brings corruption, conflicts of interest, fraud, anti-money laundering and information security together in one framework. The framework covers all manufacturing units, the registered office, the R&D centre, warehouses and our supply chain, and applies to all employees, workers, contractors and associated stakeholders.

Controls

We use internal controls and audits to prevent and detect fraud. We carry out due diligence on business partners and transactions to guard against money laundering. Gifts and hospitality are governed by our Gifts and Hospitality Policy, which sets value limits and requires prior approval. Internal auditors M/s K. C. Mehta & Co. LLP review key processes and report to the Audit Committee every quarter.

Risk assessment (GRI 205-1)

All three manufacturing units were assessed for corruption risk. Procurement, regulatory approvals, operations, environment, health & safety, climate and logistics were identified as the main risk areas. Our three manufacturing units and registered office are covered by the internal audit plan.

Training and communication (GRI 205-2).

Group	Communicated anti-corruption policy	Received training
Board of Directors	100% (8 of 8)	100% (familiarisation on code of conduct and ethics)
Key Managerial Personnel	100%	100% (business ethics, values and code of conduct)
Employees	100%	Covered under code of conduct training
Workers	100%	87%
Business partners	Communicated through the Supplier Code of Conduct	45%

Performance

Fines, penalties, settlements or compounding fees paid to regulators

Nil Nil

Confirmed incidents of corruption

Nil Nil

Disciplinary action by law enforcement for bribery or corruption (directors, KMPs, employees, workers)

Nil Nil

Legal actions for anti-competitive behaviour, anti-trust or monopoly practices

Nil Nil

Contracts with business partners terminated for corruption

Nil Nil

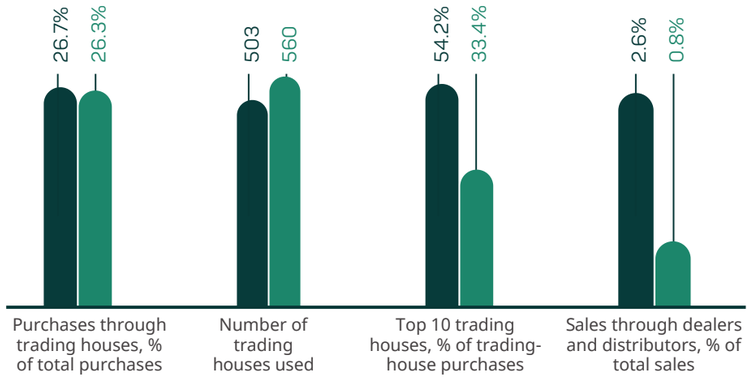
FY 2024-25 *FY 2025-26*

Openness of business

Transparent sourcing and sales reduce the room for unfair practice. BRSR Core asks companies to disclose how concentrated their trade is, and our figures are assured.

Our reliance on the largest trading houses fell sharply, from 54% to 33% of trading-house purchases, as we spread purchasing across a wider base. Almost all sales are made directly to customers.

FY 2024-25 *FY 2025-26*





Enterprise and Climate Risk Management

GRI 2-12, 3-3, 201-2

In a changing world, the risks that matter most are often the ones that move fastest: a shipping lane closes, a regulation tightens, a heatwave strikes a plant, a customer's carbon target changes. Our risk framework is designed to see these early and respond with discipline.

Our risk framework

Risk oversight starts with the Board. The Risk Management Committee (RMC) (chaired by the Executive Chairman & Managing Director, with an Independent Director and the CFO as members) oversees the risk strategy. It met twice in FY 2025-26, on 2 July 2025 and 24 January 2026, with full attendance. Mr. Ram Mohan Lokhande, Whole-time Director, is our Chief Risk Officer.

We follow the Three Lines of Defence model:

Business and site teams

identify and manage risks in their daily work, supported by SOPs, DCS automation and EHS systems.

A dedicated Risk Coordination group, with compliance, EHS, quality and IT security functions

sets standards, monitors key risks and maintains the risk register.

Internal audit

(M/s K. C. Mehta & Co. LLP) independently tests controls and reports to the Audit Committee.

Risks are identified across business units, rated on likelihood and impact, assigned an owner, and reviewed by the RMC. Our internal financial controls were found adequate and operating effectively, and our statutory auditors issued an unmodified opinion.

Principal risks and how we respond

Geopolitical

Conflicts, shipping disruption and trade policy changes affect logistics and supply

59% of sourcing localised in India; South Korean JV serves just-in-time customers; alternate freight routes

Cybersecurity

Attack or breach exposes IP or halts systems

ISO 27001 ISMS; endpoint protection; encryption; dedicated CISO

Raw material

Feedstock availability is disrupted by supply shocks

Majority of products backward-integrated to basic chemicals; strategic inventory buffers

Integration of new entities

New sites fall short of group EHS and governance standards

ESG and compliance due diligence; harmonised HSE and governance policies

Technology

Processes become obsolete or less efficient than greener alternatives

Flow chemistry and photochemistry platforms; DSIR-approved R&D

Environment and regulation

Tighter emission or effluent rules; failure to meet ESG expectations

Advanced wastewater treatment; ISO 14001; EcoVadis Platinum; BRSR Core assurance

Operational and process safety

Process failures or safety incidents disrupt production or harm people

Automated DCS plants; rigorous SOPs in older plants; ISO 45001; Responsible Care

Climate-related risks and opportunities

Climate change is both a risk to our operations and an opportunity for our products. The table below sets out our initial, qualitative view of the climate-related risks and opportunities facing our business, informed by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We plan to build on it with a structured site-level assessment that adds scenario analysis and financial estimates.

Type	Risk or opportunity	Potential impact on Acutaas	Time horizon	Our response
Physical — chronic	Changing rainfall and rising industrial water demand in South Gujarat	Higher water costs; constraints on future expansion	Medium to long term	ZLD at Sachin; treated water reuse; water risk mapping in progress
Physical — acute	Extreme heat, cyclones and heavy rain along the Gujarat coast	Disruption to operations, logistics and worker safety	Short to medium term	Emergency preparedness; heat-stress protocols; site risk assessment
Transition — policy	Carbon pricing, India's Carbon Credit Trading Scheme, and the EU CBAM extending to chemicals	Higher energy and compliance costs	Medium term	GHG inventory; solar expansion; energy efficiency
Transition — market	Customers require supplier climate targets and product carbon footprints	Risk of losing business if we fall behind; advantage if we lead	Short term	Science-based targets under development; EcoVadis Platinum
Opportunity — products	Rising demand for battery materials in electric mobility and energy storage	A growing role for our VC, FEC and future additives in the energy transition	Short to long term	2,000 MTPA each of VC and FEC, fully contracted; 10+ products in pipeline
Opportunity — resource efficiency	Renewable power and greener chemistry reduce costs	Lower energy costs and emissions	Short to medium term	15.8 MW solar meeting 52% of electricity at two units; flow chemistry

Short term: up to 3 years;
medium term: 3–10 years;
long term: beyond 10 years.

We have also decided to disclose through a leading global climate disclosure platform and are working towards near-term emission reduction targets aligned with science-based pathways. Both are covered in Chapter D.

Regulatory Compliance

GRI 2-27

For a chemical manufacturer, compliance is the minimum standard, not the goal. We work under a dense web of rules: environmental consents from the Gujarat Pollution Control Board, factory and hazardous-chemical safety rules, pharmaceutical GMP requirements, export controls, and SEBI and Companies Act obligations. Meeting them consistently protects our licence to operate and our customers' own regulatory filings.

How we manage compliance

Ownership
The Company Secretary & Compliance Officer leads corporate and securities compliance. Unit heads and EHS teams own environmental, safety and factory compliance at each site.

Tracking
A compliance tracker logs every applicable obligation, with owners and due dates. A digital compliance management tool tracks status and alerts owners.

Assurance
Compliance certificates are placed before the Board every quarter. Internal, secretarial, cost and statutory auditors review compliance each year, and BRSR Core indicators are externally assured.

Quality regulators
Our sites have successfully passed USFDA and PMDA Japan inspections, and our quality systems comply with 21 CFR.

Monitoring
Air emissions are monitored monthly against GPCB limits, and effluent is treated to prescribed norms before discharge or reuse.

Performance in FY 2025-26

	FY 2024-25	FY 2025-26
Significant instances of non-compliance with laws and regulations	Nil	Nil
Monetary fines, penalties or settlements	Nil	Nil
Non-monetary sanctions (imprisonment, punishment)	Nil	Nil
Product recalls on safety grounds	Nil	Nil
Non-compliance with environmental law	Nil	Nil
Secretarial audit observations	Unmodified	Unmodified
Statutory audit opinion	Nil	None
Regulatory incidents	Nil	Zero

We define a "significant" non-compliance as one that is material under Regulation 30 of the SEBI Listing Regulations or that leads to a fine, closure notice or suspension of consent.

Memberships & Public Policy

GRI 2-28, 415-1

India's chemical industry is at a turning point, with new opportunities in batteries, semiconductors and specialty chemicals, and rising expectations on safety and sustainability. We take part in industry bodies to share what we know, learn from peers and contribute to policy that helps the sector grow responsibly.

Our memberships

United Nations Global Compact (UNGC)

Confederation of Indian Industry (CII)
National
Industry policy dialogue and best-practice sharing

Indian Chemical Council — Responsible Care
National
Industry programme for safety, health and environmental performance; certified in FY 2025-26

Chemexcil (Ministry of Commerce & Industry)
National
Export promotion for basic chemicals, cosmetics and dyes

Southern Gujarat Chamber of Commerce and Industry
Regional
Engagement with the Surat business community

Federation of Gujarat Industries
State / National
Representing Gujarat industry on policy and infrastructure

Responsible advocacy

Our Ethical Governance and Business Responsibility Policy requires that any engagement with government or regulators is transparent, lawful and consistent with our values. Policy positions are approved by the Managing Director. Topics we engaged on through industry bodies in FY 2025-26 include export competitiveness, ease of doing business, chemical safety norms, and incentives for battery materials and electronics components. Government incentives we receive are disclosed in our financial statements.

Political contributions (financial and in-kind)	Nil
Adverse orders on anti-competitive conduct	Nil

Responsible Tax Approach

GRI 207-1, 207-2

The taxes we pay fund the roads, schools and public services that our employees and communities rely on. We see paying the right amount of tax, in the right place and at the right time, as part of being a responsible business.

Our approach

We comply fully with the tax laws of every country where we operate, we pay tax where value is created, and we do not use artificial structures or tax havens to avoid tax. We claim incentives and exemptions only where the law provides them for genuine business activity.

Governance

The Chief Financial Officer is responsible for tax strategy and compliance, with oversight from the Audit Committee. Tax risks are identified through our enterprise risk process and reviewed by internal and statutory auditors. Transactions with overseas subsidiaries and joint ventures follow the arm's-length principle.

Concerns about tax conduct can be raised through our Whistle-blower Policy.

Our tax contribution is disclosed in the financial statements of our Annual Report 2025-26.



Cybersecurity and Data Privacy

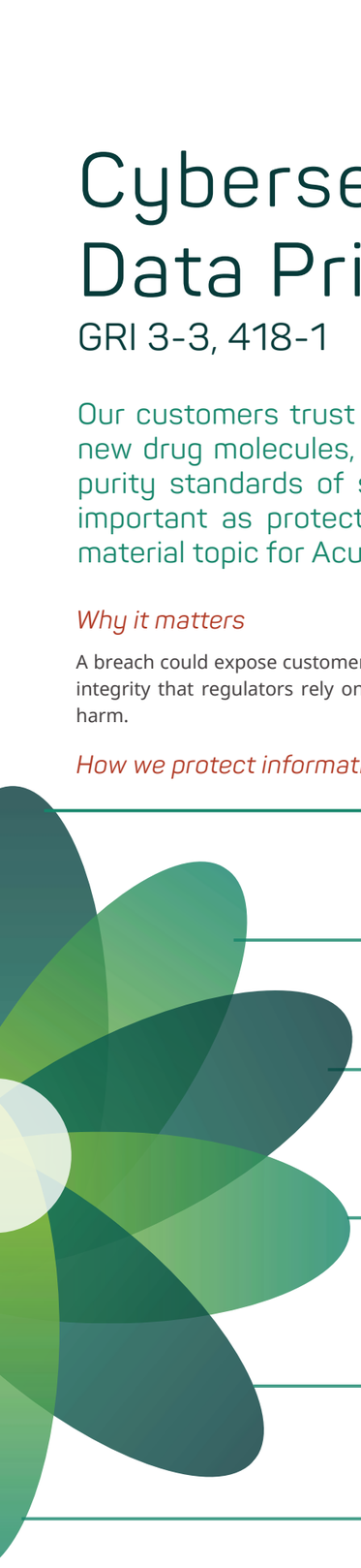
GRI 3-3, 418-1

Our customers trust us with some of their most valuable secrets: the routes to new drug molecules, the specifications of next-generation battery cells, and the purity standards of semiconductor materials. Protecting that information is as important as protecting our plants. Information security and data privacy is a material topic for Acutaas.

Why it matters

A breach could expose customer intellectual property, disrupt automated DCS-controlled production, compromise the data integrity that regulators rely on, or leak personal data of employees. Each would cause financial, legal and reputational harm.

How we protect information



Governance

Cyber Security Policy approved by the Board; dedicated Chief Information Security Officer (Mr. Chetansinh Parmar) and Head of IT & Information Security (Mr. Satish Revankar); cyber risk on the RMC agenda

Testing

Regular cybersecurity assessments, including annual vulnerability assessment and penetration testing

Certification

ISO/IEC 27001 Information Security Management System

People

Data integrity and data privacy training for KMPs; awareness sessions for all employees

Data integrity

Electronic Lab Notebooks at the R&D centre; validated analytical software; 21 CFR-compliant systems at the R&D centre; secure digital Board portal

Technology

Trend Micro endpoint protection, drive encryption, firewalls, cloud-based mail server, and secure FTP for sharing data with customers

Performance

Breaches involving customers' personally identifiable information — Nil — 0%

Corrective actions on cybersecurity and data privacy — Nil — None required

Data breaches — Nil — 0

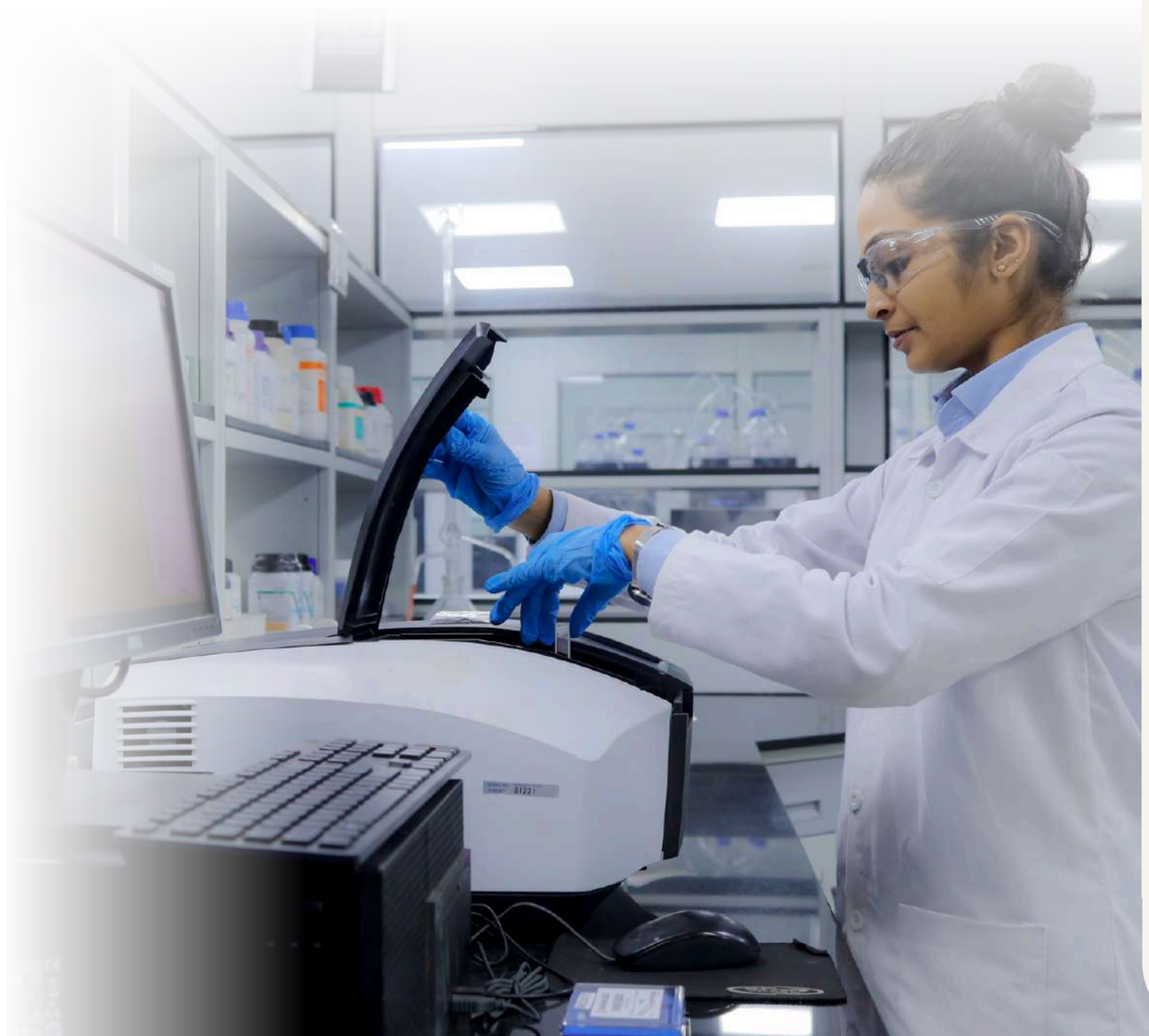
FY 2024-25 *FY 2025-26*

Substantiated complaints about breaches of customer privacy — Nil — 0

The incidence of data breaches is a BRSR Core indicator and was covered by reasonable assurance from TÜV SÜD South Asia.

Looking ahead

As we onboard new sites in Jhagadia and South Korea and manage increasing volumes of customer data across our CDMO and semiconductor projects, we are strengthening operational technology (OT) security across our DCS plants and conducting regular phishing simulations to enhance cybersecurity awareness and resilience.



Chapter C

Chemistry for Progress

"Molecules for medicines, batteries and electronics, made responsibly

Every modern breakthrough has chemistry at its core. A tablet for heart disease, a battery that lasts longer in an electric car, a chip that fits more power into less space, each depends on molecules made to exacting standards. At Acutaas, progress means making those molecules better: purer, safer, greener, and available when the world needs them.

This chapter shows how our four businesses serve a changing world, how R&D makes our processes greener, how we keep products safe, and how we build a responsible supply chain and share value with the communities around us. Our financial performance is reported in our Annual Report 2025-26.

Progress at a glance

Product recalls

Zero
FY 2025-26

Zero
FY 2024-25

R&D team

130+ scientists, including 30+ PhDs
FY 2025-26

130+
FY 2024-25

Process patents

29 (10 granted)
FY 2025-26

22 (10 granted)
FY 2024-25

Purchases from MSMEs / local suppliers

40% / 43%
FY 2025-26

34% / 29%
FY 2024-25

Recycled waste share

85%
FY 2025-26

62%
FY 2024-25

Value chain partners assessed on health, safety and labour practices

45% (by value)
FY 2025-26

35% (by value)
FY 2024-25



Our Businesses: Chemistry Where the World Needs It

GRI 2-6, 3-3 (Global expansion and responsible integration)

We do not diversify to spread risk; we diversify to build strength. Each vertical is held to the same standard: global-quality certification, defensible know-how, and a genuine right to win. Each also has its own "pillars of responsible chemistry", the ways it lowers its footprint while it grows.

Advanced Pharmaceutical Intermediates and CDMO
Established

Building blocks for medicines, mainly for chronic therapies

Battery Chemicals
Phase I commissioned in January 2026

Electrolyte additives for lithium-ion batteries

Semiconductor Chemicals
Scaling in India and South Korea

Ultra-pure advanced semiconductor chemicals

Commodity Chemicals
Being reshaped to lower-footprint specialty products

Performance chemicals for personal care, polymers, dyes and agrochemicals

01 *Advanced Pharmaceutical Intermediates and CDMO: chemistry for health*

The changing world

Chronic diseases such as cancers, diabetes, heart disease and neurological disorders are rising worldwide, and patients need medicines that are reliable and affordable. Drug makers want partners who can develop and scale complex molecules with full regulatory documentation.

What we do

Pharmaceutical intermediates are the building blocks that drug makers turn into active ingredients. We supply both generic intermediates, where the IP is ours, and CDMO services for innovators, where the IP belongs to them. In the Pharma segment, we serve 160+ customers in 25+ countries across 17+ therapeutic areas, and about 95% of our portfolio goes into chronic therapies. In several key molecules we hold 50–90% of global market share.

FY 2025-26

It was the first full year of our CDMO ramp-up. Alongside our long-standing relationship with key customers, we validated four new CDMO products and added 30–40 molecules to the overall pharmaceutical intermediates pipeline.

Strategy

Expand the innovator business with a focus on CDMO; develop off-patent products early to secure customers ahead of competitors; drive innovation through differentiated products; and use next-generation process technology to stay competitive.

Pillars of responsible chemistry

The Sachin facility runs on Zero Liquid Discharge, using an ETP and Soil Biotechnology. The majority of products are backward-integrated to basic chemicals, which shortens supply chains. Our 21 CFR-compliant quality systems give customers the documentation they need for their own regulatory filings.

02 *Battery Chemicals: Chemistry For The Energy Transition*

The changing world

Electric vehicles and grid storage are driving demand for lithium-ion batteries. US policy now encourages sourcing outside China, and India's PLI scheme supports domestic cell manufacturing, so cell makers are looking for new, trusted sources of battery materials.

What we do

We make electrolyte additives, Vinylene Carbonate (VC) and Fluoroethylene Carbonate (FEC), which improve the performance, safety and life of lithium-ion batteries. Acutaas is India's first manufacturer of these additives.

FY 2025-26

Phase I at Jhagadia, for VC and FEC, was inaugurated on 19 January 2026. Its full commercial capacity is covered by long-term contracts for three years. We have 5+ customers with validated products in 3 countries, two more products due to be commercialised in FY 2026-27, and 10+ in the pipeline.

Pillars of responsible chemistry

An in-house process designed to use less solvent and energy; a fully automated DCS plant that reduces manual handling and variation; and products that sit directly upstream of clean mobility and energy storage.

03

Semiconductor Chemicals:
Chemistry For The Digital World

The changing world
Semiconductors are expected to approach a US$1 trillion market by 2030, and governments treat chip supply as a strategic priority. Chip-makers run on just-in-time supply and need ultra-pure materials from suppliers close at hand.

What we do
Through Baba Fine Chemicals (55%), we are India's only manufacturer of chemicals that go into photoresists, at parts-per-billion purity. Through Indichem Inc. (our 75:25 joint venture with J & Materials Co. Ltd., a partner with 30+ years in South Korea's semiconductor ecosystem) we are building advanced semiconductor chemicals capability in Gongju, South Korea.

FY 2025-26
Indichem's R&D centre is operational and sending samples to prospective customers, and the plant was inaugurated in August 2026. Baba Fine Chemicals had a soft year but recovered sharply in the final quarter on stronger US demand.

Pillars of responsible chemistry
Manufacturing at parts-per-billion purity is highly complex and demands exacting process control. The Indichem model is built on strict technology transfer and quality governance with an experienced local partner.

04

Commodity Chemicals:
Replacing Low Value With Better Value

What we do
Products such as parabens, methyl salicylate and para-anisic acid, made at Jhagadia, serve 400+ customers in 55+ countries across personal care, polymers, dyes and agrochemicals.

FY 2025-26
Volumes grew steadily through a difficult global cycle.

Strategy and responsible chemistry
We are deliberately shrinking lower-value, higher-impact legacy products to make room for higher-value, lower-footprint specialty chemistry, a conscious decision to trade volume for value. Cross-selling to our existing customer base, instead of building new capacity for every product, saves capital and resources. The Jhagadia facility runs a modern ETP.

R&D, Innovation and Green Chemistry

GRI 3-3 (Sustainable product design and innovation), 301-2

We do not diversify to spread risk; we diversify to build strength. Each vertical is held to the same standard: global-quality certification, defensible know-how, and a genuine right to win. Each also has its own "pillars of responsible chemistry", the ways it lowers its footprint while it grows.

Why it matters

Sustainable product design and innovation is a material opportunity. Customers increasingly choose suppliers that can cut the environmental footprint of their supply chains, and regulators are tightening rules on solvents, waste and emissions. Greener processes lower our costs, reduce risk for our people, and help win and keep business with global innovators.

Our R&D engine

4 labs with 30 advanced fume hoods; Analytical Development Laboratory
Labs

2,200 sq. m, DSIR-approved, Sachin; all four verticals under one roof
R&D centre

8 reactors with temperature and pressure control; expanded pilot plant with high-potency chemical capability under construction
Pilot plant

130+ members, including 30+ PhDs (13% of employees)
R&D team

Electronic Lab Notebook; 21 CFR-compliant systems
Data integrity

LCMS, GCMS, NMR, ICP-MS, ICP-OES, IC, IR, DSC, UV
Analytical tools

29 (10 granted, 9 published, 10 under publication)
Process patents

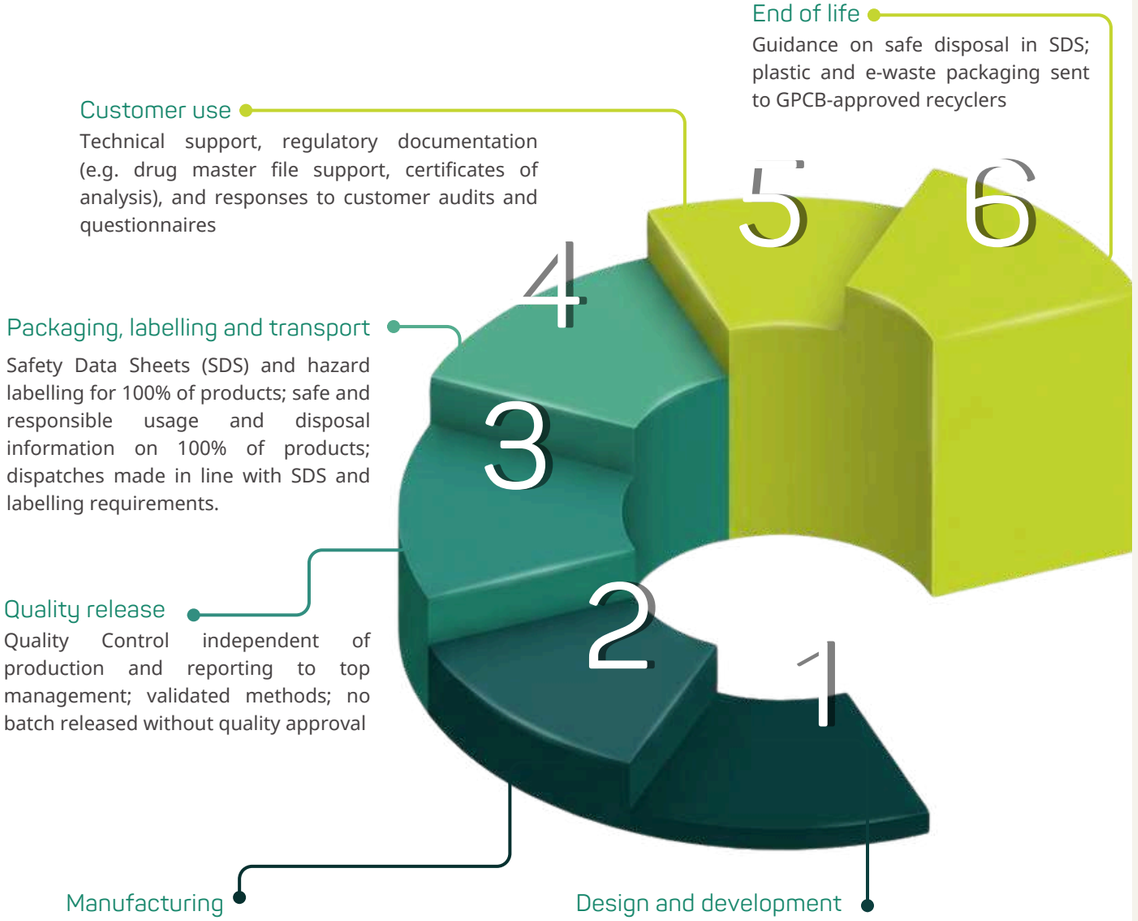
43+
Reaction capabilities

Product Stewardship and Customer Health & Safety

GRI 3-3, 416-1, 416-2

Our products end up inside medicines that patients take every day, batteries that power vehicles, and chips that run critical systems. Even though we serve businesses rather than consumers, we take responsibility for the safety of our chemicals at every stage: in our manufacturing facilities, in transport, at our customers' sites and in the products they make.

How we manage chemical safety along the life cycle



Technology platforms

Platform	What it does	Sustainability benefit
Continuous flow chemistry	Runs reactions continuously in small, controlled volumes	Less solvent and energy, higher yields, safer handling of hazardous reactions
Microreactors	Precise control of complex, fast or exothermic reactions	Better selectivity, fewer by-products, inherently safer
UV photo reactors	Uses light to drive reactions	Replaces harsh reagents and high temperatures
Slurry flow reactors	Handles solid-liquid systems continuously	Extends flow benefits to more processes
3D mixing tubular reactors	Uniform mixing	Consistent quality, less rework and waste

Research areas include new chemical entities, chiral and biocatalytic chemistry, and green chemistry, serving pharmaceuticals, semiconductor and battery chemicals, polymers, agrochemicals and cosmetics. Our analytical teams carry out genotoxic and nitrosamine impurity evaluations, which help protect patient safety.

Green chemistry in practice

Green process development for API intermediates

We redesigned synthetic routes to improve yield and selectivity, cut solvent use through recovery and substitution with less hazardous alternatives, and lowered the E-factor (waste per kilogram of product). The result is less chemical waste, lower resource use and safer conditions for operators.

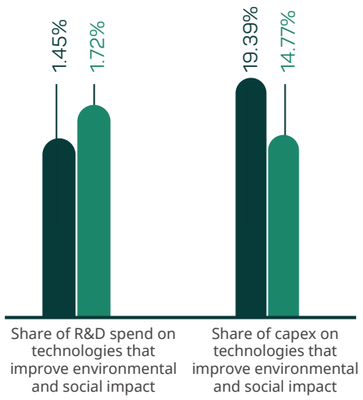
Sustainable manufacturing of fine chemicals

We developed catalytic processes that remove reaction steps and use less raw material, moved processes to flow chemistry to reduce waste, hazards and energy, and optimised process parameters to save energy.

Battery chemicals

Our VC and FEC processes were developed in-house and designed from the start to use less solvent and energy.

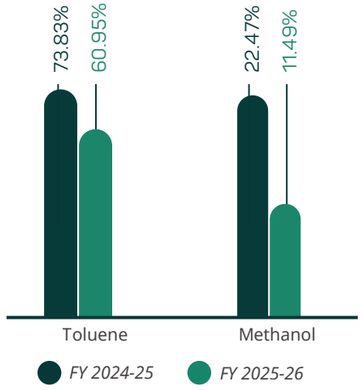
Investing in better technology



Solvent recovery and recycled inputs (GRI 301-2)

Solvents are among our largest inputs, and recovering them saves money, energy and emissions. Our solvent recovery plant at Sachin recovers solvents for reuse in production.

The share of recovered toluene and methanol fell this year, as new products with stricter purity specifications required fresh solvent. We are adding recovery capacity to reverse this trend.



Next steps: measuring the footprint of our products

We have not yet carried out product carbon footprint (PCF) or life cycle assessment (LCA) studies. Customers increasingly request this information, and we will develop this capability in line with their requirements.

Performance

Indicator	FY 2025-26	FY 2024-25
Products with SDS and safe-use information (% of turnover)	100%	100%
Products for which health and safety hazards are assessed and communicated through SDS (GRI 416-1)	100%	100%
Incidents of non-compliance on product health and safety (GRI 416-2)	Nil	Nil
Product recalls on safety grounds (voluntary / forced)	0 / 0	0/ 0
Successful regulatory inspections	USFDA (2 EIRs), PMDA Japan (2 approvals) to date	



Responsible Care

In FY 2025-26 we received Responsible Care certification from the Indian Chemical Council, part of the global chemical industry's voluntary initiative to improve health, safety, environment and security performance across the product life cycle.

Regulatory compliance for chemicals

We comply with REACH for exports to the EU, K-REACH for South Korea and TSCA for the United States, and screen our portfolio for substances of very high concern.

Quality, Labelling and Customer Satisfaction

GRI 417-1, 417-2, 417-3

Quality is a way of life at Acutaas. Growth can wait, but quality never can.

Nareshkumar R. Patel
Chairman & Managing Director

For a pharmaceutical customer, one off-specification batch can delay a regulatory filing or a patient's medicine. For a battery or semiconductor manufacturer, an impurity measured in parts per billion can ruin a production run. Quality is therefore the foundation of every relationship we have, and many of our customer relationships have lasted more than a decade.

Our quality system

Independence

Quality Control is structurally separate from manufacturing and reports directly to top management, so analysis is never answerable to production timelines.

Certified to global standards

ISO 9001:2015; GMP to ICH Q7 and Q9; 21 CFR-compliant systems; two USFDA Establishment Inspection Reports; two PMDA Japan GMP approvals.

A five-step QC process

Representative sampling under strict protocols; testing with validated methods; multi-level review of results; release only after quality approval; and feedback-driven improvement.

Specialist teams and labs

Qualified analysts dedicated to each testing stream, purpose-built labs for specific tests, formally validated analytical software, and instruments including HPLC, GC, headspace GC, GC-MS, FTIR, Karl Fische, UPLC and NMR.

Analytical Development Laboratory

Keeps method development and impurity profiling in step with an increasingly technical pipeline.

Product information and labelling (GRI 417-1)

Every product we sell carries information on safe and responsible use and on safe disposal, through Safety Data Sheets, labels and certificates of analysis that meet the requirements of each market. Product labels follow the Globally Harmonized System (GHS) for hazard communication. We do not yet provide product-level environmental and social information, such as carbon footprints; this is the next step as customer demand grows.

	Safe and responsible usage	Recycling and/ or safe disposal
Environmental and social parameters	100%	100%
Share of turnover		0%

Listening to customers

Customers can raise concerns through account managers, quality agreements, business reviews and the "Enquire Now" channel on our website. Every complaint is logged, investigated through root-cause analysis with corrective and preventive action (CAPA), and closed with the customer. We also host customer audits throughout the year, and hosted 83 customer audits in FY 2025-26 (Unit I: 24, Unit II: 8, Unit III: 51).

All 22 complaints were resolved during the year.

	FY 2024-25	*FY 2025-26*
Product-related customer complaints received	23	22
Complaints pending at year-end	0	0
Non-compliance with marketing communications rules (GRI 417-3)	Nil	Nil
Non-compliance with product information and labelling rules (GRI 417-2)	Nil	Nil
Complaints on data privacy, advertising, cybersecurity, restrictive or unfair trade practices	23	22



A Responsible and Resilient Supply Chain

GRI 3-3 (Global supply chain resilience), 2-6, 204-1, 308-1, 308-2, 414-1, 414-2

The past few years have shown how quickly supply chains can break: a pandemic, a blocked canal, conflict in the Gulf. For a chemistry company, supply security is now a strategic advantage. At the same time, customers expect us to answer for the environmental and social standards of our own suppliers. Our approach combines both: build resilience, and raise standards.

Our supply chain at a glance

Our main inputs are basic and intermediate chemicals, solvents, catalysts, packaging materials, utilities and engineering services. Suppliers include chemical manufacturers in Gujarat and across India, importers and trading houses, and international producers for specialised materials.

	FY 2024-25	*FY 2025-26*
Products backward-integrated to basic chemicals	Majority	
Sourcing from within India	~59%	



Building resilience

After Gulf-related disruption pushed up feedstock costs at year-end, our procurement and operations teams acted quickly, and we do not expect any shortage to affect production. Our resilience rests on:

Backward integration

majority of products made from basic chemicals, reducing dependence on complex imported intermediates.

Logistics

alternate freight routes and logistics partnerships.

Strategic inventory

buffers for critical raw materials, supported by 1,050 MT of raw-material storage at Sachin.

Risk monitoring

a dedicated function tracks global developments that could affect supply.

Local and diversified sourcing

59% of procurement in India; MSME and local purchases rising sharply this year; a wider base of trading houses, with the top 10 now 33% of trading-house purchases (54% last year).

Raising standards: sustainable procurement

Our Sustainable Procurement Policy requires every purchase of goods and services to consider health, safety, environmental impact and conservation of natural resources. Our Supplier Code of Conduct sets clear expectations on environmental management, pollution prevention, waste, labour rights, health and safety and business ethics. It applies to domestic and global suppliers and to their employees, agents and contractors. We have also begun considering upstream and downstream GHG emissions in procurement decisions.



New suppliers screened using social criteria (414-1) — 45%

0 — Suppliers terminated as a result of assessment

New suppliers screened using environmental criteria (308-1) — 0%

0 — Suppliers with significant actual or potential negative impacts identified (308-2, 414-2)

Supplier assessments

As part of our SA 8000 commitments, we assess value chain partners on health, safety and labour practices.

We have not yet assessed suppliers on environmental performance. Starting in FY 2026-27, we plan to extend assessments to environmental criteria for critical suppliers, using a self-assessment questionnaire and site audits. This will also support our Scope 3 emission reduction work.

Contractors

About 706 contract workers support our operations. Contractors must follow our safety rules, permit-to-work system and SA 8000 standards, and they are briefed through safety inductions and site notices. Their working conditions and wages are covered by our assessments.

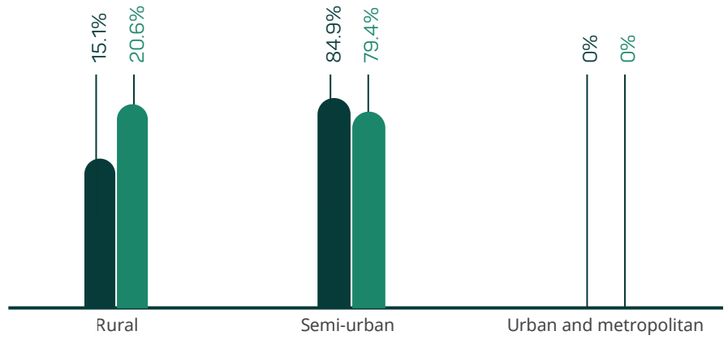
Indirect Economic Impacts

GRI 203-1, 203-2

Our value reaches well beyond our own accounts. Every rupee we spend on wages, local suppliers, infrastructure and new capacity reaches the towns around our facilities, and our new businesses help build industries India has so far had to import.

Jobs in smaller towns

All of our wage spend goes to people working in rural and semi-urban areas, none to large cities. This brings skilled, formal jobs to the industrial belts of Surat and Bharuch.
The share of wages paid in rural areas rose from 15.1% to 20.6%.



Wages paid by location (% of total wage cost)

Strengthening local businesses

We bought 40% of our inputs from MSMEs and small producers and 43% from suppliers in Surat and neighbouring districts, both well up on last year. This supports local manufacturers, transporters and service providers, and the jobs they create.



Infrastructure and services supported (GRI 203-1)

In-kind

- Hospital construction and medical equipment in underserved areas
  Local communities
- School infrastructure and learning resources
  Students and teachers
- Drinking water projects and sanitation facilities
  Villages near our sites
- Solar street lights and solar water pumps
  Rural communities

Commercial

- 15.8 MW solar plants in Narmada and Bharuch districts
  Our operations; local renewable energy capacity

Building new industries for India (GRI 203-2)

Skills

Our R&D centre and automated plants develop scientists, engineers and operators with advanced skills in flow chemistry, DCS operation and GMP, adding to the region's talent pool.

Semiconductor chemicals

As India's only manufacturer of chemicals for photoresists, and through our presence in Noida and South Korea, we are bringing semiconductor materials capability to India.

Global reach

We supply customers in about 55 countries, connecting Gujarat's chemical industry and its workforce to global markets.

Battery materials

As India's first maker of electrolyte additives, we are helping build a domestic supply chain for lithium-ion batteries, reducing reliance on imports. Our Jhagadia project has been approved under the Government of India's Electronics Components Manufacturing Scheme.

Local contracting

Our expansion projects, including the battery chemicals plant at Jhagadia, create construction, engineering and maintenance work for local contractors.



Land and resettlement

No projects in FY 2025-26 required a Social Impact Assessment under applicable law, and no rehabilitation or resettlement was needed.

Chapter D

Chemistry for the Planet

"Decarbonisation, energy, water, waste, safe chemicals and biodiversity

Chemistry gives the world medicines, enables clean energy and powers electronics. It also draws on energy, water and raw materials, and it produces emissions and waste. Our responsibility is to make sure the balance keeps moving in the planet's favour: more value from every unit of energy, every litre of water and every kilogram of material, and less left behind.

FY 2025-26 was a year of real progress and honest challenges. We added 5 MW of captive solar capacity, taking our portfolio to 15.8 MW, recycled 85% of our waste and cut Scope 1 emissions by 12%. At the same time, a shift towards lower-volume, higher-value molecules and new capacity at Jhagadia raised our total energy use and Scope 2 emissions. This chapter reports both.

Planet at a glance: FY 2025-26

Scope 1 emissions (tCO_2e)

FY 2025-26	FY 2024-25	
23,730	26,874	12% ▼

Scope 2 emissions (tCO_2e)

FY 2025-26	FY 2024-25	
27,675	16,552	67% ▲

Scope 3 emissions (tCO_2e)

FY 2025-26	FY 2024-25	
19,260	15,564	24% ▲

Total energy consumed (GJ)

FY 2025-26	FY 2024-25	
5,31,497	4,33,048	23% ▲

Renewable share of electricity

FY 2025-26	FY 2024-25	
42%	2%	40% ▲

Water withdrawal (KL)

FY 2025-26	FY 2024-25	
1,39,547	1,28,710	8% ▲

Waste recycled

FY 2025-26	FY 2024-25	
85%	62%	23 ▲ points

Waste sent to landfill (MT)

FY 2025-26	FY 2024-25	
2,292	2,785	18% ▼

Emissions avoided through solar power (tCO_2e)

FY 2025-26	FY 2024-25	
12,083	-	New

Particulate matter ($\mu g/m^3$)

FY 2025-26	FY 2024-25	
49.75	61.14	40% ▼

FY 2024-25 Scope 1 and Scope 3 values have been restated following an updated methodology under the GHG Protocol.



Our Environmental Management Approach

GRI 3-3

Environmental stewardship at Acutaas is built on systems, not intentions. All three manufacturing units operate under an Integrated Management System certified to ISO 14001:2015 (environment), ISO 45001:2018 (health and safety) and ISO 9001:2015 (quality). Our Sachin unit is also certified to ISO 50001:2018 for energy management. In FY 2025-26 we received Responsible Care certification from the Indian Chemical Council, which commits us to continual improvement in environmental, health, safety and security performance.

How we manage our environmental performance

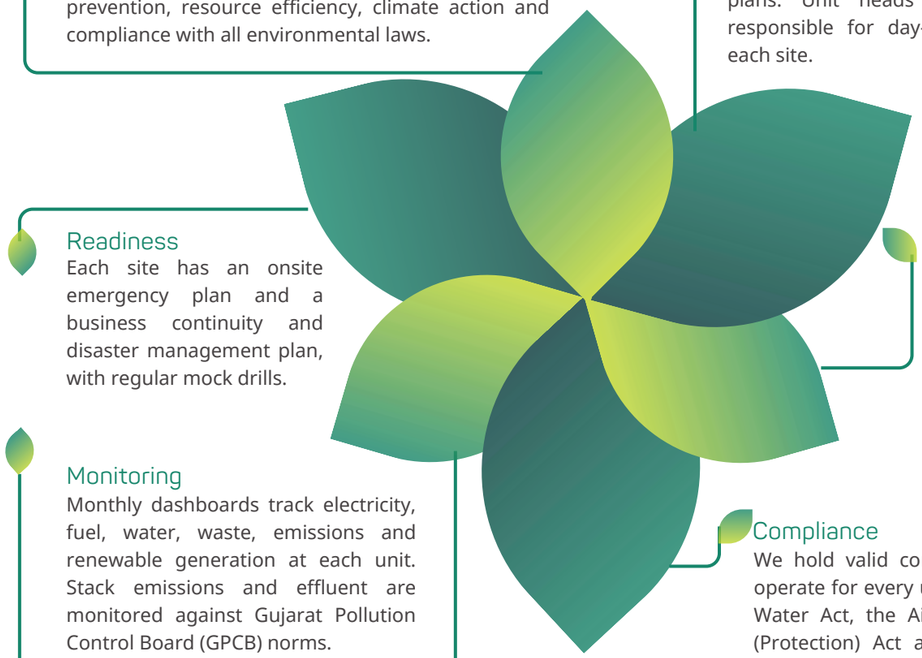
None of our manufacturing units is located in or near an ecologically sensitive area or an area of water stress. No environmental impact assessment was required for projects during the year.

Policy

Our Board-approved Environment and Sustainability Policy and ESG Policy commit us to pollution prevention, resource efficiency, climate action and compliance with all environmental laws.

Governance

The ESG Committee reviews environmental performance and site-level improvement plans. Unit heads and EHS teams are responsible for day-to-day performance at each site.



Readiness

Each site has an onsite emergency plan and a business continuity and disaster management plan, with regular mock drills.

Assurance

Our energy, emissions, water and waste data for FY 2025-26 received reasonable assurance from TÜV SÜD South Asia under BRSR Core.

Monitoring

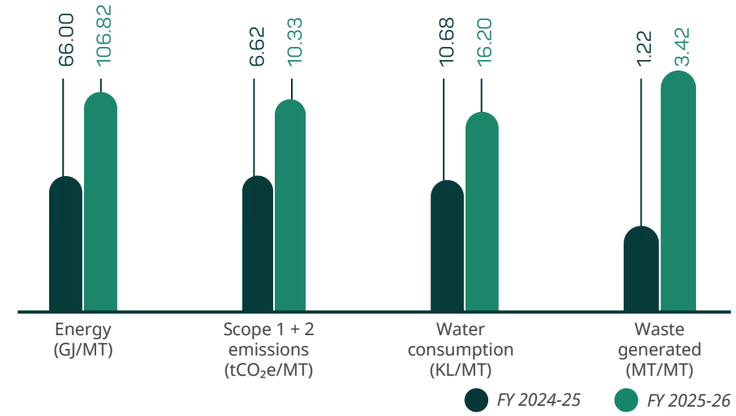
Monthly dashboards track electricity, fuel, water, waste, emissions and renewable generation at each unit. Stack emissions and effluent are monitored against Gujarat Pollution Control Board (GPCB) norms.

Compliance

We hold valid consents to establish and operate for every unit and comply with the Water Act, the Air Act, the Environment (Protection) Act and the Hazardous and Other Wastes Rules, 2016.

Understanding our environmental intensities

Our production mix changed significantly during the year. As we focused on lower-volume, higher-value products, including CDMO molecules that need more processing steps, total production volume declined. Because each tonne now has complex chemistry, intensity figures per tonne have risen even where absolute performance has improved. We are developing intensity measures that better reflect the complexity of our portfolio.





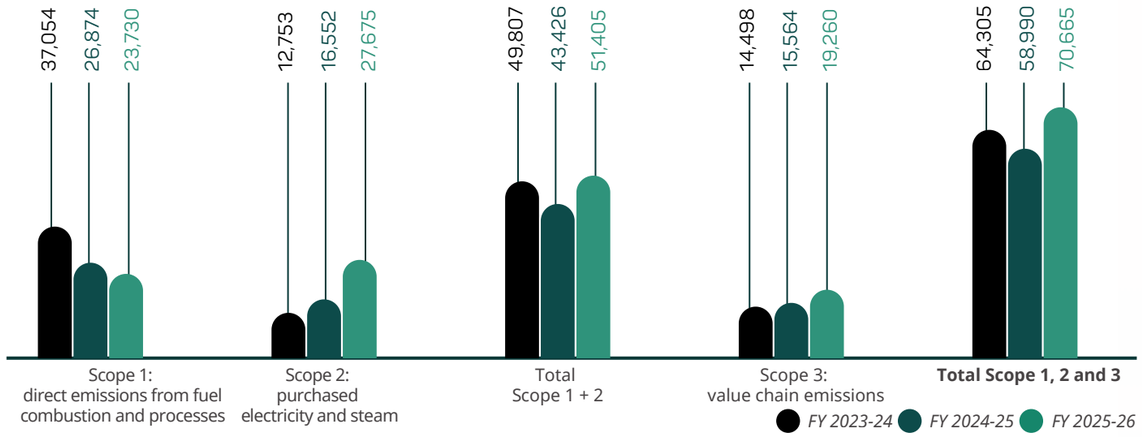
Climate Action and GHG Emissions

GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5

Climate change is one of the defining forces of our changing world, and our customers, investors and communities expect us to play our part. In FY 2025-26 we took three important steps: we updated our Scope 1, 2 and 3 inventory under a revised GHG Protocol methodology, we decided to set near-term emission reduction targets aligned with science-based pathways, and we set out our initial view of the climate-related risks facing our sites.

Our GHG inventory

We calculate emissions under the GHG Protocol Corporate Standard, using the operational control approach for our three manufacturing units, R&D centre and warehouses.



FY 2024-25 Scope 1 and Scope 3 values have been restated under the updated methodology. FY 2023-24 values are as published in our Annual Sustainability Report for FY 2023-24 and have not been restated, so they are not directly comparable with later years.

What drove the change

Scope 1 fell 12%

Fuel use in our boilers and thermic fluid heaters fell 11%, helped by better condensate recovery, improved insulation and lower production volumes.

Scope 2 rose 67%.

Energy from other sources, mainly purchased steam, rose 78% and grid electricity 31% as new capacity came online at Ankleshwar and Jhagadia, including the battery chemicals plant, and as more energy-intensive, multistep chemistries entered production. Purchased steam is supplied by a third party within the industrial estate. Without our solar plants, Scope 2 emissions would have been about 12,083 tCO_2e higher.

Scope 3 rose 24%.

Higher purchases of raw materials, solvents and packaging for complex products, and more international shipments, increased our value chain footprint. Scope 3 makes up 27% of our total footprint.

Scope 3 emissions

Scope 3 covers emissions we do not control directly but influence through our choices. Our FY 2025-26 inventory covers the following categories:

We are building a Scope 3 roadmap to expand data coverage and collect supplier-specific emission data from our most significant suppliers.

1. Purchased goods and services
3. Fuel- and energy-related activities
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
9. Downstream transportation and distribution

Reducing our emissions

Initiative	What we did	Impact
Captive solar power	Added 5 MW at Vahelam, Bharuch, taking our captive solar capacity to 15.8 MW	1.70 crore kWh of clean electricity; 52% of electricity at Ankleshwar and Jhagadia; 12,083 tCO_2e avoided
Variable frequency drives	Installed on brine plant compressors, chilling and brine pumps, hot water system and scrubber blowers	5% to 15% electricity savings on the equipment covered
Efficient cooling at the R&D centre	Installed 13 TR of split inverter units as standby to the 38 TR HVAC system	About 120 kWh a day instead of about 600 kWh for the same duty
Steam and condensate	Improved condensate recovery and insulation	Lower fuel use in utilities
Process technology	Flow chemistry and photochemistry platforms; in-house process for battery chemicals	Lower energy and solvent use per batch

Our climate commitments

Science-based targets

We are working towards near-term emission reduction targets aligned with a 1.5°C pathway, for submission to the Science Based Targets initiative within the next 12 to 18 months.

Climate risk

Our initial view of physical and transition climate risks is set out in Chapter B6.

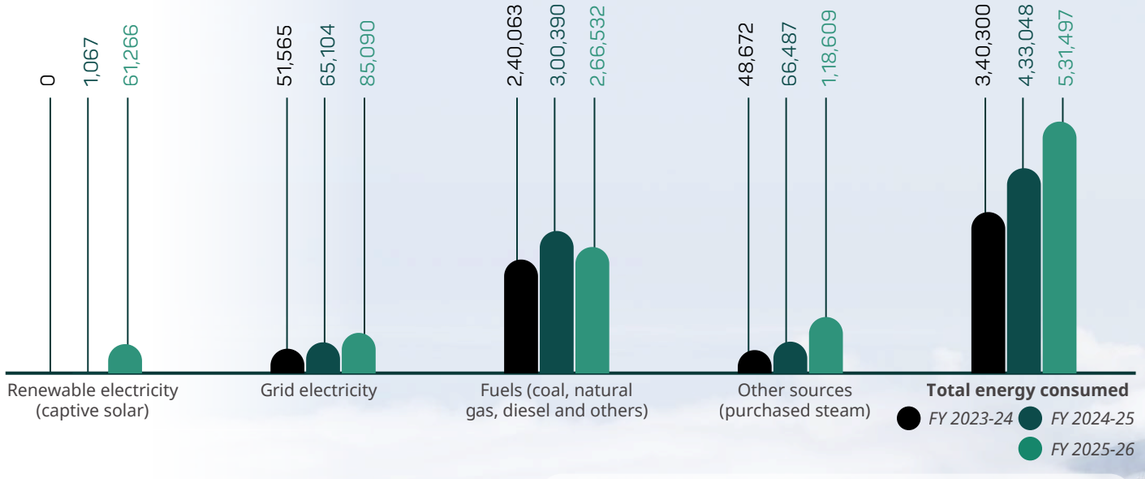
Climate disclosure

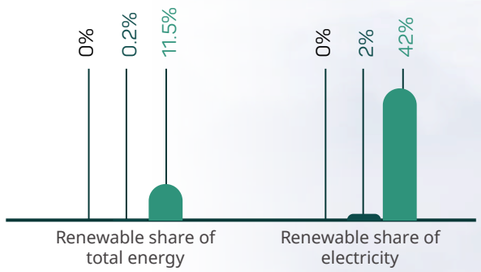
We will participate in a leading global climate disclosure platform from FY 2026-27.

Energy and the Renewable Transition

GRI 3-3, 302-1, 302-3, 302-4

Energy powers every reaction, distillation and drying step in our plants. Using less of it, and making more of it clean, reduces both our emissions and our exposure to rising energy costs.





Energy consumption

Energy use rose 23% as new capacity was commissioned and our product mix became more energy-intensive. At the same time, our renewable electricity rose from almost nothing to over 61,000 GJ.

Our renewable journey

We commissioned 10.8 MW of captive solar capacity in FY 2024-25 and a further 5 MW at Vahelam, Bharuch, in FY 2025-26. The 15.8 MW portfolio in Narmada and Bharuch districts now meets 52% of the electricity needs of our Ankleshwar and Jhagadia units. We are evaluating further solar and hybrid renewable capacity to raise the renewable share across all sites.

Managing energy systematically

Energy performance is reviewed monthly at each site. Our Sachin unit follows ISO 50001:2018, and energy audits at all units identify opportunities to optimise boilers, chillers, compressors and other utilities. New plants at Ankleshwar and Jhagadia run on Distributed Control Systems (DCS), which improve process stability and reduce energy waste.

Air Quality

GRI 3-3, 305-7

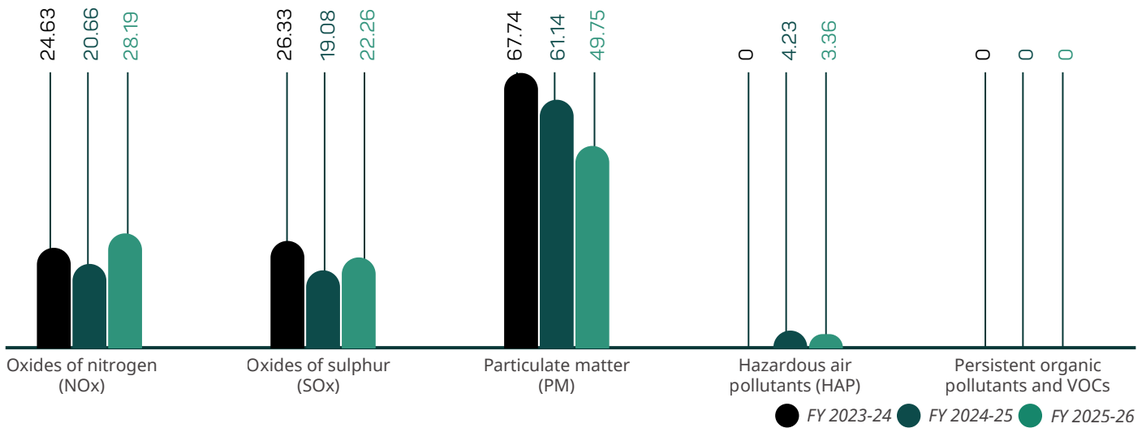
Our processes can release gases such as oxides of nitrogen and sulphur, hydrogen chloride and particulate matter. Keeping them well within permitted limits protects our workers and our neighbours.

How we control air emissions

- Two-stage scrubbers on process vents neutralise acid gases before release.
- High-efficiency filters and dust-capture systems control particulate matter in drying, handling and material transfer.
- Closed handling and solvent vapour recovery keep volatile organic compounds negligible.
- Stack emissions are monitored every month, and results are reported to GPCB.

Performance

Particulate matter fell for the third year in a row, and hazardous air pollutants fell 21%. NOx and SOx rose as new capacity came online at Jhagadia but remained well within GPCB limits.



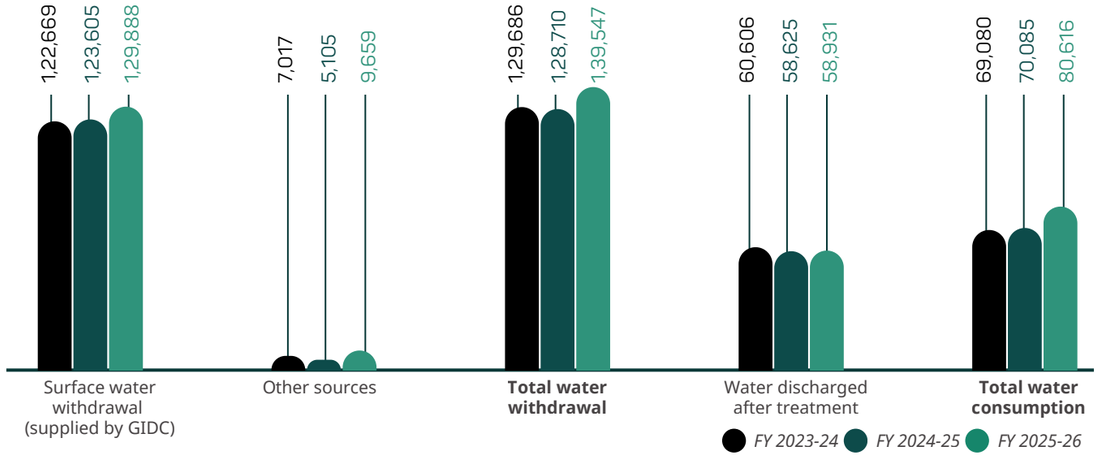
Water Stewardship

GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5

Water is essential for our reactions, cooling, boilers and cleaning. Gujarat's industrial growth puts pressure on shared water resources, so we aim to use less, reuse more and return water only after it has been treated to strict standards.

Our water footprint

None of our units is in an area of water stress, and we draw no groundwater. All wastewater is treated before it leaves our sites.



Zero Liquid Discharge at Sachin

Our Sachin unit has operated on Zero Liquid Discharge (ZLD) since 2016. Effluent passes through physico-chemical treatment with lime and alum, a filter press and sludge drying beds, and then a Multi Effect Evaporator (MEE) and Agitated Thin Film Dryer (ATFD). Treated water is reused in utilities, and the remaining solids are sent to a government-approved Treatment, Storage and Disposal Facility (TSDF). The site also uses Soil Biotechnology, a natural treatment process.

Treatment at Ankleshwar and Jhagadia

At our other two units, effluent is treated in-house through primary, secondary and tertiary stages before being sent to the authorised common effluent treatment system of the industrial estate (NCTL). Discharge quality is monitored against GPCB norms and verified by the regulator and the common facility operator.

Saving and reusing water

- Treated water reused in utilities and for gardening
- Better condensate recovery to reduce boiler make-up water
- Optimised cleaning and batch changeover cycles
- Separation of clean and process water streams
- Rainwater harvesting at selected sites

In FY 2025-26, these measures saved about 30 KL of fresh water a day.



Materials and Circularity

GRI 3-3, 301-1, 301-2

Our main inputs are basic and intermediate chemicals, solvents, catalysts and packaging. The majority of our products are backward-integrated to basic chemicals, which shortens supply chains and gives us better control over material efficiency.

Solvent recovery

Solvents are among our largest material inputs. In-house distillation and our solvent recovery plant at Sachin recover spent solvents for reuse, reducing fresh solvent purchases, emissions and hazardous waste.

Recovery rates fell this year as new products with stricter purity specifications required fresh solvent. We are adding recovery capacity and qualifying recovered solvent for more products to reverse this trend.

Solvent recovery rate (%)

Designing waste out

Green chemistry is our most powerful circularity tool. Route redesign, catalytic processes and flow chemistry reduce the number of steps, the amount of raw material and the waste generated per kilogram of product.

Packaging

We optimise packaging specifications to use less material, improve recyclability and ensure safe transport. Plastic and other packaging waste is sent to GPCB-authorised recyclers. Extended Producer Responsibility does not apply to our business, as we sell only to industrial customers.

Waste Management

GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5

As a chemical manufacturer, most of our waste is classified as hazardous: process residues, distillation residues, spent carbon, ETP sludge and used containers. We manage it under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, and our priority is to recover as much as possible and send as little as possible to landfill.

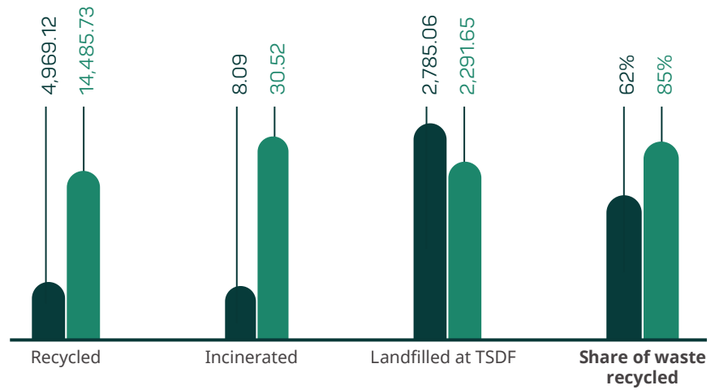
Our approach

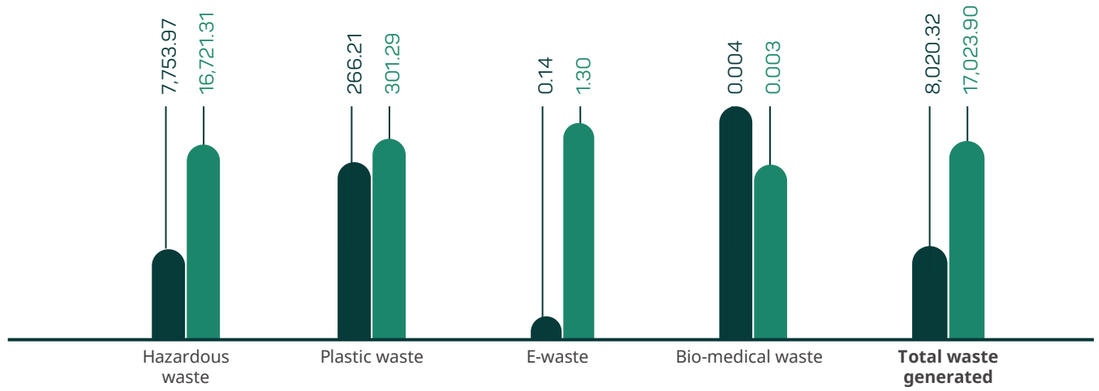


Prevent	waste at source through process optimisation, better batch planning and green chemistry.
Segregate	waste at source and store it in designated, covered areas.
Recover	through GPCB-approved recyclers, re-processors and co-processing in cement kilns.
Dispose	of only what cannot be recovered, at authorised TSDF and incineration facilities.
Track	every consignment through manifests, with regular audits of waste handlers.

Performance

Hazardous waste generated more than doubled as new capacity and more complex multistep products generated larger volumes of process residues that are suitable for recycling. The important outcome is where that waste went: recycling rose almost threefold, and waste sent to landfill fell 18%.





Biodiversity

GRI 101-1 to 101-8

All our manufacturing units are located within authorised GIDC industrial estates at Sachin, Ankleshwar and Jhagadia. None is within or next to a national park, wildlife sanctuary, biodiversity hotspot, wetland, coastal regulation zone or protected forest, and our operations do not involve land conversion or habitat disruption. Expansions are built within our existing industrial footprint.

Our approach

Policy
Our Environment and Sustainability Policy commits us to avoid harm to ecosystems and to support biodiversity around our sites.

Awareness
All employees receive awareness training on biodiversity conservation as part of our environmental induction.

Greenbelt
We maintain landscaped greenbelt areas within and around our plants, which reduce dust, provide micro-habitats and improve the local environment. We planted 350 trees in FY 2025-26.

0
Sites in or near ecologically sensitive areas

None identified
Significant impacts on biodiversity

75,323
(Sachin 8,250; Ankleshwar 10,375; Jhagadia 56,698)
Land area of manufacturing sites (sq. m)

350
Trees planted in FY 2025-26 (1,056 since FY 2023-24)

Supply chain
Most of our raw materials are synthetic chemicals rather than agricultural or forest products, so the biodiversity impacts of our supply chain are limited.

Direct drivers
Our most relevant potential impacts on biodiversity come from air emissions, effluent and waste. These are controlled through ZLD at Sachin, treatment before discharge at other units, scrubbers, and safe waste management, as described earlier in this chapter.



Looking Ahead

Our environmental priorities for FY 2026-27 are:

Climate
Submit near-term targets to the Science Based Targets initiative; disclose through a global climate platform

Energy
Extend energy audits under ISO 50001 to Ankleshwar and Jhagadia

Circularity
Restore solvent recovery rates; keep waste recycling at 85% or above; further reduce landfill

Air
Keep stack emissions well within GPCB limits

Water
Increase internal reuse of treated water and develop water intensity KPIs for each unit

Value chain
Extend Scope 3 data coverage

Chapter E

Chemistry for People

Safety, talent, diversity, human rights and communities

Behind every molecule we make are the people who design, scale up, produce, test and ship it, and the communities that live alongside our facilities. In a fast-changing industry, our people are what allow us to move into new chemistries safely and with confidence. This chapter describes how we keep them safe, help them grow, treat them fairly and share our success with our neighbours.

People at a glance: FY 2025-26

Total workforce (employees, workers and contract workers)

1,713	1,465
FY 2025-26	*FY 2024-25*

Employees and workers trained on health and safety

100%	100%
FY 2025-26	*FY 2024-25*

Fatalities

0	1
FY 2025-26	*FY 2024-25*

Employees and workers trained on human rights

100%	100%
FY 2025-26	*FY 2024-25*

Complaints on sexual harassment, discrimination or human rights

0	0
FY 2025-26	*FY 2024-25*

Permanent employees and workers paid above minimum wage

100%	100%
FY 2025-26	*FY 2024-25*

Lost-time injury frequency rate (workers)

0	0.30
FY 2025-26	*FY 2024-25*

Spending on employee and worker well-being

₹65.96 Mn	₹61.21 Mn
FY 2025-26	*FY 2024-25*

CSR spend / beneficiaries

₹28.81 Mn / ~8,000
FY 2025-26
₹19.77 Mn / 7,162
FY 2024-25

Certification

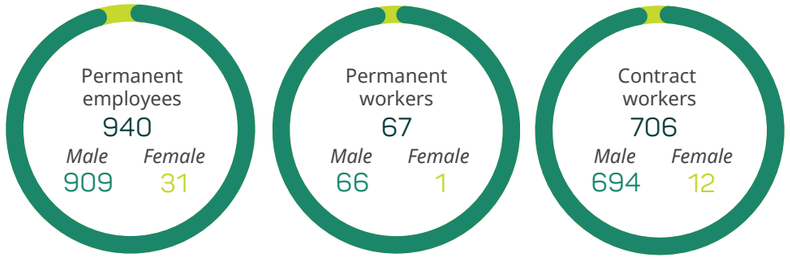
Great Place To Work® + Responsible Care Certification
FY 2025-26
-
FY 2024-25



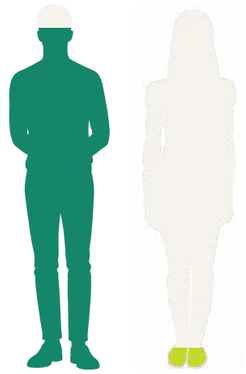
Our Workforce

GRI 2-7, 2-8, 401-1

Our workforce grew by 17% during the year as new capacity came online at Ankleshwar and Jhagadia. At 31 March 2026, 1,713 people worked across our three manufacturing units, R&D centre and offices.





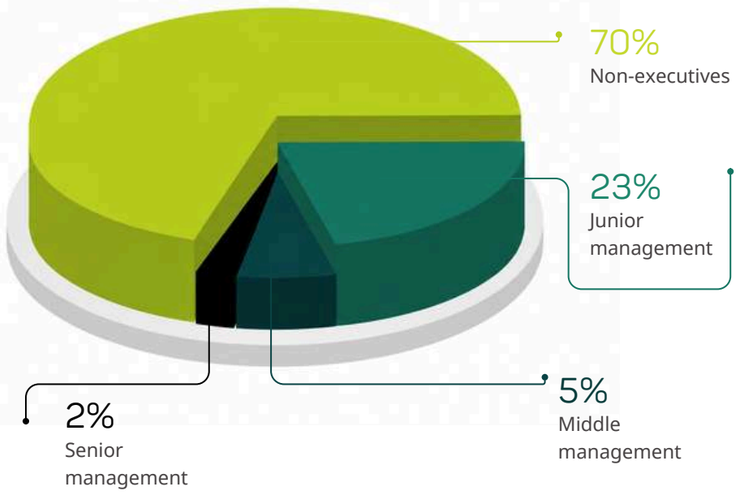


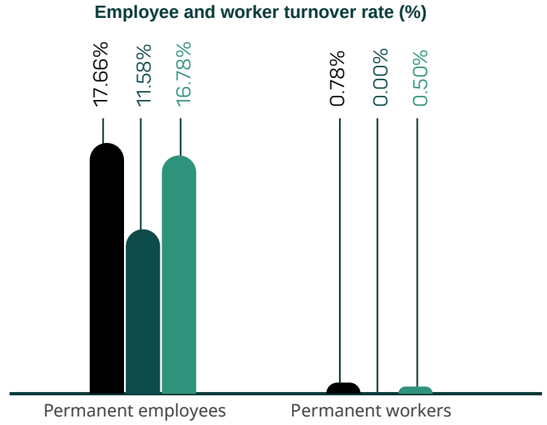
Total workforce	Male	Female
1,713	1,669	44

Contract workers are engaged through licensed contractors for production support, housekeeping, security, and loading and unloading. They are covered by our safety rules, SA 8000 standards and human rights policy, and receive the same health and safety training as our own staff. We have no part-time employees.

A young, skilled team

Our workforce is young and technically skilled. The average age of our employees is 33, and 13% work in R&D. Most of our senior leaders have been with Acutaas for five years or more, and each business vertical has its own dedicated leadership.





Hiring and retention

Employee turnover rose to 16.8%, in line with the levels seen in Gujarat's fast-growing chemical industry. To improve retention, we strengthened structured onboarding, introduced periodic engagement surveys and expanded career development programmes. Our certification as a Great Place To Work® reflects a culture built on trust, collaboration, learning and shared purpose.

FY 2023-24 *FY 2024-25* *FY 2025-26*



Benefits and Well-being

GRI 401-2, 401-3, 403-6

We believe people do their best work when their health, security and families are looked after. In FY 2025-26 we spent ₹65.96 Mn on the well-being of our employees and workers, up from ₹61.21 Mn the year before.

Benefits

Benefit	Permanent employees	Permanent workers	Contract workers
Health insurance	100%	100%	Through ESI
Accident insurance	100%	100%	100%
Maternity benefits (women)	100%	100%	As per law
Paternity benefits (men)	100%	100%	As per policy
Provident fund and gratuity	100%	100%	100%
Employees' State Insurance (where eligible)	49%	100%	100%
Life insurance or compensation in the event of death	Yes	Yes	Yes

We do not yet offer day-care facilities.

Parental leave

All employees who took parental leave during the year returned to work, and all of them were still with us twelve months later.

Return-to-work rate **100%**

Retention rate **100%**

Health and well-being

- Free annual medical check-ups and occupational health monitoring for all employees and workers
- An ISO-certified occupational health centre and in-house medical practitioners at our units
- Medical insurance covering occupational and non-occupational health needs
- Health awareness programmes, wellness workshops and sessions on fatigue and stress management
- Structured shift cycles and monitored working hours to prevent fatigue

Occupational Health, Safety and Process Safety

GRI 3-3, 403-1 to 403-10

Safety is our first and most important responsibility. Chemical manufacturing involves hazardous materials, high temperatures and pressures, and fire risks, and a single lapse can change lives. Our goal is simple: everyone who works at Acutaas goes home safe, every day.

Our safety management system

Our occupational health and safety management system is certified to ISO 45001:2018 and covers 100% of our manufacturing units, employees and contract workers. It follows the Plan-Do-Check-Act cycle and is reinforced by our SA 8000 certification and Responsible Care commitments.

Element	How it works
Hazard identification and risk assessment	Hazard Identification, Risk Assessment and Control (HIRAC) for routine and non-routine activities, with qualitative and quantitative assessments of chemical hazards
Process safety	DCS automation and powder transfer systems at new plants; safety built into design at the new Ankleshwar facility; work permit system for hazardous tasks
Safe work practices	Cardinal safety rules, SOPs, safety signage, Material Safety Data Sheets and personal protective equipment for every role
Worker participation	Safety committees at each unit; daily safety meetings where anyone can raise concerns
Right to stop work	Employees and workers can remove themselves from unsafe situations without fear of reprisal
Incident management	Every accident, incident, near-miss and unsafe act is reported and investigated for root causes, with corrective and preventive actions
Emergency preparedness	Onsite emergency plans, regular mock drills and 60 trained first-aiders
Audits	Internal audits of all safety SOPs and third-party safety audits every two years; 100% of plants assessed for health and safety in FY 2025-26
Occupational health	Workplace exposure monitoring, noise monitoring, regular medical check-ups and an on-site occupational health centre

Training

Every new joiner completes a mandatory health and safety induction run by our EHS department. In FY 2025-26, 100% of permanent employees and permanent workers, and all contract workers, received health and safety training covering chemical handling, firefighting, first aid, emergency response and the use of safety equipment.

Performance

Safety indicator	Category	FY 2025-26	FY 2024-25
Fatalities	Employees	0	0
	Workers	0	1
Lost-time injury frequency rate (per million person-hours)	Employees	0	0
	Workers	0	0.3
Total recordable work-related injuries	Employees and workers	0	0
High-consequence work-related injuries	Employees and workers	0	0
Complaints on working conditions or health and safety	Employees and workers	0	0

We recorded zero fatalities, zero lost-time injuries and zero recordable injuries in FY 2025-26. A few minor first-aid cases were treated on site and followed up with corrective actions.

In FY 2024-25, except one fatality of a worker, there were no significant safety-related incidents that required reporting. However, a few first-aid incidents occurred, which were promptly addressed through appropriate corrective and preventive actions. We investigated the fatality thoroughly and strengthened our controls, including additional training, revised SOPs and improved supervision. We supported the family, and a family member was offered employment with the company. This loss continues to shape our commitment to safety.



Training and Career Development

GRI 3-3, 404-1, 404-2, 404-3

As we move into new and more complex chemistries, our people need new skills. Our learning programmes combine classroom training with on-the-job experience, and annual development plans are agreed between HR and functional leaders.

What we offer

Technical and functional training
in process chemistry, equipment handling, quality and regulatory compliance for production, quality, R&D and engineering teams

Health, safety and environment
training for every employee and worker

Behavioural and leadership development
in communication, collaboration, decision-making and people management

Ethics and compliance
training on our Code of Conduct, POSH, human rights and SA 8000

ESG and sustainability
awareness for all levels

Structured onboarding
for new joiners at all sites

Performance

Employees trained on health and safety

100%	100%
FY 2025-26	*FY 2024-25*

Employees trained on skill upgradation

84%	86%
FY 2025-26	*FY 2024-25*

Workers trained on skill upgradation

78%	88%
FY 2025-26	*FY 2024-25*

Training programmes for employees / workers

440 / 240	38 hours
FY 2025-26	*FY 2024-25*

Average training hours per employee

42
FY 2025-26

Performance and career reviews

Review and skill-training coverage fell this year because many employees joined during the year and were not yet eligible for an annual review. We aim to return to full coverage in FY 2026-27. Internal job postings and leadership exposure help high performers grow, and a growing number of people from larger companies are joining us for the chance to build new businesses from the ground up.





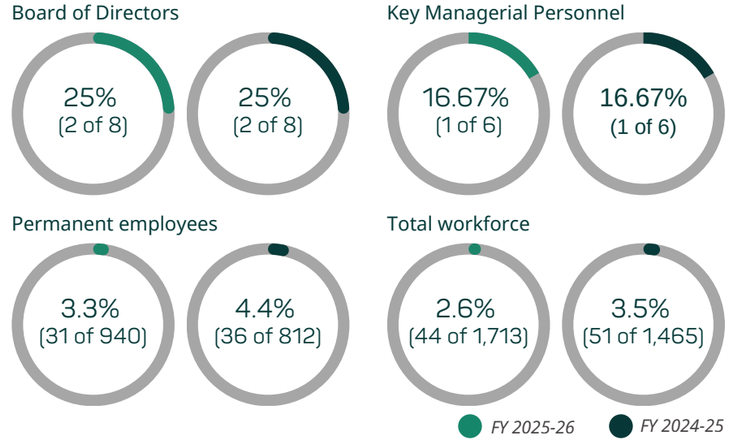
Diversity, Equal Opportunity and Pay Equity

GRI 3-3, 405-1, 405-2, 406-1

We want every person at Acutaas to have the same opportunity to contribute and to grow, regardless of gender, background, religion, disability or social status. Our Equal Opportunity Policy prohibits discrimination in hiring, pay, promotion, training and every other part of employment.

Gender diversity

Women remain under-represented in our workforce, as in much of India's chemical manufacturing industry, and their share fell slightly as the workforce grew. We recognise this as an area for improvement. In FY 2026-27 we will set a target for women's representation, encourage more applications from women for R&D, quality and laboratory roles, and extend mentorship programmes for women employees.



Pay equity

We pay men and women equally for the same work. Median pay for women is slightly higher than for men among employees, and lower among workers, where there is only one woman in a small group.

Median annual pay	Men	Women	Ratio (women to men)
Employees (other than Board and KMPs)	₹ 4,79,256	₹ 4,86,768	1.02
Permanent workers	₹ 4,36,638	₹ 3,99,312	0.91

Human Rights and Labour Relations

GRI 3-3, 2-30, 402-1, 407-1, 408-1, 409-1

Respect for human rights is the foundation of how we work. As a participant in the UN Global Compact and an SA 8000-certified company, we commit to the internationally recognised principles on labour and human rights.

Our commitments

Our Human Rights Policy covers:

- Freely chosen employment, with no forced, bonded or trafficked labour
- No child labour
- Payment of at least the legal minimum wage, with statutory benefits
- Humane treatment, free from harassment and discrimination
- Freedom of association and collective bargaining
- A safe and healthy workplace

The ESG Committee oversees our approach to human rights, and the HR department implements the policy and audits compliance. Human rights requirements are written into our business agreements and contracts, and into our Supplier Code of Conduct.

Due diligence

Our SA 8000 social audit reviewed labour practices, worker safety and well-being, health and safety, the functioning of the POSH committee, minimum wage compliance and human rights risk management. In FY 2025-26, 100% of our plants and offices were assessed for child labour, forced labour, sexual harassment, discrimination and wages, and no significant risks were found. 45% of our value chain partners, by value of business, were assessed on the same issues.

Wages	FY 2025-26
Permanent employees and workers paid above minimum wage	100%
Contract workers paid at least the minimum wage	100%
Employees and workers trained on human rights	100% (1,713)

Fair wages

We require contractors to show proof that statutory dues for their workers have been paid. We are reviewing contract wages against living wage benchmarks.

Grievances

Grievances can be raised with a supervisor or department head, through the HRIS system, with the HR Manager, or with the Internal Grievance Committee at each plant, which includes a director, HR, the plant head and other members. In FY 2025-26 we received no complaints on sexual harassment, discrimination, child labour, forced labour, wages or any other human rights issue.

Labour relations

Employees and workers are free to form or join associations. 0% of employees are covered by collective bargaining agreements. We inform employees in advance of significant operational changes, as required under applicable labour law.

Persons with disabilities

Our premises are accessible to visitors with disabilities. We do not currently employ persons with disabilities in our plants, given the hazardous nature of the work, but our Equal Opportunity Policy commits us to providing reasonable accommodation if we do. We are exploring suitable roles in offices and laboratories.

A respectful workplace

Our Policy on Prevention of Sexual Harassment applies to every location, with an Internal Complaints Committee chaired by the Company Secretary and including an independent external member. There were no complaints of sexual harassment or discrimination in FY 2025-26 or FY 2024-25.

Community Development and CSR

GRI 3-3, 203-1, 413-1, 413-2

Our manufacturing plants are part of the communities around them. We invest in education, health, water and rural livelihoods, especially in tribal and underserved areas of Gujarat, to help our neighbours share in the progress our chemistry creates.

How we invest

Our CSR Policy follows Schedule VII of the Companies Act, 2013. The CSR Committee, chaired by Independent Director Mrs. Richa Goyal, approves the annual plan, met twice during the year, and reviews progress every six months. Projects are designed in consultation with local communities and implemented directly or through registered partners, including DRVA Charitable Trust, Shree Gujarat Vanvasi Kalyan Parishad and Dr. Ambedkar Vanvasi Kalyan Trust.

CSR	FY 2025-26	FY 2024-25
CSR spend	₹28.81 Mn	₹19.77 Mn
Programmes	22	20+
Beneficiaries	~8,000	7,162
Unspent CSR obligation	Nil	Nil

Where we invested

Our programmes reach communities in Surat, Bharuch, Navsari, Tapi, Dang, Vadodara and Ahmedabad districts of Gujarat, and beyond.

Education

210.51 lakh

Fees for students in need, school infrastructure, books, stationery and sports equipment, learning aids for students with disabilities







Rural development

36.63 lakh

Rural and tribal development, women's empowerment and livelihood projects



Other

9.97 lakh

Sports coaching and community needs identified through engagement



Stories of change

Education

2,475 students benefited from fee support and improved school infrastructure, including 392 students with disabilities who received learning aids.

Health in tribal areas

Preventive health camps and nutrition kits in Dang and Tapi districts reached 712 people, including tuberculosis patients supported in their recovery.

Water security

Water harvesting and groundwater restoration works at 200 locations are helping farmers and families through the dry season.







Water and sanitation

11.30 lakh

Water harvesting and groundwater restoration

Healthcare

19.70 lakh

Healthcare camps in tribal areas, nutrition kits for tuberculosis patients, healthcare equipment and hospital support

Listening to our neighbours

We engage local communities through regular meetings, CSR projects and awareness programmes. A site-level committee receives written and verbal concerns from the community, conducts joint field visits, and tracks each concern to closure. We received no community complaints in FY 2025-26 or FY 2024-25. No project during the year required a social impact assessment or any rehabilitation and resettlement.

Supporting local livelihoods

Beyond our CSR initiatives, our operations support local livelihoods. All our wages are paid in rural and semi-urban areas, and the rural share rose to 20.6%. We bought 43% of our inputs from suppliers in Surat and neighbouring districts and 40% from MSMEs and small producers.







Independent Assurance Statement on

BRSR Core KPIs – FY 2025-26

Assurance statement on third-party verification of sustainability information

Unique identification no.: **3153284182**

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by **Acutaas Chemicals Limited** having its corporate office at **Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394230, Gujarat** (hereinafter "Company") for the period from **01 April 2025 to 31 March 2026.**

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/framework (hereinafter referred as "Reporting Criteria").

Reporting standard/framework

The disclosures have been prepared by **the Company,** in reference to:

BRSR Core – Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July12, 2023.

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period Financial Year (FY) 2025-26 as listed below

Reasonable level of assurance over the 'nine BRSR Core attributes'

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 BRSR reporting, and accordingly, we do not express a conclusion on this information.

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

Level of Assurance

Reasonable level of assurance over the 'nine BRSR Core attributes' (Ref: Annexure I of SEBI circular)

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement and materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls

- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
Onsite review		
1	**Acutaas Chemicals Limited**	**Corporate office -** Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat 394230, Gujarat
2		**Unit I -** 440/5, Rd Number 82-A, GIDC, Sachin, Surat, Gujarat 394230
3		**Unit II -** Plot No. 127, 1, GIDC, Industrial Estate, Ankleshwar, Gujarat 393002
Offsite review		
4	**Acutaas Chemicals Limited**	Consolidated review of all the sites within the reporting boundary
5		
6		

Conclusion

Reasonable level of assurance over the 'nine BRSR Core attributes'

On the basis of the assessment procedures carried out & evidence we have collected during 05.08.2026 to 17.08.2026, in our opinion, the identified sustainability indicators of nine BRSR Core Attributes (Listed in Annexure I of this statement) of BRSR for FY 2025-26 are prepared in all material respects in accordance with the reporting requirements outlined in BRSR Core.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the "scope of the engagement". Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

Kolkata, 21 August 2026

Prosenjit Mitra
General Manager- Verification, Validation and Audit
Management System Assurance

Brototi Das
Verification Team Leader, TÜV SÜD
Management System Assurance

TÜV SÜD South Asia Pvt. Ltd. ● TÜV SÜD House ● Saki Naka ● Andheri (East) ● Mumbai – 400072 ● Maharashtra ● India TÜV®

Annexure I

S.No.	Attribute	Parameter	Cross reference to BRSR (P-Principles/ E- Essential Indicator)
1.	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) GHG Emission Intensity (Scope 1 +2)	P6-E7
2.	Water footprint	Total water consumption Water consumption intensity Water Discharge by destination and levels of Treatment	P6-E3 P6-E4
3.	Energy footprint	Total energy consumed % of energy consumed from renewable sources Energy intensity	P6-E1
4.	Embracing circularity - details related to waste management by the entity	Plastic waste (A) E-waste (B) Bio-medical waste (C) Construction and demolition waste (D) Battery waste (E) Radioactive waste (F) Other Hazardous waste. Please specify, if any. (G) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) Total waste generated ((A+B + C + D + E + F + G + H) Waste intensity Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations For each category of waste generated, total waste disposed by nature of disposal method	P6-E9
5.	Enhancing Employee Wellbeing and Safety	Spending on measures towards well being of employees and workers – cost incurred as a % of total revenue of the company Details of safety related incidents for employees and workers (including contract-	P3-E1 P3-E11

		workforce e.g. workers in the company's construction sites)	
6.	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid Complaints on POSH	P5-E3 P5-E7
7.	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost	P8-E4 P8-E5
8.	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events Number of days of accounts payable	P9-E7 P1-E8
9.	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	P1-E9



03 Annexures

Performance Data

The tables below bring together our key ESG indicators for the year. Data cover Acutaas Chemicals Limited (standalone) unless stated otherwise.

Environment

Indicator	Unit	FY 2025-26	FY 2024-25
Total energy consumed	GJ	5,31,497	4,33,048
Renewable energy	GJ	61,266	1,067
Energy intensity	GJ/MT of production	106.82	66.00
Scope 1 emissions	tCO_2e	23,730	26,874
Scope 2 emissions	tCO_2e	27,675	16,552
Scope 3 emissions	tCO_2e	19,260	15,564
Scope 1 + 2 intensity	tCO_2e/MT of production	10.33	6.62
Emissions avoided through captive solar	tCO_2e	12,083	—
Water withdrawal	KL	1,39,547	1,28,710
Water discharged (treated)	KL	58,931	58,625
Water consumption	KL	80,616	70,085
Water intensity	KL/MT of production	16.20	10.68
NOx / SOx / PM	$\mu g/m^3$	28.19 / 22.26 / 49.75	20.66 / 19.08 / 61.14
Hazardous air pollutants	$\mu g/m^3$	3.36	4.23
Total waste generated	MT	17,023.90	8,020.32
Waste recycled	MT	14,485.73	4,969.12
Waste incinerated	MT	30.52	8.09
Waste landfilled	MT	2,291.65	2,785.06

Social

Indicator	Unit	FY 2025-26	FY 2024-25
Permanent employees (male / female)	Number	909 / 31	776 / 36
Permanent workers (male / female)	Number	66 / 1	65 / 2
Contract workers (male / female)	Number	694 / 12	573 / 13
Employee turnover rate	%	16.78	11.58
Fatalities (employees / workers)	Number	0 / 0	0 / 1
LTIFR (employees / workers)	Per million person-hours	0 / 0	0 / 0.30
Recordable work-related injuries	Number	0	0
Employees trained on health and safety	%	100	100
Employees trained on skill upgradation	%	84.03	85.59
Employees receiving performance reviews	%	84.47	94.95
Employees and workers trained on human rights	%	100	100
Gross wages paid to women	% of total wages	2.15	2.67
Spending on employee and worker well-being	₹ Mn	65.96	61.21
Complaints on sexual harassment	Number	0	0
Complaints on discrimination, child labour, forced labour or wages	Number	0	0
Purchases from MSMEs and small producers	%	40.23	34
Purchases from Surat and neighbouring districts	%	42.74	29
Value chain partners assessed on health, safety and labour practices	% by value	45	35%
CSR spend	₹ Mn	28.81	19.77
CSR beneficiaries	Number	~8,000	7,162
Customer complaints received / pending	Number	22 / 0	23 / 0

Governance

Indicator	Unit	FY 2025-26	FY 2024-25
Board size / independent directors	Number	8 / 4	8 / 4
Women on the Board	%	25	25
ESG Committee meetings	Number	3	2
Fines, penalties and settlements	₹	Nil	Nil
Disciplinary action for bribery or corruption	Number	0	0
Conflict-of-interest complaints (directors / KMPs)	Number	0 / 0	0 / 0
Data breaches	Number	0	0
Product recalls	Number	0	0

GRI Content Index

Statement of use: Acutaas Chemicals Limited has reported in accordance with the GRI Standards for the period 1 April 2025 to 31 March 2026.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standard: None. GRI has not yet published a Sector Standard for the chemicals sector.

GRI 2: General Disclosures 2021

Disclosure	Description	Page No.
2-1	Organisational details	20
2-2	Entities included in sustainability reporting	10, 24
2-3	Reporting period, frequency and contact point	10, 12
2-4	Restatements of information	10, 81
2-5	External assurance	10, 117
2-6	Activities, value chain and other business relationships	20–23, 26, 63–65, 72
2-7	Employees	25, 95
2-8	Workers who are not employees	25, 95
2-9	Governance structure and composition	41–43
2-10	Nomination and selection of the highest governance body	44
2-11	Chair of the highest governance body	41
2-12	Role of the highest governance body in overseeing the management of impacts	47, 54
2-13	Delegation of responsibility for managing impacts	45–46
2-14	Role of the highest governance body in sustainability reporting	47
2-15	Conflicts of interest	51
2-16	Communication of critical concerns	51
2-17	Collective knowledge of the highest governance body	47
2-18	Evaluation of the performance of the highest governance body	47
2-19	Remuneration policies	48
2-20	Process to determine remuneration	48
2-21	Annual total compensation ratio	49
2-22	Statement on sustainable development strategy	13–16
2-23	Policy commitments	36, 50
2-24	Embedding policy commitments	51
2-25	Processes to remediate negative impacts	51, 105
2-26	Mechanisms for seeking advice and raising concerns	51
2-27	Compliance with laws and regulations	56
2-28	Membership associations	57
2-29	Approach to stakeholder engagement	29–30
2-30	Collective bargaining agreements	105

GRI 3: Material Topics 2021

Disclosure	Description	Page No.
3-1	Process to determine material topics	31
3-2	List of material topics	31–34
3-3	Management of material topics	35, and in each topic section

Topic-specific disclosures

Material topic	GRI Standard and disclosure	Page No.	Omission
Climate action and GHG emissions	305-1, 305-2, 305-3, 305-4, 305-5	81–82	
Climate risk disclosure and readiness	201-2	54–55	
Renewable energy and energy efficiency	302-1, 302-3, 302-4	83–84	302-2: information unavailable; to be reported from FY 2026-27
Water stewardship	303-1, 303-2, 303-3, 303-4, 303-5	86–87	
Waste management and circularity	301-2, 306-1 to 306-5 (301-1 omitted: confidentiality constraints)	67, 88–90	
Air emissions	305-7	85	305-6: not applicable; no ozone-depleting substances used in processes
Biodiversity	101-1 to 101-8	91	
Green chemistry and sustainable innovation	3-3	66–67	
Product carbon footprint	3-3	67	
Customer health and product safety	416-1, 416-2, 417-1, 417-2, 417-3	68–71	
Responsible and resilient supply chain	204-1, 308-1, 308-2, 414-1, 414-2	72–73	
Occupational health and safety	403-1 to 403-10	97–99	
Employee development and talent growth	401-1, 404-1, 404-2, 404-3	95–96, 100–101	
Diversity, equity, inclusion and well-being	401-2, 401-3, 405-1, 405-2, 406-1	97, 102–103	
Labour and human rights	402-1, 407-1, 408-1, 409-1	104–105	
Community development	203-1, 203-2, 413-1, 413-2	74, 106	
Ethical conduct and anti-corruption	205-1, 205-2, 205-3, 206-1	52–53	
Data governance and cybersecurity	418-1	59–60	
Regulatory compliance	2-27	56	
ESG governance, transparency and assurance	2-9 to 2-21	41–49	
Global expansion and responsible integration	3-3	24–25, 63–65	
Public policy	415-1	57	
Tax	207-1, 207-2	58	207-3, 207-4: reported in the Annual Report 2025-26
Economic performance	201-1, 201-3, 201-4	–	Reported in the Annual Report

BRSR Core Cross-Reference

BRSR Core attribute	Page No.
1. Greenhouse gas footprint	81–82
2. Water footprint	86–87
3. Energy footprint	83–84
4. Embracing circularity: waste management	89–90
5. Employee well-being and safety	97–99
6. Gender diversity in business	102, 104
7. Inclusive development	73–74
8. Fairness in engaging with customers and suppliers	53, 60, 71
9. Openness of business	53

NGRBC principle	Page No.
P1: Ethics, transparency and accountability	50–53
P2: Sustainable and safe goods and services	66–73
P3: Employee well-being	95–103
P4: Stakeholder engagement	29–30
P5: Human rights	104–105
P6: Environment	79–92
P7: Responsible public policy	57
P8: Inclusive growth	74–76, 106–107
P9: Consumer value	68–71

Independent Assurance Statement

Independent Assurance on Verification of Sustainability Information

Anares/AR/26-01

Reporting Period – 1 April 2025 to 31 March 2026 (FY 2025-26)

The Management and Board of Directors
Acutaas Chemicals Limited
Registered Office: Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394230, Gujarat, India

Independent Assurance Report

Anares Analytics LLP (hereinafter referred to as "the Service Provider" or "Anares Analytics LLP") has been engaged by **Acutaas Chemicals Limited** (hereinafter referred to as "the Company") to conduct an assurance engagement on the sustainability information presented in the Company's **Annual Sustainability Report FY 2025-26 – "Chemistry for a Changing World" & ESG Key Performance Indicator Roadmap Up to FY 2029-30** for the reporting period 1 April 2025 to 31 March 2026 (FY 2025-26). The engagement involved an examination of the accuracy and reliability of the sustainability data disclosed. The Company has reported the sustainability information in accordance with the Global Reporting Initiative (hereinafter referred to as "GRI") Universal Standards 2021. The greenhouse gas (GHG) emission KPIs within the disclosure have additionally been verified with reference to ISO 14064-3:2019. This engagement reflects the Company's commitment to transparency and accountability in reporting on its Environmental, Social and Governance (hereinafter referred to as "ESG") performance.

Assurance Standard

The verification engagement has been planned and performed in accordance with the verification methodology developed by Anares Analytics LLP, which is based upon the **"AA1000 Assurance Standard v3 (AA1000AS v3)"** – Type 1, Moderate level of assurance.

The GHG emission KPIs (Scope 1, Scope 2, Scope 3 and GHG emission intensity) were additionally verified with reference to **ISO 14064-3:2019** – Greenhouse gases – Specification with guidance for the verification and validation of greenhouse gas statements, at a limited level of assurance. The GHG data was evaluated against the **GHG Protocol Corporate Accounting and Reporting Standard** and the **Corporate Value Chain (Scope 3) Standard**, being the criteria adopted by the Company, with the organisational boundary set using the operational control approach.

Scope of Assurance and Methodology

The verification was conducted to provide an assurance conclusion on select non-financial sustainability disclosures in the Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 for the reporting period, and to verify their compliance with the GRI Universal Standards 2021, including the requirements of GRI 1: Foundation 2021 for reporting in accordance with the GRI Standards and the Company's GRI content index. On a sample basis, we reviewed and verified the data collection and calculation methodology and the logic for inclusion or omission of relevant information and data. Our procedures included:

- Onsite and remote verification of data, on a selective test basis, for the following units / locations, through consultations with the site teams and ESG Committee members of the Company:

Unit	Address
Registered office	Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat, Gujarat 394230, India
Factory Unit 1	Plot No. 440/4, 5, 6 & 8206/B, Road No. 82/A, GIDC Sachin, Surat 394230, Gujarat, India
Factory Unit 2	Plot No. 127/1, Industrial Estate, GIDC, Ankleshwar-393002, Gujarat, India
Factory Unit 3	Plot No. 910/1/B, GIDC, Jhagadia-393110, Bharuch, Gujarat, India
Research & Development Unit	Plot No. C1B-469, Road No. 82-C, GIDC Sachin, Surat, Gujarat 394230
Warehouse I	Plot No. 478, 479 & 494, 495, Road No. 82-C, GIDC, Sachin, Surat, Gujarat 394230

- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in the collection, transcription and aggregation processes followed;
- For GHG emission KPIs, in line with ISO 14064-3:2019: review of the organisational and operational boundary, checking activity data (fuel, purchased and renewable electricity, and refrigerant records) against source documents, reviewing the upstream and downstream Scope 3 categories and the data sources used, verifying the emission factors and Global Warming Potentials applied, and recalculating reported emissions and intensity on a sample basis;
- Review of the Company's plans, policies and practices pertaining to its ESG strategy, so as to comment on the fairness of the sustainability disclosures; and
- Review of the Company's approach to materiality assessment to identify relevant issues.

The engagement was conducted with reference to the four principles of AA1000AP (2018) – Inclusivity, Materiality, Responsiveness and Impact – which were duly considered while performing this engagement. Based on our review, the Company has demonstrated materiality in its disclosures, inclusivity in stakeholder engagement, responsiveness to key sustainability concerns, and consideration of impacts across relevant areas.

Company's Accountability

The Management of the Company, supported by the ESG Committee and the responsible functional heads, is responsible for preparing the Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 free from material misstatement in accordance with the GRI Universal Standards 2021, and for the information contained therein. This includes choosing and applying suitable methodologies for sustainability reporting and GHG quantification, gathering and organising data, and making well-founded assumptions or estimates where needed. They are also responsible for implementing adequate internal controls to ensure the disclosures are free from material errors, whether deliberate or accidental.

Our Observations

The Company has demonstrated its commitment to sustainable development by reporting its performance on material topics for FY 2025-26 in accordance with the GRI Universal Standards 2021. The Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 sets out the Company's stakeholder engagement process, materiality assessment, ESG governance responsibilities and performance on the identified material topics across its manufacturing units at Sachin, Ankleshwar and Jhagadia, the ESG KPI targets set against the FY 2025-26 baseline, and its Scope 1, Scope 2 and Scope 3 GHG emissions have been quantified with reference to the GHG Protocol. There is further scope to strengthen the data and information management system to ensure uniform and accurate reporting. Areas for improvement have been brought to the attention of the management and ESG Committee of the Company. These observations do not affect our conclusion presented in this statement.

Areas for improvement include:

- Strengthening data accuracy through enhanced internal controls, including uniform data collection across all three manufacturing units and consistency of KPI values across sections of the report and the Roadmap.
- Documenting a GHG inventory management procedure aligned with ISO 14064-1:2018, and disclosing Scope 3 emissions by category with the methods and emission factors used.
- Increasing the coverage of ESG assessments of critical suppliers of raw materials and intermediates.
- Expanding disclosures on product stewardship, chemical safety and supply chain sustainability performance.
- Linking ESG performance more explicitly with strategic business outcomes.

Guidelines for Utilisation of This Statement

The Company is obligated to reproduce the Anares Analytics LLP Independent Assurance statement, along with any attachments, in its entirety, without any alterations, deletions or additions.

This statement is specifically designed to convey the outcomes of the commissioned evaluation to the Company and defines the boundaries of the engagement. Anares Analytics LLP has not taken into account the interests of any third parties regarding the chosen sustainability information, this assurance report or the conclusions drawn. Consequently, nothing within the scope of this engagement or statement grants any third party any rights or entitlements.

Limitations

The assurance engagement outlined herein does not encompass the following areas:

1. Our assurance does not cover any data or information pertaining to the financial performance of the Company.
2. Our role is strictly limited to providing the assurance services detailed in this letter. We do not undertake any

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management functions or make decisions on behalf of the Company. All decisions, including those related to the acceptance and implementation of our services, remain the responsibility of the Company's management.

3. Any data or information that falls outside the specified reporting period is not covered by our assurance scope.
4. Our assurance is limited to the operations and locations explicitly mentioned within the defined assurance boundary, unless specifically stated otherwise in this report.
5. The Company's statements expressing opinions, beliefs, aspirations, expectations or future intentions, as well as assertions related to intellectual property rights and competitive matters, are beyond the scope of our assurance.
6. We do not cover the Company's strategy, including the FY 2029-30 targets and roadmap commitments themselves. Our assurance is limited to the reported FY 2025-26 performance data; the FY 2025-26 baseline used for target setting and comparative figures for previous years are not covered.
7. GHG verification does not extend to avoided emissions, carbon credits or offsets, renewable energy attribute certificates, or product carbon footprints.
8. Our assurance does not extend to the mapping of the report with any reporting frameworks other than those specified above.

Our Assurance Team and Independence

Our assurance team, comprising multidisciplinary professionals with experience in sustainability assurance and GHG accounting, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, Anares Analytics LLP is required to comply with the independence requirements set out in the **"AA1000 Assurance Standard v3 (AA1000AS v3)"** and the impartiality principles of **ISO 14064-3:2019**. Anares Analytics LLP's independence policies and procedures ensure compliance with these standards. Details can be made available to stakeholders upon request by contacting us at contact@anaresassure.com.

Restriction of Liability

This assurance statement has been prepared solely for the Company in accordance with the terms of our engagement. Anares Analytics LLP does not accept or assume any responsibility to any third party for the information contained in this statement. This assurance statement applies exclusively to the Company's Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 as defined within the scope. It may not be relied upon by other stakeholders for different purposes. Anares Analytics LLP shall not be held liable for any decisions or actions taken by third parties based on this assurance statement.

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Conclusion

On the basis of our procedures, nothing has come to our attention that causes us to believe that the Company has not fairly presented the sustainability information in its Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 for the reporting period, in all material respects, in accordance with the GRI Universal Standards 2021. Further, nothing has come to our attention that causes us to believe that the Scope 1, Scope 2 and Scope 3 GHG emission KPIs reported therein have not been prepared, in all material respects, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.



Signature,
Mr. Pankaj Shah
Director
Anares Analytics LLP
Date: 2nd Sept 2026
Place: India

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GHG Methodology

Item	Approach
Standard	GHG Protocol Corporate Standard; GHG Protocol Corporate Value Chain (Scope 3) Standard
Consolidation approach	Operational control
Boundary	Units I (Sachin), II (Ankleshwar) and III (Jhagadia), R&D centre and warehouses at Sachin
Gases included	CO_2, CH_4, N_2O and HFCs from refrigerants
Scope 1 sources	Fuel combustion in boilers, thermic fluid heaters and diesel generators; process emissions; refrigerant leakage; company vehicles
Scope 2 sources	Purchased grid electricity and steam (location-based)
Scope 2 emission factor	Central Electricity Authority (CEA) CO_2 Baseline Database, latest version
Scope 1 emission factors	IPCC 2006 Guidelines and DEFRA conversion factors
Global warming potentials	IPCC Sixth Assessment Report (AR6)
Renewable energy	Captive solar generation accounted as zero-emission electricity
Restatement	FY 2024-25 Scope 1 and Scope 3 restated following an updated methodology

Glossary

Term	Meaning
ATFD	Agitated Thin Film Dryer, used to recover solids from effluent
BRSR	Business Responsibility and Sustainability Report, mandated by SEBI for listed companies in India
CDMO	Contract Development and Manufacturing Organisation
CSR	Corporate Social Responsibility
DCS	Distributed Control System, used to automate and control plant processes
DSIR	Department of Scientific and Industrial Research, Government of India
E-factor	Kilograms of waste generated per kilogram of product
EHS	Environment, Health and Safety
ESG	Environmental, Social and Governance
ETP	Effluent Treatment Plant
FEC	Fluoroethylene Carbonate, an electrolyte additive for lithium-ion batteries
GHG	Greenhouse gas
GIDC	Gujarat Industrial Development Corporation
GMP	Good Manufacturing Practice
GPCB	Gujarat Pollution Control Board
GRI	Global Reporting Initiative
KMP	Key Managerial Personnel
LCA	Life Cycle Assessment
LTIFR	Lost-Time Injury Frequency Rate
MEE	Multi Effect Evaporator
MSME	Micro, Small and Medium Enterprise
NCE	New Chemical Entity
NGRBC	National Guidelines on Responsible Business Conduct
PMDA	Pharmaceuticals and Medical Devices Agency, Japan
POSH	Prevention of Sexual Harassment
SA 8000	International standard for social accountability
SBTi	Science Based Targets initiative
SDG	UN Sustainable Development Goal
TSDF	Treatment, Storage and Disposal Facility
USFDA	United States Food and Drug Administration
VC	Vinylene Carbonate, an electrolyte additive for lithium-ion batteries
ZLD	Zero Liquid Discharge

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